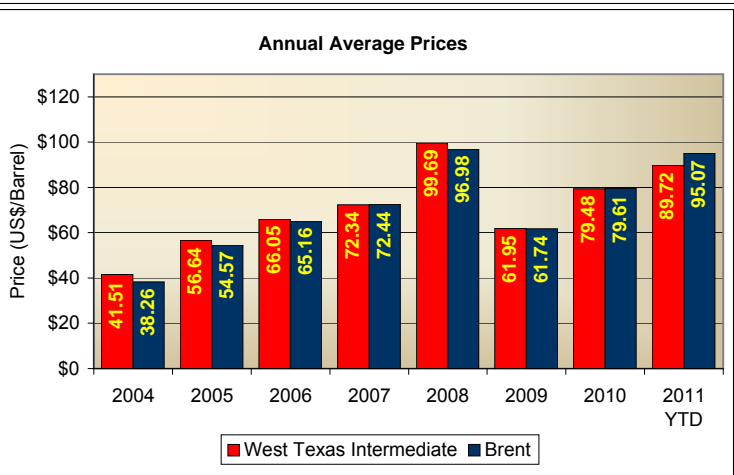
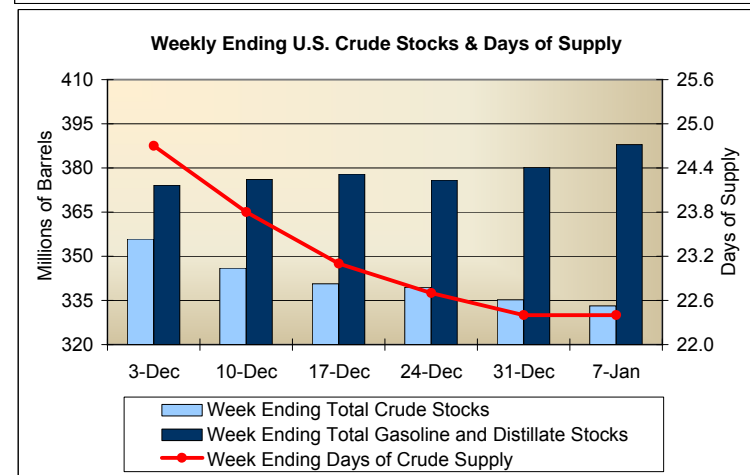
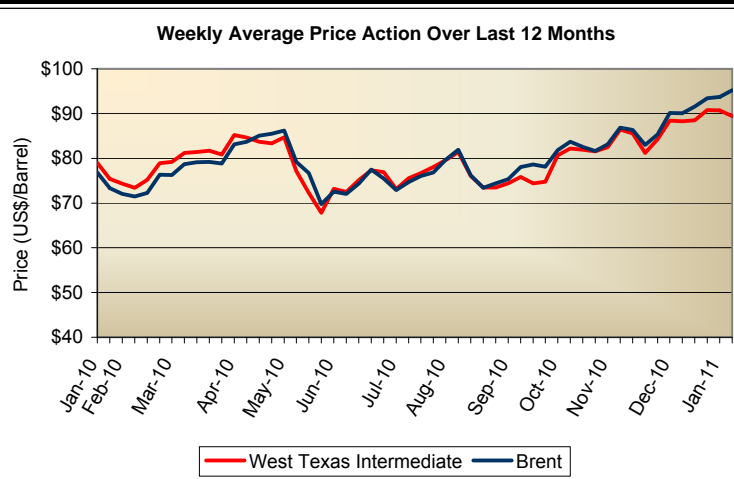
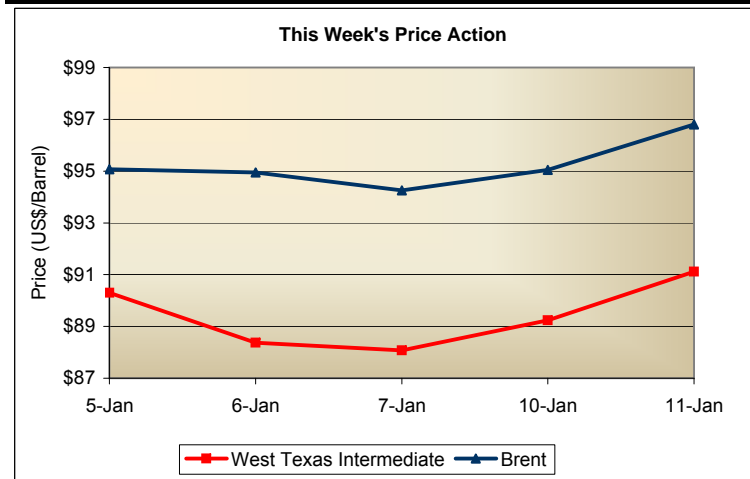


