



Mailbox, IA OSAGEREGNEG <osageregneg@bia.gov>

Proposed changes to the CFR, Title 25, Chapter 1, Part 226 for Osage County

message

Ted Walker <Corco101@sbcglobal.net>

Fri, Mar 8, 2013 at 4:52 PM

To: osageregneg@bia.gov

ATTN: Mr. Eddie Streator

I am concerned about the proposed changes of the CFR, Title 25, Chapter 1, Part 226 for Osage County.

The main concerns that I am having are listed in the following brief outline:

- First of all, I believe very strongly that this CFR revision should include much more input from the private sector which includes producers, purchasers, engineers, geologists, and other qualified parties with actual knowledge of production.
- The proposed huge increases in bonding, fines, commencement monies, and rental rates are way out of proportion. I can understand the need to raise rates, but a moderate increase would be much more appropriate.
- Is the rental rate raise on the price of oil over \$100/bbl. really necessary or will it just produce more unnecessary paperwork, time, and labor?
- Is basing oil prices on the NYMEX, which is unattainable by the producer, by any means, a fair guideline to base the oil prices on?
- Early termination of leases should only be initiated for perpetual non-production (not mechanical, modest production or non-development reasons).
- Why should we have to notify the Agency Superintendent to sell oil? I don't see the point in this as we already have trouble getting through on the phone. As I understand, they are already overburdened with work there.
- Why do we need to furnish copies of the run tickets when the Agency already receives a copy? As far as I'm concerned, this is totally unnecessary and ridiculous. Again, this will only increase the workload, hours, and paperwork for all parties.

- The proposal to maintain a six year record of seal numbers and documentation for which valves they were on, and when they were put on and taken off, does not seem necessary at all. It is frivolous, labor intense, and it increases costs for no apparent reason.

Please reconsider these proposals before signing into law. My company has been operating in the Osage Nation for 110 years and I, myself, have been working here for 43 years. Please consider my opinions accordingly. Thank you for your time and consideration in this matter.

Sincerely,

Ted Walker

President

Continental Oil & Refining Co

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