SUBMISSION COVER SHEET

***IMPORTANT*: Check box if Confidential Treatment is requested** ☐

Registered Entity Identifier Code (optional): 16-033 (1 of 6)

Organization: New York Mercantile Exchange, Inc. ("NYMEX")

Filing as a: ☒ **DCM** ☐ **SEF** ☐ **DCO** ☐ **SDR**

Please note - only ONE choice allowed.

Filing Date (mm/dd/yy): 01/21/2016 Filing Description: Initial Listing of Six (6) WTI Houston (Argus) Crude Oil Futures Contracts

SPECIFY FILING TYPE

Please note only ONE choice allowed per Submission.

Organization Rules and Rule Amendments

☐	Certification	§ 40.6(a)
☐	Approval	§ 40.5(a)
☐	Notification	§ 40.6(d)
☐	Advance Notice of SIDCO Rule Change	§ 40.10(a)
☐	SIDCO Emergency Rule Change	§ 40.10(h)

Rule Numbers:

New Product **Please note only ONE product per Submission.**

☒	Certification	§ 40.2(a)
☐	Certification Security Futures	§ 41.23(a)
☐	Certification Swap Class	§ 40.2(d)
☐	Approval	§ 40.3(a)
☐	Approval Security Futures	§ 41.23(b)
☐	Novel Derivative Product Notification	§ 40.12(a)
☐	Swap Submission	§ 39.5

Official Product Names: See filing.

Product Terms and Conditions (product related Rules and Rule Amendments)

☐	Certification	§ 40.6(a)
☐	Certification Made Available to Trade Determination	§ 40.6(a)
☐	Certification Security Futures	§ 41.24(a)
☐	Delisting (No Open Interest)	§ 40.6(a)
☐	Approval	§ 40.5(a)
☐	Approval Made Available to Trade Determination	§ 40.5(a)
☐	Approval Security Futures	§ 41.24(c)
☐	Approval Amendments to enumerated agricultural products	§ 40.4(a), § 40.5(a)
☐	"Non-Material Agricultural Rule Change"	§ 40.4(b)(5)
☐	Notification	§ 40.6(d)

Official Name(s) of Product(s) Affected

Rule Numbers:

CME Group

Christopher Bowen
Managing Director and Chief Regulatory Counsel
Legal Department

January 21, 2016

VIA ELECTRONIC PORTAL

Mr. Christopher J. Kirkpatrick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: CFTC Regulation 40.2(a) Certification. Notification Regarding the Initial Listing of Six (6) WTI Houston (Argus) Crude Oil Futures Contracts.
NYMEX Submission No. 16-033 (1 of 6)

Dear Mr. Kirkpatrick:

New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying the initial listing of six (6) WTI Houston (Argus) Crude Oil Futures contracts (the "Contracts") for trading on CME Globex and for submission for clearing via CME ClearPort, effective on Sunday, February 7, 2016 for trade date Monday, February 8, 2016, as set forth in the tables below.

Contract Name	WTI Houston (Argus) Trade Month Futures
Commodity Code	HTA
Chapter	318
Settlement Type	Financial
Contract Size	1,000 barrels
Termination of Trading	Trading shall cease at the close of trading on the last business day that falls on or before the 25th calendar day of the month prior to the contract month.
Minimum Price Fluctuation	$0.01
Final Settlement Price Tick	$0.01
First Listed Month	March 2016
Listing Convention	Current year plus three consecutive years
CME Match Algorithm	First In, First Out
Block Trade Minimum Threshold	5 contracts

1 North End Avenue New York, NY 10282 T 212 299 2200 F 212 299 2299 christopher.bowen@cmegroup.com cmegroup.com

Contract Name	WTI Houston (Argus) vs. WTI Trade Month Futures
Commodity Code	HTT
Chapter	319
Settlement Type	Financial
Contract Size	1,000 barrels
Termination of Trading	Trading shall cease at the close of trading on the last business day that falls on or before the 25th calendar day of the month prior to the contract month.
Minimum Price Fluctuation	$0.01
Final Settlement Price Tick	$0.01
First Listed Month	March 2016
Listing Convention	Current year plus three consecutive years
CME Match Algorithm	First In, First Out
Block Trade Minimum Threshold	5 contracts

Contract Name	WTI Houston (Argus) Financial Futures
Commodity Code	HIA
Chapter	374
Settlement Type	Financial
Contract Size	1,000 barrels
Termination of Trading	Trading shall cease on the last business day of the contract month.
Minimum Price Fluctuation	$0.01
Final Settlement Price Tick	$0.01
First Listed Month	March 2016
Listing Convention	Current year plus three consecutive years
CME Match Algorithm	First In, First Out
Block Trade Minimum Threshold	5 contracts

1 North End Avenue New York, NY 10282 T 212 299 2200 F 212 299 2299 christopher.bowen@cmegroup.com cmegroup.com

Contract Name	WTI Houston (Argus) vs. WTI Financial Futures
Commodity Code	HIL
Chapter	372
Settlement Type	Financial
Contract Size	1,000 barrels
Termination of Trading	Trading shall cease on the last business day of the contract month.
Minimum Price Fluctuation	$0.01
Final Settlement Price Tick	$0.01
First Listed Month	March 2016
Listing Convention	Current year plus three consecutive years
CME Match Algorithm	First In, First Out
Block Trade Minimum Threshold	5 contracts

Contract Name	WTI Houston (Argus) vs. WTI Trade Month BALMO Futures
Commodity Code	HTB
Chapter	383
Settlement Type	Financial
Contract Size	1,000 barrels
Termination of Trading	Trading shall cease at the close of trading on the last business day that falls on or before the 25th calendar day of the month prior to the contract month.
Minimum Price Fluctuation	$0.01
Final Settlement Price Tick	$0.01
First Listed Month	March 2016
Listing Convention	Current two months
CME Match Algorithm	First In, First Out
Block Trade Minimum Threshold	5 contracts