## Crude Price Report - For the Period January 5, 2011 to January 11, 2011

Benchmark Crudes (US\$/bbl)	December 29-January 4 Average	Current Period					January 5-January 11 Average	January Month-to-Date	2011 Year-to-Date
		5-Jan	6-Jan	7-Jan	10-Jan	11-Jan			
West Texas Intermediate	\$90.67	90.30	88.37	88.07	89.24	91.11	\$89.42	\$89.72	\$89.72
Brent	\$93.72	95.07	94.95	94.25	95.05	96.80	\$95.22	\$95.07	\$95.07



### 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 2004 to 2011 are simple averages calculated from daily prices as reported by EIA.

### COMMENTARY:

► For the January 5 - January 11 period, the average price of West Texas Intermediate was down by \$1.25 week-over-week, at \$89.42. The average price of Brent was up by \$1.50 week-over-week, at \$95.22.

► WTI began the period at \$90.30 and ended higher at \$91.11 on January 11. Brent began the period at \$95.07 and ended higher at \$96.80 on January 11.

► The average crude prices for 2011 year-to-date for WTI increased from the previous period with WTI down \$0.77 to \$89.72. Brent increased from the previous period up \$0.40 to \$95.07.

► US crude oil stocks decreased by 2.154 million bbls this period. The days of crude supply remained unchanged from the previous period at 22.4 days. US gasoline and distillate stocks increased by 7.733 million bbls.

► On Jan. 11, 2011, the U.S. Energy Information Administration (EIA) released its latest Short-Term Energy Outlook forecasting WTI oil price to average \$93.42 per barrel in 2011 and \$97.50 per barrel in 2012.

- EIA forecasts world oil consumption to increase in 2011 and 2012 mainly from Non-OECD regions countries. World oil consumption is forecast at:

2011 88.02 million barrels per day (mbbls/day)  
2012 89.65 mbbls/day

- EIA expects world oil supply to increase in 2011 and 2012 primarily due to an increase in OPEC supply to accommodate increasing consumption, especially with non-OPEC supplies expected to show limited growth. Non-OPEC and OPEC supply (excluding changes in inventories) is forecast at:

Non-OPEC • 2011 51.69 mbbls/day  
• 2012 51.71 mbbls/day  
OPEC • 2011 36.04 mbbls/day  
• 2012 37.55 mbbls/day

► On January 11, 2011, the American Petroleum Institute (API) reported that U.S. oil and natural gas drilling in 2010 remained below 2008 levels. An estimated 10,487 oil wells, natural gas wells and dry holes were completed in the fourth quarter of 2010, up 37% from 2009's fourth quarter, but below 2008 levels. In 2010, a total of 37,892 wells were drilled, up 12% from 2009 but down almost 33% from 2008. API estimates show that the resurgence in oil well completion activity that began earlier in the decade continues as an estimated 5,715 oil wells were drilled in the fourth quarter of 2010, a 65% increase from year-ago levels. For most of this decade, natural gas has been the primary target for domestic drilling. For the first time since 1996, the estimated number of oil wells drilled in 2010 outnumbers gas wells (19,451 to 14,324).