

BEFORE THE STATE BOARD OF EQUALIZATION

FOR THE STATE OF WYOMING

IN THE MATTER OF THE APPEAL OF)
WILLIAMS PRODUCTION RMT CO.) Docket No. 2010-147 (Campbell & Johnson)
FROM A DECISION BY THE)
DEPARTMENT OF REVENUE)

HEARING ORDER (TIK)

THIS MATTER having come before the State Board for scheduling upon its own motion, and the Board having reviewed the file herein pursuant to *Rules, Chapter 2, §6(a)(I), Wyoming State Board of Equalization*, and being otherwise advised in the premises;

IT IS THEREFORE HEREBY ORDERED this matter shall come for hearing before the Board to commence at **9:00 a.m., August 30, 2011**, in Room 1722, State Board Room, Herschler Building, Cheyenne, Wyoming. **If the parties determine the discrepancy which is the basis of the appeal has been resolved, they may request the Board dismiss the appeal without prejudice. A dismissal without prejudice does not constitute a full and final decision on the merits and would not necessarily act as a bar to future amendments of volume or value.** The Board would emphasize the purpose of having a full evidentiary hearing in this Take-in-Kind appeal is to resolve all volume and value discrepancies. The legal principles of res judicata and collateral estoppel may apply to the Board's final decisions, and no further amending of volume or value may be allowed.

IT IS FURTHER HEREBY ORDERED:

A. OFFICIAL RECORD OF HEARING: The record of the hearing shall be made by digital recording, however, any party may, at its option, make arrangements for the appearance and payment of a court reporter.

B. INITIAL EXCHANGE OF EXHIBITS AND WITNESS LISTS: The respective parties shall make an initial exchange of proposed exhibits marked as appropriate 100 through 199 by Petitioner, 200 through 299 by Joined Operator, and 500 through 599 by the Department of Revenue, and identify the names and addresses with a brief description of expected testimony of each possible expert witness not later than **May 16, 2011**. In the event other parties are joined or intervene, they will be assigned Exhibit Numbers at the time the order of joinder or intervention is issued by the Board.

C. REQUIRED EVIDENCE TO SUPPORT BURDEN OF PROOF: The following evidentiary information is anticipated to be submitted as is necessary for a party to establish the **taxable value** for oil and/or gas properties involved in the appeal:

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| TO DETERMINE
GROSS VALUE: | <ol style="list-style-type: none">1. Amended Gross Products returns2. Oil or gas purchaser statements3. Sales contracts4. Crude oil, gas postings5. Gravity deductions6. Run statements7. Operating Agreements8. Gas Balancing Agreements9. Division Orders10. Buy/Sell Agreements11. Exchange Agreements12. Gas Plant statements13. Residue Purchase Statements14. NGL Purchase Statements15. Sulphur Purchase Statements16. Residue Purchase Contracts17. NGL Purchase Contracts18. Sulphur Purchase Contracts |
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Any and all other contracts/statements which may be relevant.

**ROYALTY
DEDUCTION**

1. Federal, State and Tribal royalty reports

**TRANSPORTATION
DEDUCTION:**

1. Oil/gas pipeline statements
2. Oil/gas pipeline invoices
3. Oil/gas transportation contracts
4. Field schematic

**PROCESSING
DEDUCTION:**

1. Production: Leasehold cost work papers
Vouchers to support leasehold cost
2. Processing: Processing cost work papers
Vouchers to support processing cost

D. DISCOVERY DEADLINE: All discovery shall be completed on or before **July 15, 2011**.

E. FINAL EXCHANGE OF EXHIBITS AND WITNESS LISTS: The respective parties shall make a final exchange of proposed exhibits, identify the names and addresses with a brief description of expected testimony of all possible witnesses (even if previously designated) and designate in writing with the Board, all confidential exhibits and potential confidential testimony on or before **July 25, 2011**.

F. Pursuant to *Rules, Chapter 2, § 9, Wyoming State Board of Equalization*, and *Wyo. Stat. § 16-3-112(b)*, Gayle R. Stewart, shall act and is hereby appointed as hearing officer in these matters.

