



Texas Acquisitions Firm, Inc

Mr. [REDACTED] Sec/Treas

[REDACTED]
[REDACTED]
[REDACTED]

Dear [REDACTED],

Per your request, I have assembled a summary of current petroleum products trading operations. I will list the current negotiations that appear to be closing within the next two weeks and provide a summary of the current buyers seeking products and the current suppliers who have declared the availability of products to us.

We are currently working with 6 qualified buyers, each looking for multiple petroleum products such as Crude Oil, Jet A-1, EN590, D6 and Fuel Oil. Test load sales are in the 1 to 4 million BBLS of Jet A-1 and Crude with annual contracts running 4-8 million BBLS. EN590 test loads are in the 100,000-200,000 metric tons with annual contracts of 200,000 MT.

The first sale may close today or tomorrow. We have an ICPO from a DOD buyer for 2 million BBLS of Jet A-1. We expect the seller to complete his due diligence today or tomorrow and for the sale to move forward quickly. The pricing is \$90/\$86. We will receive \$2/BBL of the \$4 spread. Per recent communications over the weekend, I believe that the probability of closing this sale is now 80%.

Thus: 2 MBBLS X \$2 = \$4,000,000 / Month X 80% = \$3,200,000 Risk Adjusted.

A second sale between a highly experienced seller and a highly experienced buyer is set for completion in the first week of January. The sale calls for a test of 4 MBBLS of Jet A-1 followed by a contract for 12 months of the same amount. The pricing is \$90/\$88. We will receive \$1/BBL of the \$2 spread. As a party to the negotiations, I rate the probability of closing at 90%

Thus: 4 MBBLS X \$1 = \$4,000,000 / Month X 90% = \$3,600,000 Risk Adjusted.

The risk adjusted return on these two sales is \$6,800,000.

On the supply side, just before the close of business on Friday, we received an offer of up to 6 MBBLS of Jet A-1, up to 500,000 MT of EN590 and up to 200,000,000 gallons of D6. While the offer is very exciting, it is subject to prior sale, so we need to move quickly. A second seller offered Jet A-1 up to 500,000 BBLS and EN590 up to 50,000 MT.

While some buyers will be unavailable this week, I believe that we still have a sale possible before the New Year break.

Best regards,

[REDACTED]



President

