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EXECUTIVE SECRETARIAT

John Pfisterer  
1486 South Distribution Drive  
Salt Lake City, UT 84104  
February 12, 2015

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

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

Dear Secretary Jewell:

I write to request the Department of the Interior provide a 60-day extension of the comment period for the "Consolidated Federal Oil and Gas and Federal and Indian Coal Valuation Reform." The complexity of this proposed rule requires additional time to review the possible implications of the change and provide informed comments to the Department to help develop a sensible policy for federal lessees, buyers of oil, gas, coal, taxpayers, and others impacted by the proposed changes.

Komatsu Equipment Company has an interest in federal energy resources. 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 service business with its own cost structure, risks and potential profits rather than on the commodity to which the royalty applies by law. It 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 state and federal entities that may impact our company and our employees.

In our opinion the draft rule has broad negative implications for the U.S. energy industries. Those implications need to be fully evaluated before final comments can be provided.

The ONRR's charge is "to collect, disburse, and verify Federal and Indian energy and other natural resource revenues on behalf of all Americans." The Office should be mindful not to discourage investment in federal resources through rulemaking that dramatically changes how royalties are calculated; leading to reduced revenues to fund needed federal and state priorities.

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For these reasons, I ask 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 attention to this matter of significant importance.

Sincerely,

A handwritten signature in black ink, appearing to read "John Pfisterer". The signature is stylized with a large initial "J" and a long, sweeping underline.

John Pfisterer  
President  
Komatsu Equipment Company

Cc: The Honorable Matt Mead  
Governor of Wyoming  
[governor@wyo.gov](mailto:governor@wyo.gov)