



***ARGUS BULLETIN BOARD
PROCEDURES CRUDE OIL***

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The most up-to-date Argus Crude methodology is available on www.argusmedia.com

Guidelines for market participants wishing to submit information to Argus for the calculation of Argus North Sea Dated.

Argus calculates the Argus North Sea Dated price using the Argus North Sea Dated methodology. Information for use in this calculation comes from the market. Market participants are encouraged to provide Argus with market information for use in the calculation of Argus North Sea Dated according to the following guidelines.

These guidelines are issued for use by market participants and should be consulted in association with the published Argus Crude methodology document which explains in detail how Argus calculates the value of North Sea Dated. Argus also publishes a document called Argus Dated methodology explained which provides a step-by-step guide to the spreadsheet used to calculate Argus Dated. These documents – Argus Bulletin Board Procedures Crude Oil, Argus Crude Methodology and Argus Dated methodology explained are all available on the website www.argusmedia.com

Argus 21-day volume weighted average

Argus establishes the North Sea forward price used in the Argus North Sea Dated methodology from a volume weighted average of 21-day forward deals (partial and full cargo) reported as having been transacted between 4.29pm and 4.30pm London time.

To have a 21-day contract (partial or full) included in the Argus 21-day volume weighted average, the seller, the buyer or an authorised broker should report the transaction to Argus by telephone or electronic mail (including instant messenger) between 4.29pm and 5.00pm. The transaction should have occurred between 4.29 and 4.30pm.

In the event of there being less than 100,000 bls of 21-day traded, Argus will identify the forward price using EFP values.

In the event of Argus using EFP values, the EFP will be assessed during the course of the day. In the event of intra day volatility, Argus will weight towards the late afternoon. The EFP value will be added to a representative ICE Brent futures price to establish a forward or flat price. The ICE Brent futures prices will be the ICE Brent 1 minute marker (4.29 to 4.30pm) unless Argus deems otherwise.

Argus physical price assessments

Argus will assess the prices of Brent, Forties, Oseberg and Ekofisk for use in the calculation of Argus North Sea Dated between 3.30pm and 4.30pm. Argus will ensure received market information on these grades is placed on the Argus Crude Oil Bulletin Board during this period.

Argus will ascertain and receive information from the market at any time of the day but will only guarantee to place market information on the Argus Crude Oil Bulletin Board in an expeditious manner between 3.30 and 4.30pm.

Argus assesses the prices of the four component grades of Argus North Sea Dated by averaging the value of each grade for the 10-21

day period. Price information relating to each grade is placed in the Argus spreadsheet that calculates these averages according to the date of loading of each cargo that is transacted or bid or offered. If only a bid or an offer is received for a particular date range the price inserted into the spreadsheet will be adjusted by Argus to represent an Argus perception of market value. Argus will make an assessment of the price for the remaining days of the 10-21 day period for which there is no market information. In the event of prices being recorded for overlapping cargoes (as cargoes have a three-day date range) then Argus will make a judgement as to which price to include for which day of the overlapping loading periods.

Ultimately Argus will make an assessment of price for each day in the 10-21 day period, but Argus will utilise a hierarchy of information beginning with transactional information and then bid offer information made available for the Argus Crude Oil Bulletin Board. All information will be taken into account when establishing the value of the crude grades used in the Argus Dated methodology, but priority will be given to the information publicly available on the Argus Crude Oil Bulletin Board assuming the information is considered reasonable and capable of generating an open market response.

Argus will have to interpret market structure during the 10-21 day period. Argus will assume most structure is in the value of Anticipated Dated (as calculated using the Argus North Sea Dated methodology). Argus will show structure in the 10-21 day period for each grade but will assume similar market structure for each grade unless there is evidence to the contrary. Argus will place emphasis on the internal logic of the market structure in the event of conflicting price information.

Argus Crude Oil Bulletin Board

Argus reserves the right not to place any information on the Argus Crude Oil Bulletin Board at its discretion.

Responsibility for submitting information for inclusion on the Argus Crude Oil Bulletin Board is held by the submitting party.

Information submitted for inclusion on the Argus Crude Oil Bulletin Board should be in a format agreed with Argus.

Argus reserves the right to change the requirements, the format for information and any other methodological procedure associated with the Argus Crude Oil Bulletin Board.

Argus will assume that market information will be for the standard contracts in common trade, except where otherwise stated. So market information for Forties will represent market information for Forties traded under the standard terms and conditions of Forties contracts, for 600,000 bl cargoes, priced at a differential to North Sea Dated fob Hound Point. All prices are in US\$/bl, except where otherwise stated. Please see the table on page 3 for the standard pricing basis, loading ports and cargo sizes of grades that typically appear on the Argus Crude Oil Bulletin Board. This list is not exhaustive, and Argus will post information on other grades at participants' request, on the understanding that this is for standard contracts in common trade, except where otherwise stated.

Grade	Pricing basis	Loading port	Standard cargo (bl)
Forties	fob	Hound Point	600,000
Brent	fob	Sullom Voe	600,000
Oseberg	fob	Sture terminal	600,000
Ekofisk	fob	Teesside	600,000
Flotta	fob	Flotta terminal	650,000
Azeri	cif Augusta	Ceyhan	600,000
CPC Blend	cif Augusta	CPC terminal	600,000
Siberian Light	cif Augusta	Tuapse	550,000
Urals Med	cif Augusta	Novorossiysk or Yuzhny	600,000
Urals NW Europe	cif Rotterdam	Primorsk or Murmansk	730,000

Information on the Argus Crude Oil Bulletin Board is for informational use. Refusal to meet firm bids and offers by credit worthy open market participants will be assessed by Argus in consultation with other market participants. If such non performance is considered unreasonable by Argus then Argus will exclude such market information in the interpretation of its assessments.

Argus will assume that all information submitted to Argus for inclusion on the Argus Crude Oil Bulletin Board has been duly authorised and sanctioned by the companies concerned.

All information posted on the Argus Crude Oil Bulletin Board is at the discretion of Argus and Argus will avoid frivolous and legally ambiguous information.

The provision of an information service such the Argus Crude Oil Bulletin Board depends in part on the good will of the companies participating in the exchange of information. Argus will maintain the Argus Crude Oil Bulletin Board with as much current information as possible between 3.30 and 4.30pm London time. Should Argus, following consultation with other market participants, decide that individual market participants are deliberating attempting to disrupt the smooth exchange of information then Argus will at its discretion exclude such information from the Argus Crude Oil Bulletin Board.

Access to the Argus Crude Oil Bulletin Board is at the discretion of Argus.

Further information on the Argus North Sea Dated methodology and the Argus Crude Oil Bulletin Board can be found at www.argusmedia.com. For more information please feel free to contact:

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