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April 20, 2010

VIA E-MAIL
Mr. David Stawick
Office of the Secretariat
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, N.W.
Washington, D.C. 20581

Re: Rule Certification. New York Mercantile Exchange, Inc. Submission #10-098: Notification Regarding the Listing of Dubai Crude Oil (Platts) Average Price Option Contract on NYMEX Trading Floor and CME ClearPort®

Dear Mr. Stawick:

The New York Mercantile Exchange, Inc. ("NYMEX" or "Exchange") is notifying the Commodity Futures Trading Commission ("CFTC" or "Commission") that it is self-certifying the listing of a Dubai Crude Oil (Platts) Average Price Option contract which represents an option on the Exchange's Dubai Crude Oil (Platts) Calendar Swap Futures contract (chapter 511, commodity code DC). This option contract will have a final settlement based on the average price from Platts for Dubai Crude Oil.

This option, along with the underlying swap that is currently listed, represents a hedging instrument to allow price protection on various Crude Oil production streams in the Persian Gulf area. Below are the trading characteristics for the proposed option.

The Dubai Crude Oil (Platts) Average Price Option contract will be listed for trading on Sunday, April 25, 2010 for trade date Monday, April 26, 2010. It will be listed for open outcry trading during the hours of 9:00 a.m. to 2:30 p.m. (New York Prevailing time) Monday through Friday, except on Exchange holidays. The contract will also be listed for clearing through CME ClearPort for submission of an exchange of Exchange energy option for, or in connection with, an over-the-counter ("OTC") energy option product (hereinafter an exchange of options for options or "EOO") transaction pursuant to NYMEX Rule 538, from 6:00 p.m. Sundays through 5:15 p.m. Fridays (New York Prevailing time), with a 45-minute break each day between 5:15 p.m. and 6:00 p.m., except on Exchange holidays.

The following will be the contract details:

Rule Chapter: 516

Ticker Symbol: AH

Monthly Contract Listings: The Dubai Crude Oil (Platts) Average Price Option contract will be listed beginning with the May 2010 contract month. The Exchange will list the contract for the balance of current year plus five consecutive years. Upon expiration of the December 2010 contract, a new calendar year will be listed.

Type of Option: Dubai Crude Oil (Platts) Average Price Option contract is a financially settled European-style option. The option cannot be exercised prior to expiration.

Pursuant to Section 5c(c) of the Commodity Exchange Act ("Act") and CFTC Rules 40.2 and 40.6, the Exchange hereby certifies that the attached contract complies with the Act, including regulations under the Act. This submission will become effective on trade date Monday, April 26, 2010.

Should you have any questions concerning the above, please contact Bob Biolsi at (212) 299-2610 or the undersigned at (312) 648-5422.

Sincerely,

/s/ Stephen M. Szarmack
Regulatory Counsel

Attachments: Contract terms and conditions
Supplemental Market Information

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Chapter 516

Dubai Crude Oil (Platts) Average Price Option

516.01 EXPIRATION

A Dubai Crude Oil (Platts) Average Price Option contract shall expire on the last business day of the contract month.

516.02 TYPE OF OPTION

Dubai Crude Oil (Platts) Average Price Option contract is a financially settled European-style option. The option cannot be exercised prior to expiration.

516.03 TRADING UNIT

On expiration of a call option, the option will be financially settled by subtracting the strike price from the underlying settlement price of the Dubai Crude Oil (Platts) Calendar Swap Futures contract times 1,000 barrels, or zero, whichever is greater. On expiration of a put option, the option will be financially settled by subtracting the underlying settlement price of the Dubai Crude Oil (Platts) Calendar Swap Futures contract from the strike price times 1,000 barrels, or zero, whichever is greater.

516.04 HOURS OF TRADING

The option contract is available for open outcry trading on the Exchange trading floor between 9:00 a.m. and 2:30 p.m. (New York Prevailing time) Monday through Friday, except on Exchange Holidays.

The option contract is available for clearing through CME ClearPort® from 6:00 p.m. Sundays through 5:15 p.m. Fridays (New York Prevailing time), with a 45-minute break each day between 5:15 p.m. and 6:00 p.m., except on Exchange Holidays.