Contract Name	WTI Houston (Argus) vs. WTI BALMO Futures
Commodity Code	HIB

Chapter	384
Settlement Type	Financial
Contract Size	1,000 barrels
Termination of Trading	Trading shall cease on the last business day of the contract month.
Minimum Price Fluctuation	$0.01
Final Settlement Price Tick	$0.01
First Listed Month	March 2016
Listing Convention	Current two months
CME Match Algorithm	First In, First Out
Block Trade Minimum Threshold	5 contracts

<u>TRADING AND CLEARING HOURS</u>

CME Globex and CME ClearPort	Sunday - Friday 6:00 p.m. - 5:00 p.m. (5:00 p.m. - 4:00 p.m. Chicago Time/CT) with a 60-minute break each day beginning at 5:00 p.m. (4:00 p.m. CT)

Exchange Fees	**Pit***	**CME Globex**	**CME ClearPort**	**Agency Cross**
Member Day Rate	0.85	0.85		
Member Rate	0.85	0.85	0.85	0.85
Cross Division Rate	1.10	1.10		
Non-Member Rate	1.35	1.35	1.35	1.35
International Incentive Program (IIP) and International Volume Incentive Program (IVIP) Participants		1.10		
Other Processing Fees	**Member**	**Non-Member**		
Cash Settlement	0.50	0.50		
Other Processing Fees	**Rate**			
Facilitation Fee	0.40			
Give-Up Surcharge	0.05			
Position Adjustments/Position Transfers	0.10			

*Effective as of the close of trading on July 2, 2015, NYMEX closed its futures pits for open outcry trading. Brokers will still be able to submit Block Trades, EFPs, and EFRs through Front-End Clearing System (FEC); these trades will be assessed Pit Exchange Fees in addition to any surcharges.

The Exchange is also notifying the CFTC that it is self-certifying the insertion of the terms and conditions for the new futures contracts into the Position Limit, Position Accountability and Reportable Level Table and Header Notes located in the Interpretations and Special Notices Section of Chapter 5 of the NYMEX Rulebook in relation to the listing of the new contract. These terms and conditions establish the all month/any one month accountability levels, expiration month position limit, reportable level, and aggregation allocation for the new contract. Please see Appendix B, attached under separate cover.

In addition, NYMEX is self-certifying block trading on these contracts with a minimum block threshold of five (5) contracts. This block level aligns with the Exchange's currently listed WTI Midland (Argus) vs. WTI Financial Futures.

The Exchange reviewed the designated contract market core principles ("Core Principles") as set forth in the Commodity Exchange Act ("CEA" or "Act") and staff identified that the Contracts may have some bearing on the following Core Principles:

Compliance with Rules: Trading in the Contracts will be subject to all CME Rules, including prohibitions against fraudulent, noncompetitive, unfair and abusive practices as outlined in CME Rulebook Chapter 4, the Exchange's trade practice rules, the majority of which are contained in Chapter 5 and Chapter 8 of the CME Rulebook, and the dispute resolution and arbitration procedures of CME Rulebook Chapter 6. As with all products listed for trading on one of CME Group's designated contract markets, trading activity in the Contract will be subject to monitoring and surveillance by CME Group's Market Regulation Department. The Market Regulation Department has the authority to exercise its investigatory and enforcement power where potential rule violations are identified.

Contract Not Readily Subject to Manipulation: The Contracts are not readily subject to manipulation as a result of the deep liquidity and robustness of the underlying futures market and the settlement index.

Prevention of Market Disruption: Trading in the Contracts will be subject to the Rules of CME, which include prohibitions on manipulation, price distortion, and disruption to the cash settlement process. As with any new product listed for trading on a CME Group designated contract market, trading activity in the futures Contract proposed herein will be subject to monitoring and surveillance by CME Group's Market Regulation Department.

Position Limitations or Accountability: The Exchange has a detailed calculation methodology for the position limits in the Contracts.

Availability of General Information: The Exchange will publish on its website information in regard to contract specifications, terms, and conditions, as well as daily trading volume, open interest, and price information for the Contract.

Daily Publication of Trading Information: The Exchange will publish contract trading volumes, open interest levels, and price information daily on its website and through quote vendors for the Contract.

Execution of Transactions: The Contracts will be listed for trading on the CME Globex electronic trading platform and New York Trading Floor, and for clearing through the CME ClearPort platform. The CME Globex trading venue provides for competitive and open execution of transactions. CME Globex affords the benefits of reliability and global connectivity. The CME ClearPort platform provides a competitive, open and efficient mechanism for novating transactions that are competitively executed by brokers.

Trade Information: All requisite trade information for the Contracts will be included in the audit trail and is sufficient for the Market Regulation Department to monitor for market abuse.

Financial Integrity of Contract: The Contracts will be cleared by the CME Clearing House, a derivatives clearing organization registered with the CFTC and subject to all CFTC regulations related thereto.

Protection of Market Participants: CME Rulebook Chapters 4 and 5 set forth multiple prohibitions that preclude intermediaries from disadvantaging their customers. These rules apply to trading in all of the Exchange's competitive trading venues.

Disciplinary Procedures: Chapter 4 of the Rulebook contains provisions that allow the Exchange to discipline, suspend or expel members or market participants that violate the Rulebook. Trading in the Contracts will be subject to Chapter 4, and the Market Regulation Department has the authority to exercise its enforcement power in the event rule violations in these products are identified.

Dispute Resolution: Disputes with respect to trading in the Contracts will be subject to the arbitration provisions set forth in Chapter 6 of the Rulebook. Chapter 6 allows all nonmembers to submit a claim for financial losses resulting from transactions on the Exchange to arbitration. A member named as a respondent in a claim submitted by a nonmember is required to participate in the arbitration pursuant to Chapter 6. Additionally, the Exchange requires that members resolve all disputes concerning transactions on the Exchange via arbitration.

