

CONCEPTUAL AMENDMENT

OFFERED IN THE HOUSE RESOURCES COMMITTEE

TO: CSSB305

1 version W.A: Page 12, lines 9-12; version M: Page 31, lines 19-22

2 Delete

3 **“When determining a reasonable method of allocating lease expenditures between**
4 **the production of oil and the production of gas, the department shall consider**
5 **allocating lease expenditures in proportion to the BTU equivalent barrels of oil**
6 **produced and gas produced from each lease or property.”**

7

8 Insert

9 **“When determining a reasonable method of allocating lease expenditures between**
10 **the production of oil and the production of gas, the department shall to the extent**
11 **possible allocate lease expenditures in proportion to the gross value at the point of**
12 **production for oil produced and gas produced from each lease or property.”**