

OKLAHOMA TAX COMMISSION

TAX POLICY AND RESEARCH DIVISION
TONY MASTIN, DIRECTOR

PHONE (405) 521-3133
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December 27, 2001

Re: Our File No. LR-01-180 (Gross Production) Lease Registration.

Dear

This letter is in response to your inquiry regarding a previous Letter Ruling (LR-01-03) wherein there was a question as to the assignment of a gross production tax reporting number for a group of wells located in _____ County, Oklahoma. Based on the information you had provided, the group of wells referenced met the criteria of being a single lease and therefore warranted the assignment and reporting of a single production unit number.

As for your current question regarding a change of gas purchaser, this would not affect the lease status and thus not require the assignment and reporting of additional production unit numbers. Only if there was a change in ownership of any of the wells that resulted in a difference in payout would additional tax numbers and reports be required. However, it will be necessary for the lease operator to file form 320-C notifying the Tax Commission of the change in purchaser.

If you should have any questions or need additional information you may contact me at 405-521-3133.

This response applies only to the circumstances set out in your request of November 6, 2001. Pursuant to Commission Rule 710:1-3-73(e), this Letter Ruling may be generally relied upon only by the entity to whom it is issued, assuming that all pertinent facts have been accurately and completely stated, and that there has been no change in applicable law.

Sincerely,

Mark J. Hendrix
Tax Policy Analyst