Pursuant to Section 5c(c) of the Act and CFTC Regulation 40.2(a), the Exchange hereby certifies that listing the Contracts complies with the Act, including regulations under the Act. There were no substantive opposing views to the listing of these Contracts.

The Exchange certifies that this submission has been concurrently posted on the Exchange's website at http://www.cmegroup.com/market-regulation/rule-filings.html.

Should you have any questions concerning the above, please contact the undersigned at (212) 299-2200 or via e-mail at CMEGSubmissionInquiry@cmegroup.com.

Sincerely,

/s/ Christopher Bowen
Managing Director and Chief Regulatory Counsel

Attachments: Appendix A: NYMEX Rulebook Chapters
Appendix B: Position Limit, Position Accountability, and Reportable Level Table in Chapter 5 of the NYMEX Rulebook (attached under separate cover)
Appendix C: NYMEX Rule 588.H. – ("Globex Non-Reviewable Trading Ranges")
Appendix D: Cash Market Overview and Analysis of Deliverable Supply

APPENDIX A

NYMEX Rulebook

Chapter 318
WTI Houston (Argus) Trade Month Futures

318100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

318101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the WTI Houston (1st month) weighted average index price from Argus Media for the Trade month period beginning with the first business day after the 25th calendar day two months prior to the contract month through the last business day that falls on or before the 25th calendar day of the month prior to the contract month. If the 25th calendar day is a weekend or holiday, the Trade month period shall end on the first business day prior to the 25th calendar day.

318102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

318102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

318102.B. Trading Unit

The contract size shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

318102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be $0.01 per barrel.

318102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

318102.E. Termination of Trading

Trading shall cease at the close of trading on the last business day that falls on or before the 25th calendar day of the month prior to the contract month. If the 25th calendar day is a weekend or holiday, trading shall cease on the first business day prior to the 25th calendar day.

318103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

318104. DISCLAIMER

Argus Media ("Argus") licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Argus price assessments in connection with the trading and/or clearing of the contract.

NYMEX, ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE

PRICE ASSESSMENT, TRADING AND/OR CLEARING BASED ON THE PRICE ASSESSMENT, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING AND/OR CLEARING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE PRICE ASSESSMENT OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR ARGUS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Chapter 319
WTI Houston (Argus) vs. WTI Trade Month Futures

319100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

319101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the WTI Houston (1st month) differential weighted average (Diff weighted average) index price from Argus Media, which is based on the weighted average index price of WTI Houston minus the "WTI Formula Basis" price from Argus Media, for the Trade month period beginning with the first business day after the 25th calendar day two months prior to the contract month through the last business day that falls on or before the 25th calendar day of the month prior to the contract month. If the 25th calendar day is a weekend or holiday, the Trade month period shall end on the first business day prior to the 25th calendar day.

319102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

319102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

319102.B. Trading Unit

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

319102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be $0.01 per barrel.

319102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

319102.E. Termination of Trading

Trading shall cease at the close of trading on the last business day that falls on or before the 25th calendar day of the month prior to the contract month. If the 25th calendar day is a weekend or holiday, trading shall cease on the first business day prior to the 25th calendar day.

319103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

319104. DISCLAIMER

Argus Media ("Argus") licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Argus price assessments in connection with the trading and/or clearing of the contract.

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Chapter 374
WTI Houston (Argus) Financial Futures

374100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

374101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the WTI Houston (1st month) weighted average index price from Argus Media for each business day that it is determined during the contract month.

374102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

374102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

374102.B. Trading Unit

The contract size shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

374102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be $0.01 per barrel.

374102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

374102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

374103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

374104. DISCLAIMER

Argus Media ("Argus") licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Argus price assessments in connection with the trading and/or clearing of the contract.

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Chapter 372
WTI Houston (Argus) vs. WTI Financial Futures

372100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

372101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the arithmetic average of the WTI Houston (1st month) differential weighted average (Diff weighted average) index price from Argus Media, which is based on the weighted average index price of WTI Houston minus the "WTI Formula Basis" price from Argus Media for each business day that both are determined during the contract month.

372102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

372102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

372102.B. Trading Unit

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

372102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be $0.01 per barrel.

372102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

372102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

372103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

372104. DISCLAIMER

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Chapter 383
WTI Houston (Argus) vs. WTI Trade Month BALMO Futures

383100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

383101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the balance-of-month arithmetic average of the WTI Houston (1st month) differential weighted average (Diff weighted average) index price from Argus Media, which is based on the weighted average index price of WTI Houston minus the "WTI Formula Basis" price from Argus Media, from the selected start date through the end of the Trade month period, inclusive. The Trade month period begins with the first business day after the 25th calendar day two months prior to the contract month and terminates on the last business day that falls on or before the 25th calendar day of the month prior to the contract month. If the 25th calendar day is a weekend or holiday, the Trade month period shall end on the first business day prior to the 25th calendar day.

383102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

383102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

383102.B. Trading Unit

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

383102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be $0.01 per barrel.

383102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

383102.E. Termination of Trading

Trading shall cease at the close of trading on the last business day that falls on or before the 25th calendar day of the month prior to the contract month. If the 25th calendar day is a weekend or holiday, trading shall cease on the first business day prior to the 25th calendar day.

383103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

383104. DISCLAIMER

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Chapter 384
WTI Houston (Argus) vs. WTI BALMO Futures

384100. SCOPE OF CHAPTER

The provisions of these rules shall apply to all futures contracts bought or sold on the Exchange for cash settlement based on the Floating Price. The procedures for trading, clearing and cash settlement of this contract, and any other matters not specifically covered herein shall be governed by the general rules of the Exchange.

384101. CONTRACT SPECIFICATIONS

The Floating Price for each contract month is equal to the balance-of-month arithmetic average of the WTI Houston (1st month) differential weighted average (Diff weighted average) index price from Argus Media, which is based on the weighted average index price of WTI Houston minus the "WTI Formula Basis" price from Argus Media, from the selected start date through the end of the contract month, inclusive.

