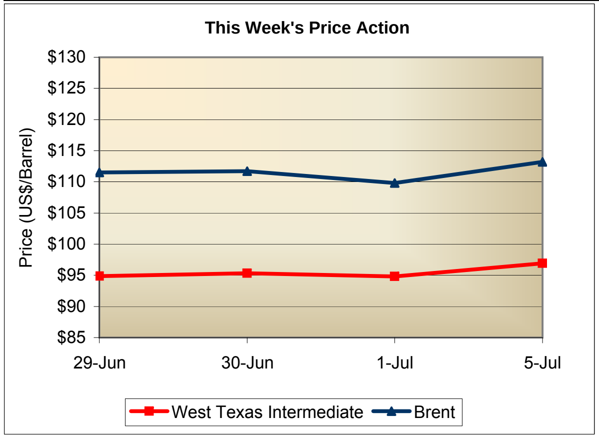
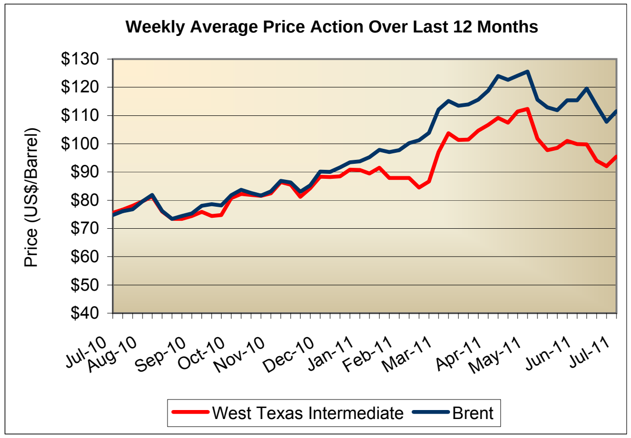
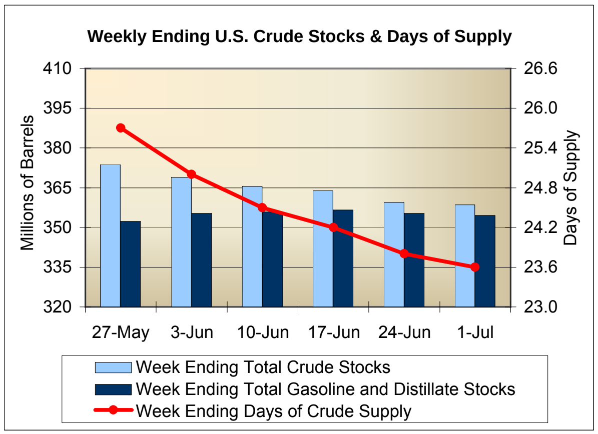
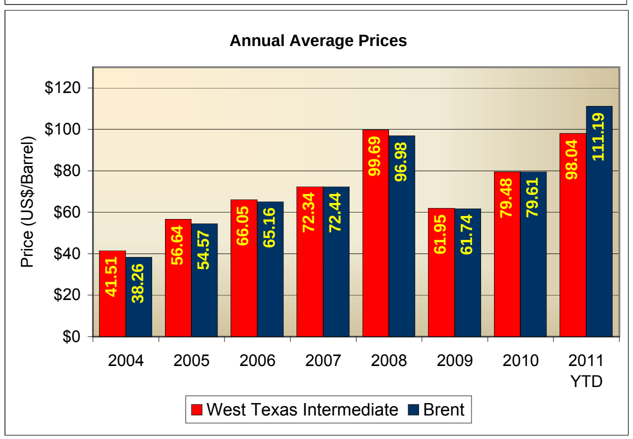
Crude Price Report - For the Period June 29, 2011 to July 5, 2011

Benchmark Crudes (US$/bbl)	June 22-June 28 Average	Current Period					June 29-July 5 Average	July Month-to-Date	2011 Year-to-Date
		29-Jun	*30-Jun*	*1-Jul*	*4-Jul*	*5-Jul*			
West Texas Intermediate	$92.02	*94.85*	*95.30*	*94.81*	*N/A*	*96.92*	$95.47	$95.87	$98.04
Brent	$107.76	*111.49*	*111.71*	*109.82*	*N/A*	*113.21*	$111.56	$111.52	$111.19









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 June 29 - July 5 period, the average price of West Texas Intermediate was up by $3.45 week-over-week, at $95.47/bbl. The average price of Brent was up by $3.80 week-over-week, at $111.56/bbl. The U.S. Energy Information Administration did not report any price data on July 4 for WTI and Brent due to the observation of the Independence day holiday.

► WTI began the period at $94.85/bbl and ended higher at $96.92/bbl on July 5. Brent began the period at $111.49/bbl and ended higher at $113.21/bbl on July 5.

► The average crude price for 2011 year-to-date for WTI decreased from the previous period down $0.08 to $98.04/bbl. Brent increased from the previous period up $0.01 to $111.19/bbl.

► U.S. crude oil stocks decreased by 0.889 million bbls this period. The days of crude supply decreased by 0.2 days to 23.6 days from 23.8 days in the previous period. U.S. gasoline and distillate stocks decreased by 0.825 million bbls.

► On June 30, 2011, the Associated Press reported that the State of Alaska plans to market a 14.7 million-acre lease sale with the expectation of attracting new oil and natural gas development. The sale, which is scheduled for October 26, 2011 includes acres in the Beaufort Sea and leases adjacent to the federally controlled Arctic National Wildlife Refuge and the National Petroleum Reserve-Alaska. Congress would have to approve drilling in areas such as the refuge. Oil production in Alaska has been declining, and the average flow rate through the Alaskan pipeline so far this year is about 596,400 barrels a day. The pipeline carries at least 10% of U.S. crude oil production, on average. The department described the oil potential in the lease sale as substantial and stated an analysis estimated roughly three to six billion barrels of undiscovered, technically recoverable oil, and 24 to 44 trillion cubic feet of natural gas between the petroleum reserve and the wildlife refuge (includes native-owned lands). Alaskan U.S. Senator Mark Begich, stated he was pleased with what the State is doing and will keep working with the rest of the State's congressional delegation to remove federal roadblocks to development in Alaska and keep pressing the Obama administration to follow through on commitments for energy development in Alaska.

►On July 5, 2011, Reuters reported that Britain will increase the level of tax support for North Sea oil companies to help firms operating in smaller, less profitable oil fields. The Treasury said it would raise the annual rate of Ring Fence Expenditure Supplement to 10% from 6%. The Treasury also stated it would continue to consult with oil companies on finding new categories of field allowance. The supplement was introduced in 2006 and currently allows companies to increase the value of losses they carry over from one period to the next by 6% for a maximum of six years. The supplement is aimed at helping firms which do not yet generate enough income to offset their exploration, appraisal and development costs against corporation tax. The move follows the government's tax increase on North Sea oil output earlier this year, which caused an outcry in the oil industry and led to warnings about the future of the nation's energy supply. The government earlier increased a tax on North Sea oil and gas producers to 32% from 20% to offset lower fuel duty for motorists. In response, Statoil suspended $10 billion worth of projects off Britain, and utility Centrica said it had idled a gas field as profits had become marginal. A Statoil representative stated on July 5th, the negative tax impact has been neutralized and that the company would resume preparatory work on the projects before making a final investment decision at the end of next year. The Treasury said the new allowance would cost around 50 million pounds ($80 million) a year by fiscal year 2015/16.

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