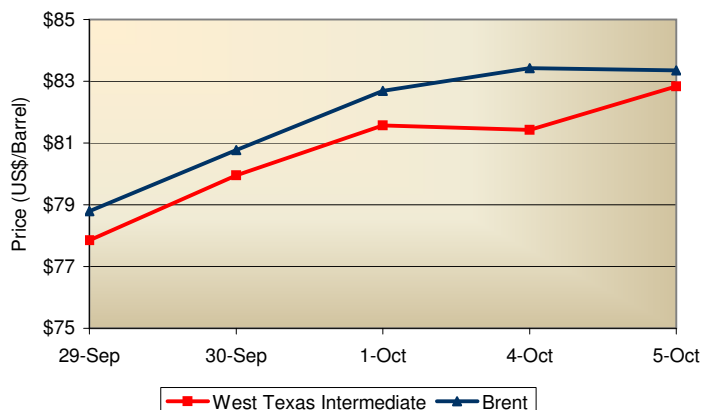


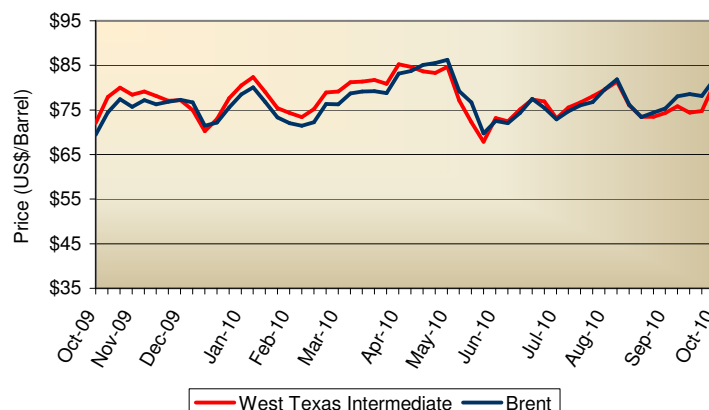
Crude Price Report - For the Period September 29, 2010 to October 5, 2010

Benchmark Crudes (US\$/bbl)	September 22 - September 28 Average	Current Period					September 29 - October 5 Average	October Month-to-Date	2010 Year-to-Date
		29-Sep	30-Sep	1-Oct	4-Oct	5-Oct			
West Texas Intermediate	\$74.73	77.85	79.95	81.57	81.43	82.83	\$80.73	\$81.94	\$77.61
Brent	\$78.11	78.79	80.77	82.69	83.42	83.35	\$81.80	\$83.15	\$77.34

This Week's Price Action



Weekly Average Price Action Over Last 12 Months



COMMENTARY:

► For the September 29 - October 5 period, the average price for West Texas Intermediate was up by \$6.00 week-over-week, at \$80.73. Brent prices were up by \$3.69 week-over-week, averaging \$81.80.

► WTI began the period at \$77.85, ending higher at \$82.83 on October 5. Brent prices began the period at \$78.79, ending higher at \$83.35 on October 5.

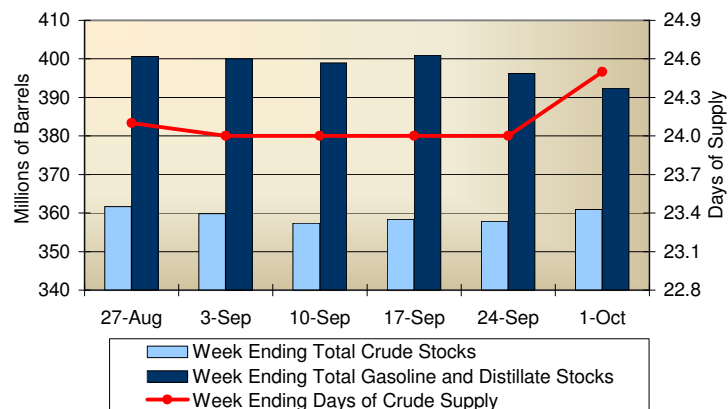
► The average crude prices for 2010 year-to-date for WTI increased from the previous period with WTI up \$0.08 to \$77.61. Brent increased from the previous period up \$0.12 to \$77.34.

► US crude oil stocks increased by 3.088 million bbls this period. The days of crude supply increased by 0.5 days from 24.0 days in the previous period. US gasoline and distillate stocks decreased by 3.770 million bbls.

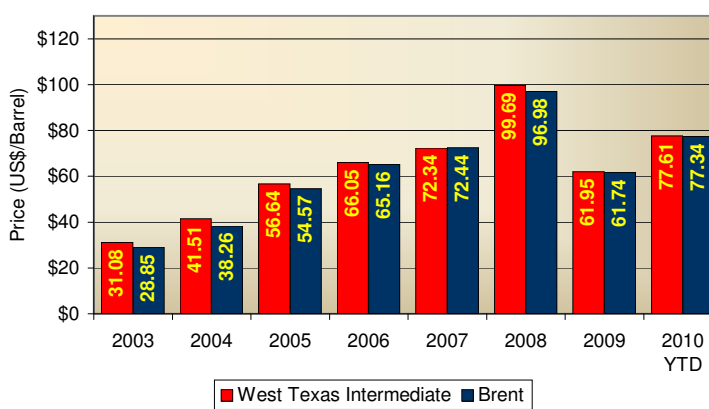
► On October 2, Reuters reported that Russia's oil output hit a new record of 10.16 million barrels per day (mbpd) in September as fields returned from maintenance. Oil output had fallen to 10.06 mbpd in August, largely due to maintenance at Sakhalin-1, an ExxonMobil-led project off Russia's Pacific coast. The dip in August followed seven months of consecutive records that reached 10.14 mbpd in July. Gas output showed a seasonal recovery to 47.94 billion cubic metres (bcm) in September, up more than 10% from August output of 43.32 bcm and up more than 5% from September 2009.

► On October 1, the Washington Post reported that four of Europe's biggest oil companies would end their energy investments in Iran. Deputy Secretary of State James B. Steinberg said Royal Dutch Shell, Total, Eni and Statoil had committed to no further investments in Iran. Among the other announcements, the State Department said European and Kuwaiti firms, Russia's Lukoil, India's Reliance and Turkey's Turpras have stopped or intend to stop selling gasoline and other refined products to Iran. British Petroleum and Shell said they are no longer supplying jet fuel to Iran Air and Lloyd's of London announced it would not insure or reinsure petroleum shipments going into Iran. The United States officials also said they were working to pressure China and other countries to bar their companies from filling the vacuum created by the departing Europeans. Iran is China's third-biggest supplier of oil, after Angola and Saudi Arabia. Chinese state-owned oil companies have signed memorandums committing to invest more than \$100 billion in Iran's energy sector over the past few years, although only a small fraction of those funds have been invested.

Weekly Ending U.S. Crude Stocks & Days of Supply



Annual Average Prices



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.

Government of Newfoundland and Labrador
Department of Natural Resources
Energy Branch
Energy Economics Division