516.05 STRIKE PRICES

Trading shall be conducted for options with strike prices in increments as set forth below.

(A) On the first business day of trading in an option contract month, trading shall be at the following strike prices: (i) the previous day's settlement price for the underlying Dubai Crude Oil (Platts) Calendar Swap Futures contract rounded off to the nearest five-cent increment, unless such settlement price is precisely midway between two five-cent increments in which case it shall be rounded off to the lower five-cent increment; (ii) the five strike prices which are five five-cent increments higher than the strike price described in section (i) of this Rule 516.05(A); and (iii) the five strike prices which are five five-cent increments lower than the strike price described in section (i) of this Rule 516.05(A).

(B) Thereafter, on any business day prior to the expiration of the option, new strike prices for both puts and calls will be added, such that at all times there will be at least five five-cent increment strike prices above and below the at-the-money strike price available for trading in all option contract months. The at-the-money strike price will be determined in accordance with the procedures set forth in Subsection (A) of this Rule 516.05.

(C) Notwithstanding the provisions of subsections (A) and (B) of this Rule, if the Exchange determines that trading in financially settled Dubai Crude Oil (Platts) Average Price Option contract will be facilitated thereby, the Exchange may, by resolution, change the increments between strike prices, the number of strike prices which shall be traded on the first day in any new option contract month, the number of new strike prices which will be introduced on each business day or the period preceding the expiration of a Dubai Crude Oil (Platts) Average Price Option contract in which no new strike prices may be introduced.

516.06 TRADING MONTHS

Trading shall be conducted in the months determined by the Exchange.

516.07 PRICES

Prices shall be quoted in dollars and cents per barrel. The minimum price increment will be one cent ($0.01) per barrel. A cabinet trade may occur at the price of $0.001 per barrel or $1.00, however, if it results in the liquidation of positions of both parties to the trade.

516.08 ABSENCE OF PRICE FLUCTUATION LIMITATIONS

Trading in Dubai Crude Oil (Platts) Average Price Option shall not be subject to price fluctuation limitations.

SUPPLEMENTAL MARKET INFORMATION

PRICE SOURCE: PLATTS

The price reporting service used for the final settlement of the Dubai Crude Oil average price option is Platts. NYMEX has a formal agreement with Platts to utilize their pricing data, and Platts has a long-standing reputation in the industry as fair and not manipulated. The pricing methodology for Platts relies on telephone surveys and electronic data from dozens of market participants to determine market value.

The Platts methodology for assessing Dubai crude oil is explained in detail at the link below:
http://www.platts.com/IM.Platts.Content/MethodologyReferences/MethodologySpecs/crudeoilspecs.pdf

DUBAI CRUDE OIL CASH MARKET

In the over-the-counter ("OTC") market, the Dubai Crude Oil swaps and option contracts are based on Platts' assessments for physical Dubai crude oil. As part of its physical Dubai assessment, Platts uses three Middle East crude oil streams as deliverable: Dubai, Oman and Upper Zakum. Therefore, the monthly deliverable supply encompasses three crude oil streams with total daily supply of nearly 1.5 million barrels. This is equivalent to 45,000 contract-equivalents per month.

Oman crude oil is the largest deliverable component of the Dubai stream, with 800,000 barrels per day of production in 2009, according to data from the Government of Oman's state-owned oil company, called Petroleum Development Oman (PDO). In addition, Upper Zakum, which is produced in Abu Dhabi, has daily flow of approximately 600,000 barrels, according to the *Energy Intelligence Research.* This field is 60% owned by Abu Dhabi National Oil Company, 28% by ExxonMobil, and 12% by Japan Oil Development Company. Further, physical Dubai crude oil has current daily production of approximately 65,000 barrels, according to *Energy Intelligence Research.* Therefore, the total monthly deliverable supply for the three crude oil streams included in the physical Dubai assessment is approximately 1.5 million barrels per day, or the equivalent of 45 million barrels per month.

