

# Formula for the Escalation and De-escalation of Crude Oil and Natural Gas Prices

TAX YEAR 2018  
Previous Calendar Year 2017

X (oil) = 138.1 for Crude petroleum (domestic production) - WPU0561

X (gas) = 119.1 for Natural gas - WPU0531

$$Y = 2017 - 1982 = 35$$

$$1/Y = 0.028571$$

<p><b>Escalation Factor for Crude petroleum (domestic production)</b></p> $(( X (oil) / 100 ) ^ ( 1/Y ) - 1 ) * 100 = 0.927\%$
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<p><b>Escalation Factor for Natural gas</b></p> $(( X (gas) / 100 ) ^ ( 1/Y ) - 1 ) * 100 = 0.501\%$