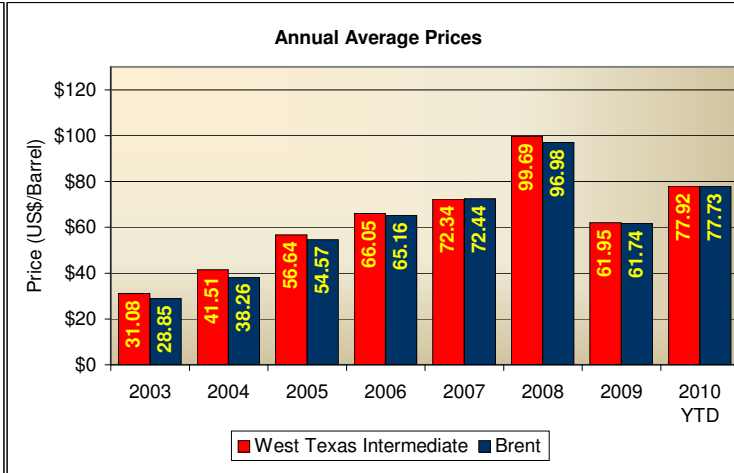
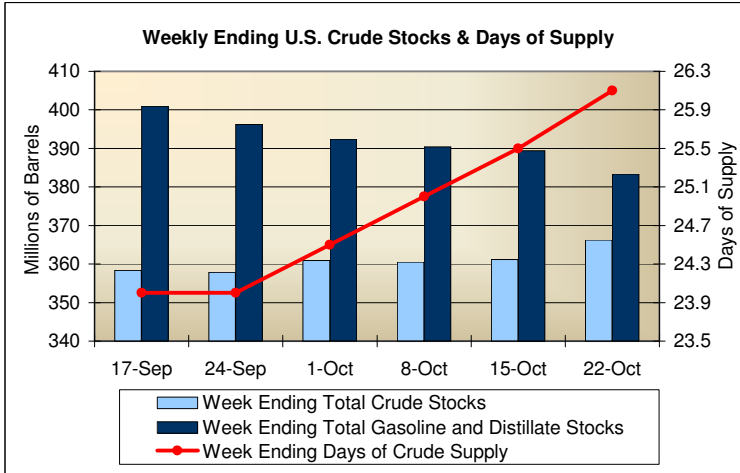
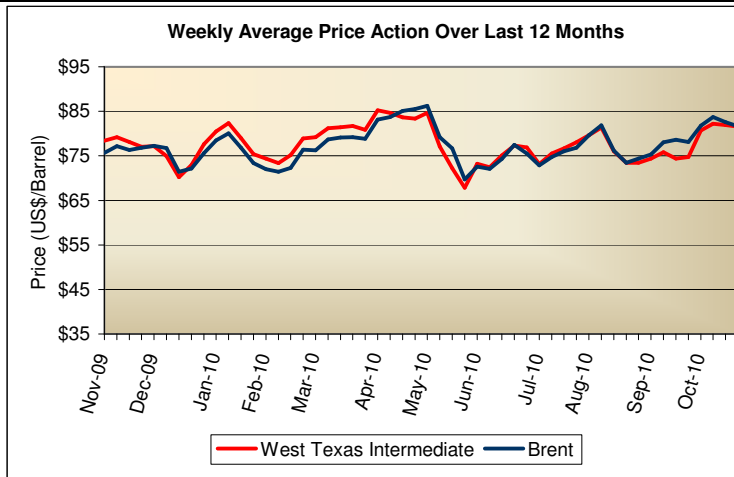
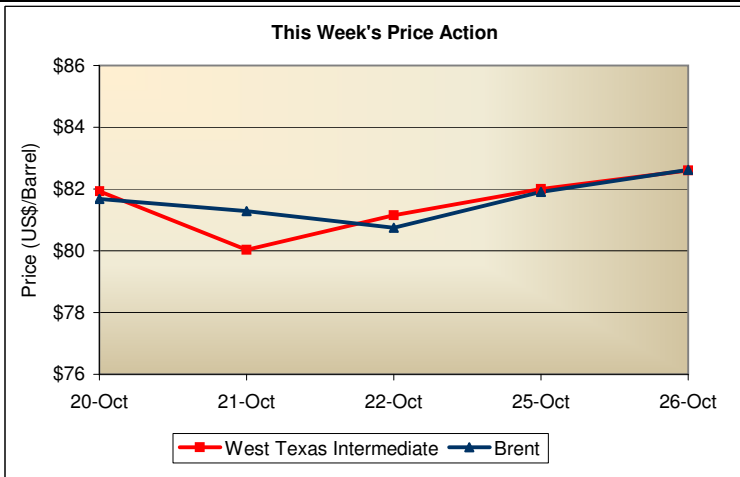