384102. TRADING SPECIFICATIONS

The number of months open for trading at a given time shall be determined by the Exchange.

384102.A. Trading Schedule

The hours of trading for this contract shall be determined by the Exchange.

384102.B. Trading Unit

The contract quantity shall be 1,000 U.S. barrels. Each contract shall be valued as the contract quantity (1,000) multiplied by the settlement price.

384102.C. Price Increments

Prices shall be quoted in U.S. dollars and cents per barrel. The minimum price fluctuation shall be $0.01 per barrel.

384102.D. Position Limits, Exemptions, Position Accountability and Reportable Levels

The applicable position limits and/or accountability levels, in addition to the reportable levels, are set forth in the Position Limit, Position Accountability and Reportable Level Table in the Interpretations & Special Notices Section of Chapter 5.

A Person seeking an exemption from position limits for bona fide commercial purposes shall apply to the Market Regulation Department on forms provided by the Exchange, and the Market Regulation Department may grant qualified exemptions in its sole discretion.

Refer to Rule 559 for requirements concerning the aggregation of positions and allowable exemptions from the specified position limits.

384102.E. Termination of Trading

Trading shall cease on the last business day of the contract month.

384103. FINAL SETTLEMENT

Final settlement under the contract shall be by cash settlement. Final settlement, following termination of trading for a contract month, will be based on the Floating Price. The final settlement price will be the Floating Price calculated for each contract month.

384104. DISCLAIMER

Argus Media ("Argus") licenses the New York Mercantile Exchange, Inc. ("NYMEX") to use various Argus price assessments in connection with the trading and/or clearing of the contract.

NYMEX, ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AS TO THE RESULTS TO BE OBTAINED BY ANY PERSON OR ENTITY FROM USE OF THE PRICE ASSESSMENT, TRADING AND/OR CLEARING BASED ON THE PRICE ASSESSMENT, OR ANY DATA INCLUDED THEREIN IN CONNECTION WITH THE TRADING AND/OR CLEARING OF THE CONTRACT, OR, FOR ANY OTHER USE. NYMEX, ITS AFFILIATES AND ARGUS MAKE NO WARRANTIES, EXPRESS OR IMPLIED, AND HEREBY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE PRICE ASSESSMENT OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL NYMEX, ITS AFFILIATES OR ARGUS HAVE ANY LIABILITY FOR ANY LOST PROFITS OR INDIRECT, PUNITIVE, SPECIAL OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

APPENDIX B

Position Limit, Position Accountability, and Reportable Level Table in Chapter 5 of the NYMEX Rulebook

(Attached under separate cover)

APPENDIX C

NYMEX Rule 588.H. – (“Globex Non-Reviewable Trading Ranges”)

(Additions are underscored)

Instrument Name	Globex Symbol	Globex Non-Reviewable Ranges (NRR)	NRR: Globex Format	NRR: Ticks
WTI Houston (Argus) vs. WTI Trade Month Futures	HTT	$1.00 per barrel	100	100
WTI Houston (Argus) Trade Month Futures	HTA	$1.00 per barrel	100	100
WTI Houston (Argus) vs. WTI Financial Futures	HIL	$1.00 per barrel	100	100
WTI Houston (Argus) Financial Futures	HIA	$1.00 per barrel	100	100
WTI Houston (Argus) vs. WTI Trade Month BALMO Futures	HTB	$1.00 per barrel	100	100
WTI Houston (Argus) vs. WTI BALMO Futures	HIB	$1.00 per barrel	100	100

APPENDIX D

Cash Market Overview and Analysis of Deliverable Supply

Introduction

New York Mercantile Exchange, Inc. (NYMEX or Exchange) is self-certifying the listing of six new crude oil futures contracts based on the Argus assessment for WTI at Houston. Exchange staff conducted a review of the underlying cash market and deliverable supply in the WTI Houston market. In estimating deliverable supply for the contracts and relying on the Commodity Futures Trading Commission ("CFTC" or "Commission") long-standing precedent, the key component of estimated deliverable supply is the portion of typical production and supply stocks that could reasonably be considered to be reliably available for delivery. Most recently, the Commission stated in its final position limit rulemaking that:

> [t]he term "deliverable supply" generally means the quantity of the commodity meeting a derivative contract's delivery specifications that can reasonably be expected to be readily available to short traders and saleable by long traders at its market value in normal cash marketing channels at the derivative contract's delivery points during the specified delivery period, barring abnormal movement in interstate commerce.

Accordingly, there are two components NYMEX considered in updating the existing deliverable supply estimates of the WTI type crude oil for the Houston delivery location:

(1) Crude Oil Production;
(2) Crude Oil Flows to the delivery area.

Data Sources

For production and inventory levels, NYMEX used information collected by the U.S. Department of Energy ("DOE") Energy Information Administration ("EIA"), which is a definitive source for this information. Other information is, in part, available from other sources as well, particularly at the state level from either energy or tax revenue authorities. The industry sources that the Exchange has consulted with for business intelligence are well-established and reputable market participants that the Exchange has had a longstanding relationship with.

