



Crude Oil Quality Group  
January 27, 2005 Meeting  
New Orleans, Louisiana

Discussion Topic:

Our industry sees increased activity by some gatherers and marketers to gear up for blending foreign crude with onshore domestic sweet crude. This could result in suffering a severe upset (blow crude unit trays) due to high acid.

Opinions from the group

- What is the opinion of COQG members regarding representing foreign crude when blended with domestic as domestic sweet?
- What can be done to monitor and/or control?

Discuss safety concerns.

- What are the seller obligations to buyers, relating to issues such as acid, nitrogen and mercaptans?
- What about our current industry accepted practices?  
(Blending domestic sweet with sour to the sulfur spec limit, then marketing as domestic sweet)

Typical crude is traded only on sulfur and gravity parameters at Cushing and St. James.

- Is it feasible to begin requiring acid number data as well?
- Are the pipeline companies concerned about high acid in their line?

Action Items – next steps