

**Nexen Inc.**  
**Oil and Gas Prices and Cash Netback <sup>1</sup>**

| (all dollar amounts in Cdn\$ unless noted) | Quarters – 2011 |                 |                 |                 | Quarters – 2010 |                 |                 |                 | Total Year |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------|
|  | 1 <sup>st</sup> | 2 <sup>nd</sup> | 3 <sup>rd</sup> | 4 <sup>th</sup> | 1 <sup>st</sup> | 2 <sup>nd</sup> | 3 <sup>rd</sup> | 4 <sup>th</sup> | 2010       |
| <b>PRICES:</b>                             |                 |                 |                 |                 |                 |                 |                 |                 |            |
| Brent Crude Oil (US\$/bbl)                 | 104.97          | 117.36          | 113.47          |                 | 76.23           | 78.30           | 76.86           | 86.48           | 79.47      |
| WTI Crude Oil (US\$/bbl)                   | 94.10           | 102.56          | 89.76           |                 | 78.71           | 78.03           | 76.20           | 85.12           | 79.52      |
| Nexen Average – Oil (Cdn\$/bbl)            | 98.37           | 110.28          | 103.98          |                 | 78.00           | 76.23           | 77.03           | 84.47           | 78.94      |
| NYMEX Natural Gas (US\$/mmbtu)             | 4.20            | 4.37            | 4.06            |                 | 5.04            | 4.34            | 4.24            | 3.97            | 4.39       |
| AECO Natural Gas (Cdn\$/mcf)               | 3.58            | 3.54            | 3.53            |                 | 5.08            | 3.66            | 3.52            | 3.41            | 3.92       |
| Nexen Average – Gas (Cdn\$/mcf)            | 4.51            | 4.75            | 4.36            |                 | 5.37            | 4.42            | 4.18            | 4.16            | 4.54       |
| <b>NETBACKS <sup>1</sup>:</b>              |                 |                 |                 |                 |                 |                 |                 |                 |            |
| <b>United Kingdom</b>                      |                 |                 |                 |                 |                 |                 |                 |                 |            |
| Crude Oil:                                 |                 |                 |                 |                 |                 |                 |                 |                 |            |
| Sales (mmbbls/d)                           | 104.2           | 73.3            | 75.2            |                 | 106.5           | 102.1           | 103.9           | 110.0           | 105.6      |
| Price Received (\$/bbl)                    | 99.97           | 110.55          | 106.71          |                 | 77.24           | 77.18           | 77.45           | 83.88           | 79.02      |
| Natural Gas:                               |                 |                 |                 |                 |                 |                 |                 |                 |            |
| Sales (mmcf/d)                             | 36              | 37              | 26              |                 | 33              | 41              | 29              | 38              | 36         |
| Price Received (\$/mcf)                    | 7.29            | 8.20            | 7.28            |                 | 4.81            | 4.80            | 5.11            | 6.34            | 5.28       |
| Total Sales Volume (mboe/d)                | 110.2           | 79.5            | 79.5            |                 | 112.1           | 109.0           | 108.8           | 116.3           | 111.5      |
| Price Received (\$/boe)                    | 96.91           | 105.76          | 103.31          |                 | 74.84           | 74.12           | 75.35           | 81.37           | 76.51      |
| Operating Costs                            | 9.85            | 8.48            | 14.46           |                 | 7.60            | 7.85            | 8.41            | 9.19            | 8.28       |
| Netback                                    | 87.06           | 97.28           | 88.85           |                 | 67.24           | 66.27           | 66.94           | 72.18           | 68.23      |
| <b>United States</b>                       |                 |                 |                 |                 |                 |                 |                 |                 |            |
| Crude Oil:                                 |                 |                 |                 |                 |                 |                 |                 |                 |            |