CASH MARKET OVERVIEW

There is an active physical crude oil trading center based in Houston, Texas, which is a major hub for storage and pipelines with direct connectivity to the Cushing, Midland, and the U.S. Gulf Coast markets. There is active trading in light sweet WTI type crude oil (also referred to as domestic sweet). The WTI crude oil stream in Houston is a fungible blend of domestic light sweet streams with quality parameters of 44 degrees API gravity maximum and 0.45% sulfur maximum, which are slightly lighter than the WTI specifications in Cushing. The Houston physical delivery mechanism is comprised of a network of nearly a dozen pipelines and 10 storage terminals. There are substantial pipeline inflows of WTI type crude oil to Houston from three major hubs: 1) from Cushing via the Seaway and the Transcanada MarketLink Pipelines; 2) from Midland, Texas via the BridgeTex Pipeline and the Longhorn Pipeline; and 3) from the Eagle Ford production area in South Texas via the Enterprise Pipeline and the Kinder Morgan Pipeline. The Argus assessment for WTI Houston crude oil is based on delivery at the Magellan terminal in East Houston, which is a key hub for delivery of WTI type crude oil. The Argus methodology for the assessment of the WTI Houston crude oil index is the volume weighted-average price of transactions done during the entire trading day and is available at the following link:

http://argusmedia.com/~/media/A6D53631E1274D2CBC5CFC09AD5A55C0.ashx

Based on data provided by Argus, the WTI cash market at Houston is robust, and spot market liquidity continues to increase sharply, with an average of 2.6 transactions per day and average daily volume of 183,000 barrels per day in December 2015. The market participation is deep and diverse, and includes many commercial companies, refiners, end users, and trading companies, with 15-20 participants in the marketplace.

A. Crude Oil Production in Texas

For production and inventory data, NYMEX used information collected by the U.S. Department of Energy ("DOE") Energy Information Administration ("EIA"), which is a definitive source for this information. In the three-year period of 2012-2015, production of crude oil in Texas was approximately 2.98 million barrels per day. According to EIA data, in the period from November 2012 through October 2015, crude oil production has risen sharply in Texas from 2.2 million barrels per day in 2012 to 3.4 million barrels per day in 2015 (see Table 1 below).

The Energy Information Administration (EIA) recently conducted an analysis of the breakdown of types crude oil produced in the US ("types" defined by API and sulfur content) by region. In the resulting report, the EIA organized its findings nationally and by region. One of these regions, denoted as "Southwest", comprises the oil-rich area of West Texas. This EIA study is the most recent and authoritative report on WTI production in West Texas. According to this EIA report[1], approximately 63% of oil produced in West Texas is WTI type crude oil, and 35% is WTS type crude oil. The remaining 2% is typically a heavy-sour crude oil. Based on this EIA study, the share of Texas production that is WTI type crude oil is around 63% of the total, or approximately 1.8 million barrels per day.

Table 1: EIA Data
Texas Production of Crude Oil (On-Shore)
(Thousands of Barrels per Day)

Nov-2012	2,202
Dec-2012	2,221
Jan-2013	2,260
Feb-2013	2,320
Mar-2013	2,368
Apr-2013	2,418
May-2013	2,489
Jun-2013	2,525

[1] http://www.eia.gov/analysis/petroleum/crudetypes/pdf/crudetypes.pdf

July-2013	2,579
Aug-2013	2,607
Sep-2013	2,656
Oct-2013	2,672
Nov-2013	2,682
Dec-2013	2,773
Jan-2014	2,838
Feb-2014	2,902
Mar-2014	2,957
Apr-2014	3,050
May-2014	3,072
Jun-2014	3,154
Jul-2014	3,217
Aug-2014	3,262
Sep-2014	3,258
Oct-2014	3,332
Nov-2014	3,423
Dec-2014	3,512
Jan-2015	3,373
Feb-2015	3,462
Mar-2015	3,644
Apr-2015	3,589
May-2015	3,524
Jun-2015	3,460
Jul-2015	3,452
Aug-2015	3,413
Sep-2015	3,417
Oct-2015	3,391
3-Year Avg.	**2,985**

Data Source: http://www.eia.gov/dnav/pet/pet_crd_crpdn_adc_mbblpd_m.htm

B. Crude Oil Pipeline Flows to Houston

The Houston physical delivery mechanism is comprised of a network of nearly a dozen pipelines and 10 storage terminals. There are substantial pipeline inflows of WTI type crude oil to Houston from three major hubs: 1) from Cushing via the Seaway and the Transcanada MarketLink Pipelines; 2) from Midland, Texas via the BridgeTex Pipeline and the Longhorn Pipeline; and 3) from the Eagle Ford production area in South Texas via the Enterprise Pipeline and the Kinder Morgan Pipeline. Based on feedback from industry sources, the recent pipeline flows of WTI type crude oil inbound to Houston is in the range of 1.0 to 1.5 million barrels per day. The capacity of each pipeline is presented in Table 2 below.

Table 2
Crude Oil Pipelines to Houston
(Barrels/Day)

Incoming Pipelines	Capacity	Owner
Seaway Pipeline (from Cushing)	850,000	Enterprise/Enbridge
MarketLink Pipeline (from Cushing)	700,000	Transcanada
BridgeTex Pipeline (from Midland, TX)	350,000	Magellan
Longhorn Pipeline (from Midland, TX)	250,000	Magellan
Enterprise Eagle Ford Pipeline	350,000	Enterprise
Kinder Morgan Pipeline (from Eagle Ford)	250,000	Kinder Morgan

TOTAL In-Bound Pipeline Capacity: 2.75 Million Barrels/Day

C. Crude Oil Storage in Padd 3

Table 3 below provides the monthly Padd 3 storage levels starting with January 2013 and continuing through December 2015. During that time period, inventories averaged over 200 million barrels and ranged from about 170 to 250 million barrels. However, the EIA does not provide specific detail on crude oil stocks in the Houston area, and consequently, the Exchange will not utilize inventory levels in the deliverable supply estimate.

