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BOARD OF COMMISSIONERS  
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EXECUTIVE SECRETARIAT

6 February 2015

The Honorable Sally Jewell  
Secretary  
United States Department of the Interior  
1849 C Street, N.W.  
Washington, DC 20240

RE: Consolidated Federal Oil and Gas and Federal and Indian Coal Valuation Reform (ONRR-2012-0004 (1012-AA13))

Dear Secretary Jewell:

On behalf of the Campbell County Board of Commissioners, I am requesting the United States Department of the Interior extend the comment period for the "Consolidated Federal Oil and Gas and Federal and Indian Coal Valuation Reform" for at least sixty (60) days. The complexity of this proposed rule requires additional time to review the possible implications of the change and provide informed comments to the Department of Interior to help develop a sensible and sustainable policy for federal lessees, buyers of oil, gas, and coal, taxpayers, and others impacted by such a change.

The current comment period is particularly difficult for those of us living in Wyoming as it falls during the 2015 legislative session. Wyoming is unique in the fact it is constitutionally stipulated to have a sixty (60) day legislative session, and on even number years, a forty (40) day budget session. County commissioners, legislators, state officials, and others are very busy during the legislative session, limiting the ability for us to provide substantive comments on such a complicated and important issue.

Additionally, as you may know, forty percent of the nation's coal is produced in Campbell County. Our county produced within its boundaries approximately 10.6 quadrillion BTUs of energy annually – providing from our one county about 10% of the entire nation's energy demand. For this reason, we have a critical interest in our federal energy resources and, in a preliminary review, we find the draft rule complicated and in need of extensive comment and revision.

For example, the proposed rule would assess royalties on revenues earned by a logistics services business with its own cost structure, risks and potential profits (which are already subject to income taxes) rather than the commodity to which the royalty applies by law, and would create new, complex and burdensome administrative systems, all troubling precedents not only for coal, oil and gas, but for any industry subject to federal regulation. We are concerned that the likely outcome

from this rule will be diminished sales of federal energy resources and diminished revenues for Campbell County, the State of Wyoming and federal entities. The draft rule also has broader negative implications for our energy sectors that will need to be fully evaluated before final comments can be provided.

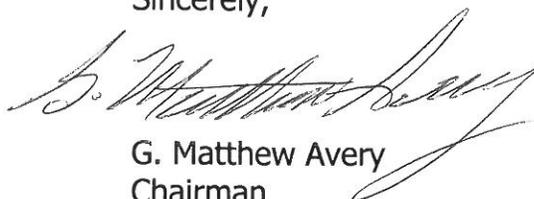
The current rules and regulations for leasing and producing federally-owned coal have created substantial revenues for federal, state and local governments, including an estimated \$876 million from royalties in fiscal year 2012 alone. The Office of Natural Resource Revenue's (ONRR) is charged to "collect, disburse, and verify Federal and Indian energy and other natural resource revenues on behalf of all Americans," thus the ONRR should be mindful not to discourage investment in federal resources through rulemaking dramatically changing how royalty is calculated, leading to reduced revenues to fund needed federal and state priorities.

As a county highly dependent upon ad valorem taxes assessed upon mineral production, sales taxes generated by purchases made by energy companies and their employees, and the economic impacts from these mineral extraction industries, we have the potential to be heavily impacted by federal decisions related to valuation of these extracted minerals.

Secretary Jewell, for the reasons outlined above, I would respectfully request that you provide a 60-day extension of the comment period for the proposed "Consolidated Federal Oil and Gas and Federal and Indian Coal Valuation Reform."

Thank you for your consideration and attention to this matter of vital importance.

Sincerely,



G. Matthew Avery  
Chairman

xc: The Honorable Matt Mead, Governor of the State of Wyoming  
United States Senator Mike Enzi  
United States Senator John Barrasso  
United States Congressman Cynthia Lummis  
Wyoming County Commissioners Association