G. PREHEARING CONFERENCE AND REQUIRED PREHEARING SUBMISSIONS: The State Board, through Gayle R. Stewart, Staff Attorney, shall hold a prehearing conference in these matters in the order listed in the caption, the first conference to commence at **10:00 a.m., August 9, 2011**, in Room 1722, State Board Room, Herschler Building, Cheyenne, Wyoming. At the conference all parties shall file with the Board (original and four copies) of the following described documents. *The parties shall segregate the requested information in separate documents.*

1. All proposed exhibits, numbered as provided in Paragraph C, secured in a notebook or by two hole fastener, with each page of each exhibit consecutively numbered, preferably by Bates stamp. Each exhibit shall be tabbed and the tab shall be marked with the exhibit number for ready Board reference.
2. A summary of the contentions of the party *entitled “(Petitioners, Joined Operator’s or Department’s) Updated Summary of Contentions;*
3. A summary of the uncontroverted and stipulated facts *entitled “(Petitioners, Joined Operator’s or Department’s) Updated Summary of Uncontroverted [and Stipulated, when appropriate] Facts. The parties may and are encouraged to jointly prepare and submit this information, particularly in the circumstance of stipulated facts, to be made part of the hearing record.*
4. Remaining issues of fact and law for determination by the Board *with an index of exhibits referenced by number and brief description denoting the specific issue or fact the exhibit is anticipated to be offered to prove entitled “(Petitioner’s, Joined Operator’s or Department’s) Issues of Fact and Law and Exhibit Index.*

5. A list of proposed witnesses with a brief summary of proposed testimony *entitled “(Petitioners, Joined Operator’s or Department’s) Witness List and Summary of Proposed Testimony” specifically denoting the related issue(s) each witnesses’ testimony will address.*

H. Pursuant to *Rules, Chapter 2, § 31, Wyoming State Board of Equalization*, “resolution of any pending case may be made by agreed settlement. Upon filing of a stipulated motion to dismiss with prejudice **signed by all parties** to the case, the Board shall dismiss the case with prejudice.”

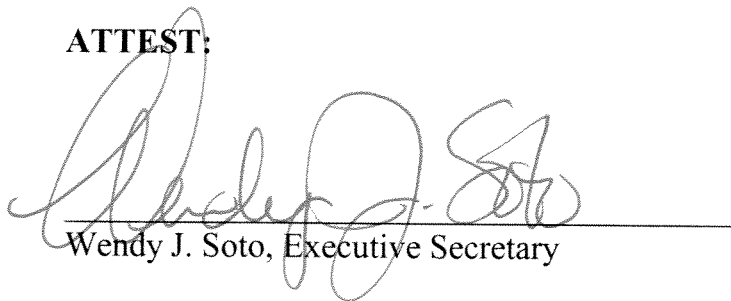
I. **PLEASE NOTE.** The dates for the Hearing and the Prehearing Conference will not be extended by the State Board except in rare and extraordinary circumstances, and only upon an appropriately served written motion.

Dated this 15th day of February, 2011.

STATE BOARD OF EQUALIZATION


Steven D. Olmstead, Vice Chairman

ATTEST:


Wendy J. Soto, Executive Secretary


CERTIFICATE OF SERVICE

I hereby certify that on the 15th day of February, 2011, I served the foregoing **HEARING ORDER (TIK)** by placing a true and correct copy thereof in the United States Mail, postage prepaid, and properly addressed to the following:

Alice A. Gilroy
Williams Production RMT Company
PO Box 3102
Tulsa OK 74101

William F. Russell
Senior Assistant Attorney General
2424 Pioneer, 3rd Floor
Cheyenne WY 82002

Lance Oil & Gas Company, Inc.
c/o Anadarko E&P Company LP
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PO Box 173779
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Jana R. Fitzgerald
Executive Assistant
State Board of Equalization
P.O. Box 448
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Phone: (307) 777-6989
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cc: State Board of Equalization;
Craig Grenvik, Minerals Division, Department of Revenue;
Assessor/Attorney/Treasurer/Commission - Campbell & Johnson
(Posted -<http://taxappeals.state.wy.us>);
ABA State and Local Tax Reporter