Table 3
PADD 3 Crude Oil Storage (EIA)

Monthly Average Stocks (in Thousand Barrels)		
Year	Month	
2013	Jan	170,315
	Feb	179,343
	Mar	184,316
	Apr	188,795
	May	188,090
	Jun	179,185
	Jul	180,431
	Aug	178,270
	Sep	186,275
	Oct	188,786
	Nov	182,070
	Dec	167,724
2014	Jan	174,218
	Feb	189,128

	Mar	199,303
	Apr	212,310
	May	210,843
	Jun	204,822
	Jul	197,582
	Aug	192,800
	Sep	186,625
	Oct	196,437
	Nov	198,350
	Dec	197,743
2015	Jan	211,367
	Feb	244,574
	Mar	233,319
	Apr	242,093
	May	240,842
	Jun	236,708
	Jul	227,120
	Aug	230,013
	Sep	240,343
	Oct	253,765
	Nov	250,527
	Dec	244,218
Three-Year Average		**204,685**

EIA Data Source: http://www.eia.gov/dnav/pet/pet_stoc_wstk_dcu_r30_m.htm

WTI at Cushing, Oklahoma: Key Components of Deliverable Supply

The NYMEX Crude Oil Last Day Financial Futures Contract (code 26) and the Argus WTI Trade Month Futures Contract (code V7) are cash-settled look-alike contracts of the NYMEX Light Sweet Crude Oil Futures Contract. These financial look-alike contracts are used in the aggregation of position limits for the WTI Cushing leg of the spread for the WTI Houston (Argus) vs. WTI Financial and the WTI Houston (Argus) vs. WTI Trade Month futures contracts. In estimating deliverable supply for these financially-settled look-alike WTI contracts, there are two main components that NYMEX considered in the deliverable supply estimates of the Domestic Light Sweet Common Stream Crude Oil for the Cushing, Oklahoma delivery location:

(1) Crude Oil Flows to the delivery area;
(2) Crude Oil Storage in the delivery area.

a. Crude Oil Flows to the Cushing Delivery Area

To determine the flows of Domestic Light Sweet crude oil into the delivery area, NYMEX consulted with industry executives and professionals from pipeline and storage terminal operators in Cushing as well as other major industry participants. It is noteworthy that the estimates provided here are materially less than the production that can readily access the delivery mechanism and which *could* be delivered due to the fact that the sources we used were specifically knowledgeable about *actual* Cushing deliveries. Thus, the information provided is not what *could be* delivered — the standard which is in accordance with Commission's policy and precedent — but what actually *is* delivered. The Exchange believes that the Cushing delivery mechanism for light sweet crude oil and corresponding commercial secondary market constitutes such a sophisticated and highly-developed commercial market mechanism that, at any time, the actual flows to and stocks in the delivery area represent precisely the deliverable supply sufficient to support the mechanism. In other words, even though at any time there is additional production that *could* be delivered to the delivery mechanism, we are only including what *actually* flows in our estimate of deliverable supply.

b. Crude Oil Storage in the Cushing Delivery Area

Storage data are provided on a weekly basis by EIA. Details are provided for the U.S., Petroleum Administration for Defense Districts ("PADDs") and Cushing. NYMEX includes only inventories reported at Cushing. As with production, EIA does not provide details on the quality characteristics of stored crude oil, but the industry experts with whom NYMEX consulted consistently estimated that 60% to 70% of the oil stored at Cushing qualified as Domestic Light Sweet Common Stream, (with a notable leaning towards 60%).

II. The Cushing Physical Delivery Mechanism: Scope of Deliverable Oil

The Cushing physical delivery mechanism is comprised of a network of nearly two dozen pipelines and 10 storage terminals, several with major pipeline manifolds. Two of the storage facilities — Enterprise and Enbridge — and their pipeline manifolds are the core of the Cushing physical delivery mechanism.[2] Detailed information about the inflowing and outflowing pipelines is contained below in Table 2.

Terminating obligations in the WTI Contract are fulfilled by delivering any of six "Domestic Production Streams of crude oil: West Texas Intermediate ("WTI"); Low Sweet Mix ("Scurry Snyder"); New Mexican Sweet; North Texas Sweet; Oklahoma Sweet; and South Texas Sweet. Additionally, a seventh stream, defined as "The Domestic Common Stream" transported by Enterprise Products' (formerly Teppco Pipeline), is also deliverable. Market participants commonly refer to the combination of all of the deliverable streams, including the Domestic Common Stream, as "WTI." Furthermore, the flow of each of these sweet crude streams is also commonly referred to as "Domestic Common Stream" within the complex that comprises the Cushing delivery mechanism, as well as in the WTI physical market which calls for delivery in the Cushing delivery mechanism.

a. Data for Crude Oil Flows to the Cushing Delivery Area

Currently, there is approximately 3.0 million b/d of inflow pipeline capacity to Cushing and 2.7 million barrels per day of outflow capacity. In addition, 85.0 million barrels of storage capacity exists in the Cushing area which continues to grow steadily. Based on information provided by pipeline and storage terminal operators, actual flows of oil to Cushing have ranged from 1.6 to 1.8 million barrels per day in recent years, with Domestic Light Sweet Common Stream Crude Oil averaging between 920,000 and

[2] Three of the major sources for the cash-market information we provide in this analysis come from Plains All America, Enterprise and Enbridge. Enterprise oversees the vast majority of deliveries in the Cushing Delivery Market and, as indicated, Enterprise and Enbridge are the core delivery mechanism operators. Plains and Enbridge account for about 60% of the storage available at Cushing.

1,000,000 barrels per day.[3] On a 30-day monthly basis, this computes into 27.6 to 30.0 million barrels per month which converts into 27,600 to 30,000 of WTI contract equivalents of deliverable supply. Table 1 in Appendix E provides specific details of pipeline flows into Cushing. We note that we asked operators of pipeline terminals in Cushing if they would share specific data on flows of Domestic Light Sweet Common Stream Crude Oil stored at their facilities and they responded that such data were confidential.

