Math
Milestones™

Oil Business

Name _____   Date _____

In 2018, an oil company rented an oil rig for $100,000 per day. The company drilled a well and started pumping oil.

(1)   How much oil must be sold each day to equal the rental cost? Note: 42 gal of oil could be sold for $70 in 2018.

(2)   The company estimates that the profit, P, in millions of dollars, after pumping oil for D days is $P = 0.5D - 40$.

    (a) What is the profit after the first day of pumping oil?

    (b) On another sheet of paper or using technology, make a table of pairs of values (D, P) and graph the ordered pairs.

    (c) How can the company make $30M of profit?

(3)   An equivalent expression for P is $0.5(D - 80)$. How does the 80 in this expression relate to the company's situation?