

Western Refining
1250 W. Washington
St. Suite 101
Tempe, AZ 85281
602-286-1400

CRUDE OIL PRICE BULLETIN

General Terms

EFFECTIVE 12:01 A.M. on the date(s) indicated and subject to the terms and conditions of its division orders or other contracts, Western Refining Southwest, Inc., ("Western") will pay the prices per barrel (42 U.S. gallons) as shown for crude oil and/or condensate purchased and delivered for Western's account to its authorized carriers or receiving agents.

The prices shown are based upon computation of quantities by mutually acceptable automatic measuring equipment in accordance with provisions of API Standard 1101 or from 100% tank tables, with corrections of volumes and gravity for temperature to 60 degrees Fahrenheit in accordance with ASTM D-1250 and supplements thereto, if any, and with deductions for full basic sediment, water, and other impurities. Oil containing basic sediment and water in excess of 1.0% in the San Juan/Paradox Basin will not be accepted.

Only merchantable virgin crude oil and lease condensate, uncontaminated by any foreign substances or chemicals, will be accepted. Western reserves the right, without prejudice, to reject and return to Seller, at Seller's expense, any quantities of crude oil and lease condensate that are found (even after delivery to Western) to be contaminated by foreign substances or chemicals. Seller warrants that the crude oil and lease condensate delivered to Western shall be fit for normal refinery use and shall be uncontaminated by any foreign substances or chemicals not normally associated with such crude oil and lease condensate. Seller further agrees to indemnify and hold Western harmless, without limit, from any and all damages, consequential or otherwise, suits, claims, demands, or actions of any character, type, or description, and all associated costs, judgments, awards, and attorney fees resulting from the delivery of crude oil or lease condensate not fit for normal refinery use or containing such foreign substances or chemicals.

Seller warrants that all crude oil and lease condensate delivered to Western shall be free from all Federal, State, Indian and local taxes, liens, claims, fees, encumbrances and other charges, and the claims liens encumbrance of third parties, and that all royalties due on production thereof have been paid or will be paid when due. Seller further agrees to indemnify and hold Western harmless from and against any and all losses, costs, expenses (including attorneys' fees, costs and expenses) penalties, interest and liability of any kind arising out of or relating to payment or non payment of such royalties, taxes, liens, claims, fees, encumbrances and other similar charges or interest.

In the event that Western agrees in writing or is required to calculate and withhold from Seller the amount of any tax levied or royalty owed to any governmental authority, including Indian tribes, Seller agrees to fully cooperate with Western in connection with such calculation and withholding. Seller also agrees to indemnify and hold Western harmless from and against any and all losses, costs, expenses (including attorneys' fees, costs and expenses) penalties, interest, and liabilities of

any kind arising out of or relating to Western's calculation, withholding or failure to withhold any such tax or royalty.

In the event that federal regulations or rules require adjustments to these prices, Western reserves the right to amend these prices, including retroactive adjustments, and recover any excess payments through the withholding of payments from future settlements or by separate invoicing. The terms and conditions contained in this document shall apply to all future purchases unless subsequently modified.