The Exchange collects this information periodically but not on an on-going or scheduled basis. As indicated above, we did collect it when we updated the deliverable supply estimates in 2006 and 2011; and we collected it again in February 2013. Consequently, we are unable to provide a three year average of these data but we believe that an average of the 2013 and 2015 estimated flows data would be very close to an actual three year average (if we were able to calculate it). The average of the 2013 and 2015 data is 23,750 to 26,250 contract equivalents.

b. Data for Crude Oil Storage in the Cushing Delivery Area

Table 2 in Appendix E provides the weekly Cushing storage calculation starting with January 2012 and continuing through December 2014. During that time period, inventories averaged over 37 million barrels and ranged from about 19 to 51 million barrels. NYMEX asked operators of storage in Cushing if they would share specific data on quantities of Domestic Light Sweet Common Stream Crude Oil stored at their facilities and they responded that such data were confidential. As discussed above, the Exchange estimated that approximately 60% of the total oil stored at Cushing qualified as Domestic Light Sweet Common Stream.

As of September 30, 2015, EIA reports that shell storage capacity at Cushing was 87.7 million barrels and working capacity was 73 million barrels.[4] Based on additional information from industry sources, we expect total shell capacity to increase to more than 90 million barrels by year-end 2016.

The Exchange has estimated the average weekly storage of Domestic Light Sweet crude oil in Cushing for the three-year period beginning January 1, 2012 and ending December 31, 2014; it is 22,000,000 barrels of oil, which converts into 22,000 contract equivalents of WTI contracts. This estimate includes the 40% reduction to account for the proportion of total crude inventories that qualify as Domestic Light Sweet crude oil in Cushing. The Exchange has further evaluated both operational practices at storage facilities as well as commercial practices by customers of storage facilities to determine if some components of inventoried product could rightfully be considered *not* to be readily deliverable.

[3] The sources were: Plains All America, an aggregator and marketer of crude oil production and pipeline and storage terminal operator at Cushing; Enbridge, a pipeline and storage terminal operator at Cushing; and JSK Consulting, the principal of which is a seasoned Midcontinent oil market participant and professional with 40 years of experience in trading, operating transportation and storage in Cushing, and refining.

[4] http://www.eia.gov/petroleum/storagecapacity/table2.pdf Shell capacity is defined by EIA as the design capacity of a petroleum storage tank which is always greater than or equal to working storage capacity.

With respect to operational practices, based on discussions with some industry experts, the Exchange conservatively estimates that 6.75% of stored product, on average, is required for operational minimums.[5] This converts into an estimated 1,500,000 barrels of Domestic Light Sweet crude oil based on the three-year average storage level (1,500 contract equivalents); so we subtract this amount from the estimated average storage from 2012 through 2014. The adjusted estimate due to subtracting operational minimums is 20,500 contract equivalents.

Further, we did hear from one refiner that they keep barrels stored at Cushing for the contingency that there could be some unexpected interruption in their refinery supply; and, rather than refine the barrels stored at Cushing, they use them to trade for other barrels they would refine. We are adjusting for this *contingency storage* in our estimate of deliverable supply by subtracting it. We estimate this quantity to be 2 million barrel (or 2,000 contract equivalents) of Domestic Light Sweet crude oil. Therefore, the corresponding adjustment to the average Domestic Light Sweet crude oil stored from 2012 through 2014 (adjusted for operational minimums and contingency storage) is 18,500 contract equivalents.

Deliverable Supply Estimate for the Cushing WTI-Related Futures

The NYMEX Crude Oil Last Day Financial Futures Contract (code 26) and the Argus WTI Trade Month Futures Contract (code V7) are cash-settled look-alike contracts of the NYMEX Light Sweet Crude Oil Futures Contract. Consequently, the spot month position limits for these financially-settled contracts are identical to the position limits for the NYMEX Light Sweet Crude Oil Futures Contract. Combining the average for 2013 and 2015 of industry-based estimates of physical flow of deliverable oil to the delivery area each month with the three-year average industry-based estimates of deliverable oil stored in the delivery area between 2012 and 2014 (adjusted downwards for operational minimums and *contingency* storage) yields: 23,750 to 26,250 contracts equivalent plus 18,500 which ranges from 42,250 to 44,750 contract equivalents. The mid-point of this range, which is based on estimated three-year averages for physical flows and storage, is 43,500 contract equivalents, which is our estimated deliverable supply.

Therefore, the current spot month position limit for the financial Cushing WTI Crude Oil Futures contracts of 3,000 lots is equivalent to 6.9% of the total monthly deliverable supply.

Analysis of Spot-Month Position Limits

In its analysis of deliverable supply, the Exchange focused on the EIA production data as the most reliable and accurate source for the deliverable supply estimates for WTI deliverable at the Houston hub. Based on the EIA data, the share of Texas crude oil production that is WTI type crude oil is 63% of the total, or approximately 1.8 million barrels per day. This is equivalent to approximately 54 million barrels per month, or 54,000 contract equivalents of the futures contract. Further, there is adequate pipeline capacity to transport the crude oil from West Texas to the hub in Houston.

At this time, the Exchange is not including stocks data in its analysis of deliverable supply. Stocks data tend to vary and, at least upon launch of products, we would rather not condition recommended position limits based on stock data.

[5] We have been advised that, for older tanks, the operational minimum is 9% and, for newer tanks, it is 4.5%. Our assessment is that the majority of tanks at Cushing would qualify as newer. Nonetheless, to be conservative, we have applied the mid-point percentage—6.75%-- for all of Cushing.

The proposed spot month position limit for the WTI Houston (Argus) Financial Futures Contract and the WTI Houston (Argus) Trade Month Futures Contract is 3,000 contracts, which is approximately 5.6% of the estimated monthly supply of 54,000 contract equivalents.

For purposes of calculating compliance with position limits, the WTI Houston (Argus) vs. WTI Trade Month Futures Contract aggregates into the two underlying legs: the WTI Houston (Argus) Trade Month Futures Contract and the Argus WTI Trade Month Futures Contract (code V7). The existing spot month position limit for the Argus WTI Trade Month Futures Contract is 3,000 contracts, which is approximately 6.9% of the estimated monthly supply of WTI in Cushing of 43.5 million barrels (equivalent to 43,500 contracts). The existing spot month position limits for the Argus WTI Trade Month Futures Contract (code V7) is based on the deliverable supply of WTI crude oil in Cushing, Oklahoma.