The Dubai crude oil market is deep, liquid, and transparent, consisting of a physical forward market, physical spot market, and an active OTC swaps and options market. There are numerous participants in the market with no single party dominating the secondary market trading of physical cargoes or financial contracts. The estimated trading volume of Dubai-related crude oil streams in the Middle East and Far East cash markets is approximately 2.0 million to 2.5 million barrels per day. The typical transaction size is a cargo size of 500,000 barrels or partial-cargo sizes of 100,000 barrels, with dozens of separate transactions conducted daily.

There is a large and diverse number of cash market participants in the Dubai-related crude oil cash market. There are approximately 30 to 40 companies that actively participate in the Dubai cash market, which encompasses the physical Oman, Upper Zakum, and Dubai crude oil markets. The list of companies active in the Dubai cash market includes large oil refiners (such as Chinese, Korean, and Japanese refiners), the super-majors (such as BP, Shell, ExxonMobil, and Total), oil traders (such as Occidental Petroleum, Vitol, Oman Trading International, Morgan Stanley, Goldman Sachs, Glencore, Phibro, Arcadia, Trafigura, and Sempra) and banks (JP Morgan, Societe Generale, Deutsche Bank, and Citibank).

UNDERLYING FUTURES MARKET

The futures contract underlying the proposed Average price option, Dubai Crude Oil (Platts) Calendar Swap Futures (rule 511, commodity code DC), has been very active and liquid in recent years. Below are the volume trends in the underlying futures contract:

Date	Total Volume	Average Daily Volume
Apr-09	86,580	4,123
May-09	66,316	3,316
Jun-09	74,529	3,388
Jul-09	77,347	3,516
Aug-09	77,020	3,668
Sep-09	80,645	3,840
Oct-09	77,749	3,534
Nov-09	93,639	4,682
Dec-09	45,733	2,079
Jan-10	48,992	2,579
Feb-10	37,862	1,993
Mar-10	45,065	1,959
Average	**67,646**	**3,223**

The strong volumes exhibited by the contract clearly indicate that the proposed option would be complemented by liquid futures contract which would allow market makers effective hedging instruments, which would in turn insure a vibrant liquid, options market.

FORWARD OTC MARKET

Further, there is a liquid derivatives or "paper" swaps and options market that is used for hedging Dubai and Middle East crude oil price exposure. The primary OTC hedging vehicles used to manage price risk for Middle East crude oil are various types of Dubai swaps and options. There is an active OTC swaps market in the Middle East-Asia Pacific region, which consists mainly of the Dubai-related swaps and options. In addition, there is a liquid OTC market in Brent-Dubai spread swaps, which are priced as a spread differential between Platts Dubai and the ICE Brent Crude oil. Further, there is a growing market that consists of OTC average price options which are cash-settled based on the Dubai calendar swap. The liquidity in the OTC swaps and options market is robust, with an estimated average daily trading volume of 5 million to 10 million barrels. There are several OTC brokerage firms that are active in the OTC markets, including PVM, Tullet Prebon, TFS, Ginga Petroleum, and MF Global. As discussed above, the OTC market participation is deep and diverse, and includes both cash market and OTC market players. Many of the same companies that are trading Brent and WTI are also active in the Dubai markets.

Refiners	Traders/End Users	Brokers	Financial (Swaps)
ConocoPhillips	Hess Energy Trading	GFI Starsupply	Societe Generale
Sinochem (China)	Vitol	PVM	Deutsche Bank
Unipec (China)	Glencore	MF Global	Barclays
ExxonMobil	Total	ICAP	Macquarie Bank
BP	Gunvor	Aspen Oil	Citibank
Singapore Refining	Oman Trading	Tullet Prebon	Nomura Bank
Shell	Morgan Stanley	TFS	JP Morgan
SK Corp. (Korea)	Goldman Sachs	Ginga Petroleum	
Hyundai (Korea)	Koch Petroleum	Newedge	
LG-Caltex (Korea)	Trafigura		
Sumitomo (Japan)	Phibro		
Idemitsu (Japan)	Mercuria		
Nippon (Japan)	Itochu (Japan)		
Mitsubishi (Japan)	Arcadia		
Mitsui (Japan)			
Marubeni (Japan)			
Cosmo Oil Co. (Japan)			
Reliance (India)			
Bharat Petroleum (India)			