

AVERAGE PRICING  
PARTICIPATION AGREEMENT

This Participation Agreement is offered as an alternative to the standard pricing procedures of Bi-Petro, Inc. The price you receive for crude oil will no longer be determined by the posting price on the date the oil is gauged and approved.

In the alternative, the price paid for crude oil purchased under this program will be equal to the average of the daily posting prices for that entire month.

Operators participating in this program should notify Bi-Petro, Inc. as to any and all full stock tanks in order that the oil may be gauged, approved and removed from the operator's inventory.

Participating in this program will not alter or change the date of payment for oil purchased. Bi-Petro, Inc. will continue to pay on the 18th of the month for oil hauled or transported from a lease on or before the end of the previous month.

An operator participating in this program may withdraw and become a non-participant at the end of any calendar month after prior written notice to Bi-Petro, Inc. Bi-Petro, Inc. may withdraw and cancel this program at the end of any calendar month after prior written notice to the participating operator.

The undersigned operator does hereby enroll the leases listed in Exhibit A attached hereto and made a part hereof in this program and agrees that the price paid by Bi-Petro, Inc. for oil purchased from the leases listed on said Exhibit A shall be controlled and governed by this Agreement.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Bi-Petro, Inc.

\_\_\_\_\_  
Participating Operator