| Sales (mmbbls/d)                           | 9.2             | 8.9             | 7.7             |                 | 9.8             | 9.9             | 9.8             | 10.1            | 9.9        |
| Price Received (\$/bbl)                    | 91.39           | 101.89          | 96.00           |                 | 79.12           | 73.60           | 73.72           | 80.41           | 76.73      |
| Natural Gas:                               |                 |                 |                 |                 |                 |                 |                 |                 |            |
| Sales (mmcf/d)                             | 103             | 96              | 81              |                 | 101             | 95              | 102             | 99              | 99         |
| Price Received (\$/mcf)                    | 4.36            | 4.42            | 4.27            |                 | 6.00            | 5.14            | 4.70            | 4.05            | 4.97       |
| Total Sales Volume (mboe/d)                | 26.3            | 24.9            | 21.2            |                 | 26.6            | 25.8            | 26.9            | 26.6            | 26.5       |
| Price Received (\$/boe)                    | 48.91           | 53.56           | 50.72           |                 | 51.92           | 47.23           | 44.85           | 45.55           | 47.35      |
| Royalties & Other                          | 5.65            | 6.11            | 5.63            |                 | 4.92            | 4.86            | 5.10            | (0.63)          | 3.55       |
| Operating Costs                            | 10.43           | 10.72           | 11.18           |                 | 8.96            | 10.90           | 9.44            | 10.78           | 10.02      |
| Netback                                    | 32.83           | 36.73           | 33.91           |                 | 38.04           | 31.47           | 30.31           | 35.40           | 33.78      |
| <b>Canada – Natural Gas</b>                |                 |                 |                 |                 |                 |                 |                 |                 |            |
| Sales (mmcf/d) <sup>2</sup>                | 97              | 85              | 79              |                 | 124             | 121             | 107             | 104             | 114        |
| Price Received (\$/mcf)                    | 3.65            | 3.62            | 3.51            |                 | 5.02            | 3.72            | 3.43            | 3.48            | 3.94       |
| Royalties & Other                          | 0.28            | 0.24            | 0.27            |                 | 0.40            | 0.34            | 0.26            | 0.24            | 0.32       |
| Operating Costs                            | 1.70            | 1.54            | 1.65            |                 | 1.70            | 1.89            | 1.90            | 1.55            | 1.76       |
| Netback                                    | 1.67            | 1.84            | 1.59            |                 | 2.92            | 1.49            | 1.27            | 1.69            | 1.86       |
| <b>Yemen</b>                               |                 |                 |                 |                 |                 |                 |                 |                 |            |
| Sales (mmbbls/d)                           | 34.9            | 39.3            | 31.8            |                 | 47.3            | 39.3            | 43.5            | 38.8            | 42.2       |
| Price Received (\$/bbl)                    | 101.57          | 111.77          | 107.98          |                 | 80.39           | 80.50           | 79.33           | 87.82           | 81.86      |
| Royalties & Other                          | 46.98           | 52.26           | 49.72           |                 | 37.52           | 36.65           | 34.75           | 37.72           | 36.65      |
| Operating Costs                            | 10.75           | 9.18            | 13.20           |                 | 9.67            | 10.01           | 9.46            | 12.05           | 10.25      |
| In-country Taxes                           | 13.48           | 16.26           | 15.49           |                 | 10.14           | 10.97           | 10.70           | 11.52           | 10.80      |
| Netback                                    | 30.36           | 34.07           | 29.57           |                 | 23.06           | 22.87           | 24.42           | 26.53           | 24.16      |

