

Table 1

McDaniel & Associates Consultants Ltd.
Summary of Price Forecasts
January 1, 2006

Year	WTI Crude Oil \$/BBL (1)	Brent Crude Oil \$/BBL (2)	Edmonton Light Crude Oil \$/BBL (3)	Alberta Bow River Hardisty Crude Oil \$/BBL (4)	Alberta Heavy Crude Oil \$/BBL (5)	Sask Cromer Medium Crude Oil \$/BBL (6)	Edmonton Cond. & Natural Gasolines \$/Bbl	Edmonton Propane \$/Bbl	Edmonton Butanes \$/Bbl	Edmonton NGL Mix \$/Bbl (7)	Inflation %	US/CAN Exchange Rate \$/CAN
History												
1986	15.00		20.50	15.11	na		20.10	13.96	17.30	16.40	4.2	0.719
1987	19.30		24.30	20.79	na		23.80	9.98	16.80	15.10	4.4	0.755
1988	16.00		18.70	14.41	na		18.30	8.19	12.95	11.90	4.0	0.812
1989	19.60		22.20	18.09	na		21.80	8.14	10.35	11.60	5.0	0.844
1990	24.50		27.60	21.06	16.00		27.00	13.67	16.21	17.20	4.8	0.857
1991	21.40		23.40	15.07	9.05		22.90	11.91	15.25	15.30	5.6	0.873
1992	20.55		23.50	17.52	12.95		23.00	10.55	14.05	14.30	1.5	0.828
1993	18.60		21.90	16.70	13.30		21.50	14.10	13.55	15.40	1.8	0.775
1994	17.20		22.20	18.43	15.00		21.75	12.50	13.45	14.70	0.2	0.732
1995	18.45		24.25	20.80	17.25		23.76	13.90	13.80	15.80	2.2	0.729
1996	22.10		29.35	25.11	20.05		28.75	22.20	17.15	21.70	1.6	0.733
1997	20.55	19.09	27.80	21.22	14.40		31.10	18.60	19.05	21.30	1.6	0.722
1998	14.40	12.77	20.35	14.60	9.40	17.00	21.85	10.95	11.90	13.50	1.0	0.687
1999	19.25	17.86	27.60	23.35	19.65	25.47	27.60	15.45	17.73	18.70	1.7	0.673
2000	30.31	28.40	44.72	34.35	27.80	40.10	46.25	31.55	35.00	35.70	2.7	0.674
2001	25.97	24.42	39.60	25.07	18.05	32.22	42.42	29.15	28.45	31.60	2.6	0.646
2002	26.10	24.95	39.95	31.65	27.60	34.93	40.65	19.85	26.10	26.20	2.2	0.637
2003	31.05	28.85	43.15	32.68	27.40	37.57	44.10	30.15	33.45	34.10	2.0	0.716
2004	41.40	38.30	52.54	37.60	30.40	45.94	55.77	33.28	39.45	39.94	2.0	0.770
2005 est	56.45	54.30	69.05	45.00	34.55	57.80	77.50	40.00	47.30	50.10	2.0	0.825
Forecast												
2006	57.50	55.00	66.60	45.70	35.50	58.50	68.10	46.10	48.80	51.40	2.5	0.850
2007	55.40	53.40	64.20	45.30	36.10	56.30	65.70	43.00	47.00	48.90	2.5	0.850
2008	52.50	50.40	60.70	44.00	36.00	53.30	62.30	39.50	44.50	45.80	2.5	0.850
2009	49.50	47.30	57.20	42.60	35.30	50.20	58.80	35.90	41.90	42.60	2.5	0.850
2010	46.90	44.70	54.10	40.30	33.40	47.50	55.80	33.70	39.60	40.20	2.5	0.850
2011	48.10	45.80	55.50	41.30	34.20	48.70	57.20	34.60	40.70	41.30	2.5	0.850
2012	49.30	47.00	56.80	42.30	35.10	49.90	58.50	35.50	41.60	42.20	2.5	0.850
2013	50.50	48.10	58.20	43.40	35.90	51.10	60.00	36.30	42.60	43.20	2.5	0.850
2014	51.80	49.40	59.70	44.50	36.90	52.40	61.50	37.20	43.70	44.30	2.5	0.850
2015	53.10	50.60	61.20	45.60	37.80	53.70	63.10	38.20	44.80	45.50	2.5	0.850
2016	54.40	51.80	62.70	46.70	38.70	55.00	64.60	39.10	45.90	46.60	2.5	0.850
2017	55.80	53.20	64.30	47.90	39.70	56.50	66.30	40.20	47.10	47.80	2.5	0.850
2018	57.20	54.50	65.90	49.10	40.70	57.90	67.90	41.20	48.30	49.00	2.5	0.850
2019	58.60	55.80	67.60	50.30	41.70	59.30	69.70	42.10	49.50	50.20	2.5	0.850
2020	60.10	57.30	69.30	51.60	42.80	60.80	71.40	43.10	50.80	51.50	2.5	0.850
Thereafter	+2.5%/yr	+2.5%/yr	+2.5%/yr	+2.5%/yr	+2.5%/yr	+2.5%/yr	+2.5%/yr	+2.5%/yr	+2.5%/yr	+2.5%/yr	2.5	0.850

(1) West Texas Intermediate at Cushing Oklahoma 40 degrees API/0.5% sulphur

(2) North Sea Brent Blend 37 degrees API/1.0% sulphur

(3) Edmonton Light Sweet 40 degrees API, 0.3% sulphur

(4) Bow River at Hardisty Alberta (Heavy stream)

(5) Heavy crude oil 12 degrees API at Hardisty Alberta (after deduction of blending costs to reach pipeline quality)

(6) Midale Cromer crude oil 29 degrees API, 2.0% sulphur

(7) NGL Mix based on 45 percent propane, 35 percent butane and 20 percent natural gasolines.

