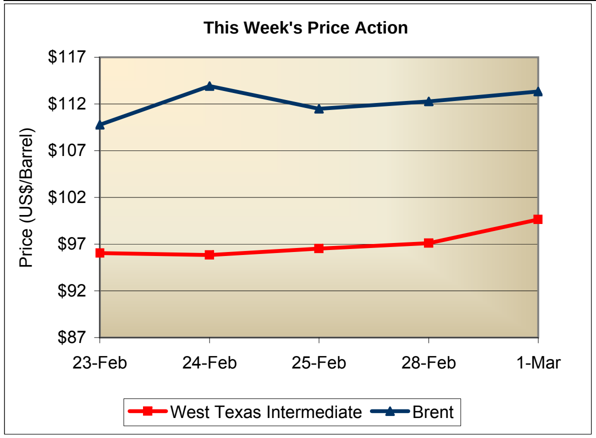
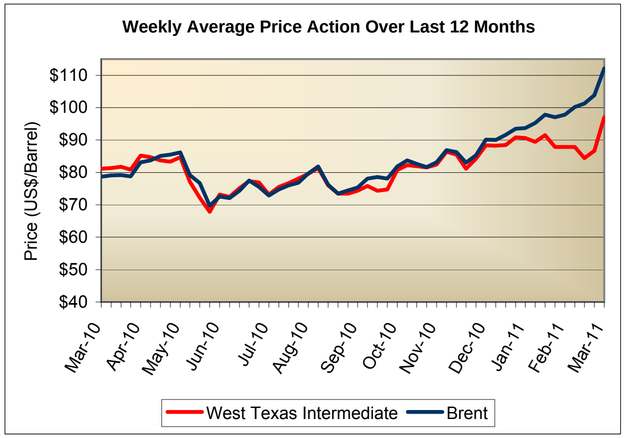
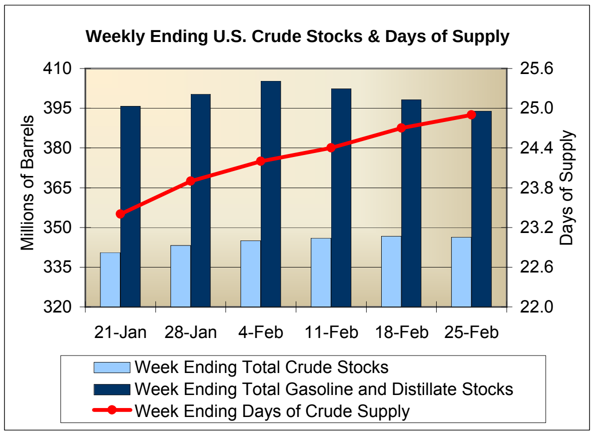
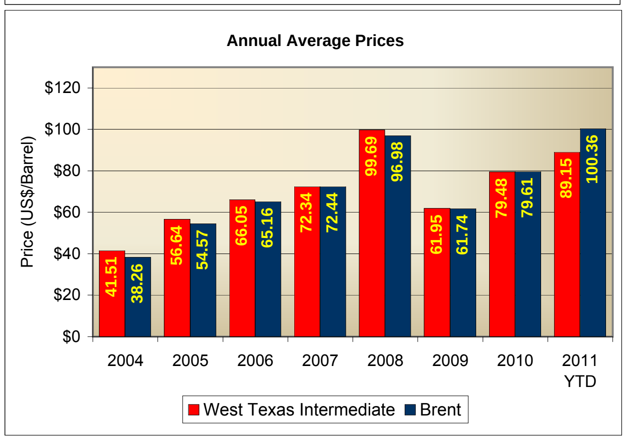
Crude Price Report - For the Period February 23, 2011 to March 1, 2011

Benchmark Crudes (US$/bbl)	February 16-February 22 Average	Current Period					February 23-March 1 Average	March Month-to-Date	2011 Year-to-Date
		23-Feb	*24-Feb*	*25-Feb*	*28-Feb*	*1-Mar*			
West Texas Intermediate	**$86.63**	*96.04*	*95.83*	*96.52*	*97.10*	*99.63*	**$97.02**	**$99.63**	**$89.15**
Brent	**$103.81**	*109.77*	*113.91*	*111.47*	*112.27*	*113.34*	**$112.15**	**$113.34**	**$100.36**









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 February 23 - March 1 period, the average price of West Texas Intermediate was up by $10.39 week-over-week, at $97.02/bbl. The average price of Brent was up by $8.34 week-over-week, at $112.15/bbl.

► WTI began the period at $96.04/bbl and ended higher at $99.63/bbl on March 1. Brent began the period at $109.77/bbl and ended higher at $113.34/bbl on March 1.

► The average crude price for 2011 year-to-date for WTI increased from the previous period up $1.12 to $89.15/bbl. Brent increased from the previous period up $1.68 to $100.36/bbl.

► US crude oil stocks decreased by 0.364 million bbls this period. The days of crude supply increased by 0.2 days to 24.9 days from 24.7 days in the previous period. US gasoline and distillate stocks decreased by 4.341 million bbls.

► On Feb. 28, 2011, the New York Times reported that the Interior Department had approved the first new deepwater drilling permit in the Gulf of Mexico since the BP explosion. Mr. Michael R. Bromwich, director of the Bureau of Ocean Energy Management, Regulation and Enforcement (BOEMRE), said that Noble Energy had been granted permission to resume drilling in 6,500 feet of water off the coast of Louisiana. According to BOEMRE, each new permit will be closely reviewed on a well-by-well basis and that the old system of rapid approvals of drilling permits had been permanently changed. Noble Energy said it expected to resume drilling by late March. However, it is not clear how quickly federal regulators will move on the six pending deepwater drilling permits or how soon the normal flow of applications will resume. The decision was cautiously welcomed by the oil industry. Mr. Gary Luquette, president of Chevron's North America exploration and production, called the permit a step in the right direction, but added it is time for the government to clear the backlog of deepwater drilling permit applications

► On March 1, 2011, Reuters reported that OPEC output fell in February from a two-year high the previous month mostly due to the uprising in Libya curbed supplies. Supply from all 12 members of OPEC averaged 29.43 million barrels per day (mmbpd) in February, down from a revised 29.63 mmbpd in January according to a survey of oil companies, OPEC officials and analysts. Libya's production posted the largest decline of 230,000 bpd as workers left oilfields due to the turmoil in the country. Output had been running near 1.6 mmbpd for much of February. Saudi Arabia has promised it would meet any supply gap caused by unrest in Libya and industry surveys showed it was already raising supply to meet higher demand. Saudi Arabia lifted supply to 8.65 mmbpd during February and up to 9 mmbpd by the end of the month. However, analysts doubt extra Saudi Arabia barrels will be of the same quality as Libya's and is one of the reasons for the high oil prices. According to the head of commodity markets strategy at BNP Paribas, Saudi Arabia has indicated it can supply more Arab Extra Light, although there is no indication to date that it has.

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