<sup>1</sup> Defined as average sales price less royalties and other, operating costs, and in-country taxes in Yemen.

<sup>2</sup> Excludes sales related to shale gas activities in north eastern British Columbia.

**Nexen Inc.**  
**Oil and Gas Cash Netback <sup>1</sup> (continued)**

| (all dollar amounts in Cdn\$ unless noted) | Quarters – 2011 |                 |                 |                 | Quarters – 2010 |                 |                 |                 | Total Year |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|------------|
|  | 1 <sup>st</sup> | 2 <sup>nd</sup> | 3 <sup>rd</sup> | 4 <sup>th</sup> | 1 <sup>st</sup> | 2 <sup>nd</sup> | 3 <sup>rd</sup> | 4 <sup>th</sup> | 2010       |
| <b>Other Countries</b>                     |                 |                 |                 |                 |                 |                 |                 |                 |            |
| Sales (mmbbls/d)                           | 1.8             | 1.7             | 1.6             |                 | 2.3             | 2.1             | 2.0             | 1.9             | 2.1        |
| Price Received (\$/bbl)                    | 93.52           | 106.57          | 101.28          |                 | 78.88           | 74.77           | 75.93           | 77.63           | 76.83      |
| Royalties & Other                          | 6.22            | 6.93            | 6.57            |                 | 5.72            | 5.28            | 5.22            | 5.24            | 5.37       |
| Operating Costs                            | 8.11            | 10.19           | 8.58            |                 | 5.58            | 7.42            | 6.98            | 8.19            | 6.99       |
| Netback                                    | 79.19           | 89.45           | 86.13           |                 | 67.58           | 62.07           | 63.73           | 64.20           | 64.47      |
| <b>In Situ <sup>2</sup></b>                |                 |                 |                 |                 |                 |                 |                 |                 |            |
| Sales (mmbbls/d)                           | 12.9            | 14.3            | 11.8            |                 | 6.6             | 10.3            | 11.9            | 12.1            | 10.3       |
| Price Received (\$/bbl)                    | 89.82           | 108.78          | 94.15           |                 | 81.04           | 74.08           | 70.64           | 82.99           | 77.07      |
| Royalties & Other                          | 3.58            | 6.05            | 5.07            |                 | 4.37            | 2.98            | 3.08            | 3.81            | 3.65       |
| Operating Costs                            | 89.43           | 95.34           | 85.42           |                 | 154.00          | 89.95           | 84.75           | 85.61           | 100.09     |
| Netback <sup>2</sup>                       | (3.19)          | 7.39            | 3.66            |                 | (77.33)         | (18.84)         | (17.19)         | (6.43)          | (26.67)    |
| <b>Syncrude</b>                            |                 |                 |                 |                 |                 |                 |                 |                 |            |
| Sales (mmbbls/d)                           | 23.2            | 20.4            | 21.6            |                 | 19.5            | 23.4            | 19.1            | 22.8            | 21.2       |
| Price Received (\$/bbl)                    | 94.60           | 111.79          | 97.65           |                 | 83.55           | 77.93           | 78.27           | 85.12           | 81.23      |
| Royalties & Other                          | 4.30            | 13.82           | 4.65            |                 | 7.09            | 6.37            | 4.82            | 6.72            | 6.27       |
| Operating Costs                            | 36.11           | 39.98           | 37.10           |                 | 35.84           | 32.67           | 38.06           | 31.65           | 34.34      |
| Netback                                    | 54.19           | 57.99           | 55.90           |                 | 40.62           | 38.89           | 35.39           | 46.75           | 40.62      |
| <b>Company-Wide</b>                        |                 |                 |                 |                 |                 |                 |                 |                 |            |
| Oil and Gas Sales (mboe/d)                 | 225.5           | 194.3           | 180.7           |                 | 249.1           | 243.1           | 232.9           | 235.9           | 240.2      |
| Price Received (\$/boe)                    | 85.98           | 95.26           | 90.70           |                 | 70.16           | 67.56           | 68.23           | 74.49           | 70.11      |
| Royalties & Other                          | 8.74            | 13.42           | 10.47           |                 | 9.38            | 8.05            | 7.96            | 7.13            | 8.16       |
| Operating & Other Costs <sup>2</sup>       | 17.32           | 18.68           | 20.80           |                 | 14.93           | 15.85           | 15.42           | 15.97           | 15.48      |
| In-country Taxes                           | 2.08            | 3.29            | 2.72            |                 | 1.92            | 1.76            | 2.00            | 1.89            | 1.90       |
| Netback                                    | 57.84           | 59.87           | 56.71           |                 | 43.92           | 41.90           | 42.85           | 49.50           | 44.57      |

<sup>1</sup> Defined as average sales price less royalties and other, operating costs, and in-country taxes in Yemen.

<sup>2</sup> Excludes activities related to third-party bitumen purchased, processed and sold. Sales volumes and amounts relate to PSC™ sales made to third parties during the period.