

## **ECO240 Practice Question for Feb. 15 Lecture**

Q. Suppose that average daily production of oils from 5 wells is

2, 4, 6, 8, 10 (1,000 barrels) (N = 5)

- a. Take a sample size 2 ( $n = 2$ ) from the population of 5 and construct the probability distribution of the sample mean.
- b. Calculate the expected value of the sample means for  $n = 2$ .
- c. Calculate the standard error of sample means
- d. Calculate population standard deviation
- e. Use the appropriate formula to calculate the standard error of the sample mean.
- f. What is the probability that the sample mean of daily production of oil is less than 5,000 barrels?