Crude Price Report - For the Period October 20, 2010 to October 26, 2010

Benchmark Crudes (US\$/bbl)	October 13 - October 19 Average	Current Period					October 20 - October 26 Average	October Month-to-Date	2010 Year-to-Date
		20-Oct	21-Oct	22-Oct	25-Oct	26-Oct			
West Texas Intermediate	\$81.92	81.93	80.03	81.15	82.00	82.60	\$81.54	\$81.90	\$77.92
Brent	\$82.58	81.68	81.28	80.75	81.91	82.62	\$81.65	\$82.74	\$77.73



COMMENTARY:

- For the October 20 - October 26 period, the average price for West Texas Intermediate was down by \$0.38 week-over-week, at \$81.54. Brent prices were down by \$0.93 week-over-week, averaging \$81.65.
- WTI began the period at \$81.93, ending higher at \$82.60 on October 26. Brent prices began the period at \$81.68, ending higher at \$82.62 on October 26.
- The average crude prices for 2010 year-to-date for WTI increased from the previous period with WTI up \$0.09 to \$77.92. Brent increased from the previous period up \$0.10 to \$77.73.
- US crude oil stocks increased by 5.007 million bbls this period. The days of crude supply increased by 0.6 days from 25.5 days in the previous period. US gasoline and distillate stocks decreased by 6.000 million bbls.
- On October 26, the American Petroleum Institute (API) reported that U.S. oil and natural gas drilling is on the upswing in 2010, after declining in 2009. An estimated 11,297 oil wells, natural gas wells and dry holes were completed in the third quarter of 2010, a 45% increase from last year's third quarter. API estimates showed a resurgence in oil well completion activity in the third quarter, with completions rising to an estimated 5,451 oil wells, a 60% jump from year-ago levels. For most of the past decade, natural gas had been the primary target for domestic drilling, however, the continued growth of oil well completions and a drop in natural gas completion activity this year amid low prices has shown this is no longer the case. An estimated 4,434 natural gas wells were completed in the third quarter of 2010, a 28% increase from 2009's third quarter. For the first three quarters of the year, estimated natural gas well completions dipped 3% from a year ago to 12,677, while oil well completions rose 21% to an estimated 13,865.
- On October 22, Reuters reported that the U.S. Interior Department received its first application for a permit to drill a new deepwater well since its temporary drilling ban ended. The moratorium on drilling at depths more than 152 meters was lifted last week, after the department said rules imposed in the aftermath of the BP oil spill lowered the risks associated with deepwater drilling. Michael Bromwich, head of the department's Bureau of Ocean Energy Management, has said he hopes the agency will begin approving permits by the end of the year. However, Bromwich also stated that drillers should not expect to get approvals in the same amount of time that it took prior to the BP accident. Shallow water drillers have complained that the lengthy permitting process in the aftermath of the BP spill has amounted to a moratorium on all drilling.

Sources/Notes:

1. West Texas Intermediate and Brent Crude prices are spot prices as reported weekly by the Energy Information Administration (EIA) of the Department of Energy (DOE) in the United States.
2. Inventory stocks are reported weekly by the EIA and include all inventories held with "primary" enterprises such as refiners and wholesalers of crude. Secondary and tertiary inventories held by retailers or end users are not included. Crude stocks include all unrefined crude; gasoline stocks include all grades of gasoline; and distillate stocks include all grades of distillates (including home heating fuel and diesel fuel).
3. Annual and monthly average prices for spot WTI and Brent crude from 2003 to 2010 are simple averages calculated from daily prices as reported by EIA.