

## NORTH DAKOTA OIL PRODUCTION AND OIL MARKET PRICES

Period	Oil Production (In Barrels)	Market Price Per Barrel \1	
		Beginning of Period	End of Period
Actual production for fiscal year 2000	32,891,923	\$13.88	\$24.47
Actual production for fiscal year 2001	32,324,599	\$27.03	\$23.57
Total 1999-2001 biennium	<u>65,216,522</u>		
Actual production for fiscal year 2002	31,133,065	\$22.48	\$22.31
Estimated production for fiscal year 2003	30,660,000	\$20.51	\$22.83
Total 2001-03 biennium	<u>61,793,065</u>		
Estimated production for the 2003-05 biennium	<u>61,320,000</u>	\$22.83	\$17.46

The following are the estimated average posted field oil prices for the 2003-05 biennium for selected months:

	<b>September 2003</b>	<b>December 2003</b>	<b>March 2004</b>	<b>June 2004</b>	<b>September 2004</b>	<b>December 2004</b>	<b>March 2005</b>	<b>May 2005</b>
Estimated posted field oil prices	\$23.66	\$24.17	\$22.71	\$21.78	\$20.87	\$18.41	\$18.12	\$17.46

The following are definitions of the terms relating to the pricing of crude oil, specifically the definitions of posted field price, spot price, and futures price:

Posted field price is the price at which a crude oil purchaser will buy the oil of a certain quality from a particular field or area.

Spot price is the price for crude oil at which a one-time seller transaction is consummated.

Futures price is the price at which a contract for the future purchase or sale of oil is traded. The leading or benchmark price for crude oil futures is that paid for West Texas intermediate crude oil.

\1 The oil prices shown are the Tesoro posted field prices for North Dakota sweet crude, which includes the Montana counties of Sheridan, Roosevelt, and Richland. The prices at the beginning and end of the periods are the monthly average actual or estimated posted prices.