



May 8, 2015

VIA Overnight Mail and E-Mail

Armand Southall
Regulatory Specialist, ONRR
P.O. Box 25165, MS 61030A
Denver, Colorado

Re: Comments on Office of Natural Resources Revenue Proposed Rule to Amend Federal Oil & Gas Valuation Regulations, 80 Fed. Reg. 608 (January 6, 2015) RIN 1012-AA13

Dear Mr. Southall:

Anadarko Petroleum Corporation ("Anadarko") submits the following comments in response to the Office of Natural Resources Revenue's ("ONRR") request for comments on its proposed rule to amend its federal oil and gas valuation regulations published in the Federal Register on January 6, 2015. 80 Fed. Reg. 608. Under the proposed rule, ONRR proposes to implement significant changes to the existing regulatory scheme for the valuation of oil and gas from both the onshore federal lands and the Outer Continental Shelf ("OCS"). In addition to the comments set out below, Anadarko adopts and incorporates the joint comments submitted by the American Petroleum Institute and the Independent Petroleum Association of America ("API/IPAA Comments") and those submitted by the Council of Petroleum Accountants Societies ("COPAS").

Background

Anadarko is among the world's largest independent oil and natural gas exploration and production companies. Anadarko holds interests in Federal and Indian oil and gas leases – approximately 16,500 acres of lands leased from Indian tribes and approximately 3 million acres of onshore land leased from the Federal government. In addition to its onshore interests,

Anadarko holds substantial lease interests in the Gulf of Mexico and is one of the largest producers in the Gulf of Mexico with 2.3 million net acres.

Anadarko supports the federal government's efforts to ensure a fair return to the American public from the development of the nation's oil and gas resources and the ONRR's stated goal of providing greater simplicity, certainty, clarity and consistency in product valuation. However, the proposed rules fall far short of this stated goal, and as clearly set forth in the comments filed by API/IPAA are fundamentally flawed. For these reasons, Anadarko joins API/IPAA in urging the ONRR to issue a supplemental proposed rule addressing the numerous concerns set forth in both the API/IPAA comment letter and the COPAS comment letter.

Anadarko supports ONRR's proposal to consolidate all of the definitions applicable to the valuation of oil and gas into a single section. However, as noted in API/IPAA's comments there are significant problems with the proposed definitions for gathering and misconduct. Anadarko also supports the use of index pricing providing any final rule incorporating index pricing fully addresses all of the concerns stated in API/IPAA comment letter.

Sincerely,

A handwritten signature in cursive script that reads "Estella Alvarado".

Estella Alvarado
Accounting Manager