For purposes of calculating compliance with position limits, the WTI Houston (Argus) vs. WTI Financial Futures Contract aggregates into the two underlying legs: the WTI Houston (Argus) Financial Futures Contract and the NYMEX Crude Oil Last Day Financial Futures, code 26. The existing spot month position limit for the NYMEX Crude Oil Last Day Financial Futures is 3,000 contracts, which is approximately 6.9% of the estimated monthly supply of WTI at Cushing of 43.5 million barrels (equivalent to 43,500 contracts).

For purposes of calculating compliance with position limits, the WTI Houston (Argus) vs. WTI Trade Month BALMO Futures Contract aggregates into the two underlying legs: the WTI Houston (Argus) Trade Month Futures Contract and the Argus WTI Trade Month Futures Contract (code V7). The existing spot month position limit for the Argus WTI Trade Month Futures Contract is 3,000 contracts, which is approximately 6.9% of the estimated monthly supply of WTI in Cushing of 43.5 million barrels (equivalent to 43,500 contracts).

For purposes of calculating compliance with position limits, the WTI Houston (Argus) vs. WTI Financial BALMO Futures Contract aggregates into the two underlying legs: the WTI Houston (Argus) Financial Futures Contract and the NYMEX Crude Oil Last Day Financial Futures, code 26. The existing spot month position limit for the NYMEX Crude Oil Last Day Financial Futures is 3,000 contracts, which is approximately 6.9% of the estimated monthly supply of WTI at Cushing of 43.5 million barrels (equivalent to 43,500 contracts).

Finally, for purposes of position limits and position accountability levels, contracts shall diminish ratably as the contract month progresses toward month end.

APPENDIX E

Table 1
Cushing Crude Oil Flows
(Barrels/Day)[6]

Incoming Pipelines	Capacity	Owner	Estimated Flows (in Barrels/Day)

[6] Sources: Plains All American Pipeline Company, JSK Consulting, and other industry sources.

Keystone XL (from Steele City, NE)	575,000	Transcanada	200,000 - 250,000 BD (Heavy sour)
Basin Pipeline (Permian)	450,000	Plains	250,000 (80% WTI)
Centurion North Pipeline (Permian)	120,000	Occidental	95,000 - 100,000 (100% WTI)
Spearhead Pipeline (Canada)	210,000	Enbridge	150,000 - 175,000 (Canadian sour)
Flanagan South (Canada/Bakken)	585,000	Enbridge	400,000 - 450,000 (10% WTI, 90% Sour)
White Cliffs Pipeline (Niobrara)	150,000	Rose Rock	100,000 - 120,000 (100% WTI)
Plains Cashion, OK Pipeline	100,000	Plains	80,000 (100% WTI)
Mississippi Lime Pipeline	175,000	Plains	110,000 (100% WTI)
Pony Express Pipeline (Niobrara)	320,000	Tallgrass	180,000 – 200,000 (100% WTI)
Hawthorn (Stroud to Cushing)	90,000	Hawthorn	20,000 – 25,000 (100% WTI)
Great Salt Plains	30,000	JP Energy	15,000 – 20,000 (100% WTI)
Northern Cimarron	30,000	Rose Rock	15,000 – 20,000 (100% WTI)
Midcontinent Pipeline	30,000	Sunoco Logistics	25,000 – 30,000 (100% WTI)
Glass Mountain Pipeline	140,000	Rose Rock	40,000 – 50,000 (100% WTI)

TOTAL In-Bound Capacity 3.0 Million Capacity **WTI Flow: 920,000 – 1,000,000 B/D**

Outgoing Pipelines	Capacity (B/D)	Owner
Seaway Pipeline	850,000	Enterprise
Keystone MarketLink	700,000	Transcanada
BP#1 (to Chicago)	180,000	BP
Occidental Centurion South	60,000	Occidental
Ozark (to Wood River, IL)	235,000	Enbridge
Osage (to Eldorado, KS)	150,000	Magellan/NCRA
Coffeyville CVR pipeline	110,000	CVR Energy
Phillips (to Ponca City, OK)	122,000	ConocoPhillips
Phillips (to Borger, TX)	59,000	NuStar
PAA Red River Pipeline	30,000	Plains All America
Sun (twin lines to Tulsa)	70,000	Sunoco
PAA Cherokee	50,000	Plains
West Tulsa (to Tulsa)	50,000	Enbridge
Eagle (to Ardmore)	20,000	Blue Knight
Magellan Tulsa	30,000	Magellan
Diamond Pipeline (to Memphis)	200,000	Plains (in 2016)

TOTAL Out-bound Capacity 2.7 Million B/D

Table 2
Cushing Crude Oil Storage

Average of Weekly Stocks (in Thousand Barrels)		
Year	Month	
2012	Jan	29,037
	Feb	32,237
	Mar	38,651

	Apr	41,619
	May	45,725
	Jun	47,596
	Jul	46,162
	Aug	44,895
	Sep	43,874
	Oct	43,912
	Nov	44,657
	Dec	48,177
2013	Jan	51,253
	Feb	50,711
	Mar	49,567
	Apr	50,551
	May	49,916
	Jun	49,193
	Jul	44,798
	Aug	37,432
	Sep	33,254
	Oct	33,618
	Nov	39,174
	Dec	40,412
2014	Jan	41,058
	Feb	35,099
	Mar	29,081
	Apr	26,474
	May	22,750
	Jun	21,226
	Jul	19,480
	Aug	19,496
	Sep	20,263
	Oct	20,274
	Nov	23,559
	Dec	28,080
Three-Year Average		**37,300**

EIA: http://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=W_EPC0_SAX_YCUOK_MBBL&f=W