

Current list price of intermediate-sweet crude as quoted from Amerada Hess Corporation's Tulsa office is as follows:

<u>API GRAVITY</u>	<u>CURRENT PRICE</u>
40 and above	\$30.00
39.0 - 39.9	\$29.98
38.0 - 38.9	\$29.96
37.0 - 37.9	\$29.94
36.0 - 36.9	\$29.92

Individual Streams:

Tubb

(6 BOPD) (\$29.94/bbl) = \$179.64

Paddock

(11 BOPD) (\$29.92/bbl) = \$329.12

Sum of individual streams = \$508.76

Commingled Product:

(17 BOPD) (\$29.94/bbl) = \$508.98

The price of the commingled product is greater than the sum of the individual streams.