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Summary of Natural Gas Price Forecasts
January 1, 2006

Year	U.S. Henry Hub Gas Price \$/Mmbtu	Alberta AECO Spot Price \$/GJ	Alberta Average Plantgate \$/Mmbtu	Alberta Aggregator Plantgate \$/Mmbtu	Alberta Spot Sales Plantgate \$/Mmbtu	Sask. Prov. Gas Plantgate \$/Mmbtu	Sask. Spot Sales Plantgate \$/Mmbtu	British Columbia CanWest Plantgate \$/Mmbtu	British Columbia CanWest Wellhead \$/Mcf	B.C. Spot Sales Plantgate \$/Mmbtu
(1)										
History										
1986	1.75	-	2.35	2.59	-	-	-	-	-	-
1987	1.50	-	1.64	1.82	-	-	-	-	-	-
1988	1.85	-	1.44	1.66	1.21	-	-	-	-	-
1989	1.68	-	1.47	1.57	1.28	-	-	-	-	-
1990	1.67	-	1.45	1.64	1.20	-	-	-	-	-
1991	1.54	-	1.18	1.31	0.97	-	-	-	-	1.13
1992	1.79	-	1.22	1.30	1.04	-	1.47	1.11	1.10	1.10
1993	2.13	-	1.89	1.60	2.16	-	1.73	1.37	2.13	2.13
1994	1.92	1.88	1.83	1.81	1.86	-	1.81	1.45	1.87	1.87
1995	1.62	1.12	1.18	1.23	1.02	-	1.29	0.90	1.12	1.12
1996	2.50	1.39	1.54	1.63	1.34	-	1.51	1.14	1.47	1.47
1997	2.59	1.71	1.84	1.86	1.67	-	1.78	1.43	1.98	1.98
1998	2.06	1.96	1.90	1.88	1.84	1.84	-	1.94	1.59	2.00
1999	2.28	2.79	2.60	2.46	2.78	2.78	2.96	2.52	2.19	2.77
2000	4.31	5.32	5.20	4.57	5.38	5.38	4.83	5.27	5.05	4.88
2001	3.98	5.15	5.25	5.25	5.25	5.25	6.15	6.75	6.58	6.30
2002	3.36	3.86	3.89	3.80	3.91	3.91	3.90	3.63	3.35	3.93
2003	5.49	6.32	6.39	6.00	6.51	6.23	6.38	5.70	5.50	6.32
2004	5.90	6.20	6.37	6.28	6.38	6.31	6.52	5.51	5.30	6.45
2005 est	8.50	8.40	8.60	8.55	8.65	8.30	8.30	6.80	6.65	8.15
Forecast										
2006	9.90	10.05	10.40	10.40	10.40	10.60	10.60	10.30	10.30	10.40
2007	9.05	9.05	9.35	9.35	9.35	9.55	9.55	9.25	9.20	9.35
2008	8.15	8.05	8.30	8.30	8.30	8.50	8.50	8.20	8.10	8.30
2009	7.25	7.00	7.20	7.20	7.20	7.40	7.40	7.10	6.95	7.20
2010	6.85	6.55	6.70	6.70	6.70	6.90	6.90	6.60	6.40	6.70
2011	7.05	6.75	6.85	6.85	6.85	7.10	7.10	6.75	6.55	6.85
2012	7.25	6.90	7.05	7.05	7.05	7.30	7.30	6.95	6.75	7.05
2013	7.40	7.05	7.20	7.20	7.20	7.45	7.45	7.10	6.90	7.20
2014	7.60	7.25	7.40	7.40	7.40	7.65	7.65	7.30	7.10	7.40
2015	7.80	7.45	7.60	7.60	7.60	7.85	7.85	7.50	7.30	7.60
2016	7.95	7.60	7.75	7.75	7.75	8.00	8.00	7.65	7.40	7.75
2017	8.20	7.80	8.00	8.00	8.00	8.25	8.25	7.90	7.65	8.00
2018	8.40	8.00	8.20	8.20	8.20	8.45	8.45	8.10	7.85	8.20
2019	8.60	8.20	8.35	8.35	8.35	8.65	8.65	8.25	8.00	8.35
2020	8.80	8.40	8.55	8.55	8.55	8.85	8.85	8.45	8.20	8.55
Thereafter	+2.5%/yr	+2.5%/yr	+2.5%/yr	+2.5%/yr	+2.5%/yr	+2.5%/yr	+2.5%/yr	+2.5%/yr	+2.5%/yr	+2.5%/yr

(1) This forecast also applies to direct sales contracts and the Alberta gas reference price used in the crown royalty calculations.