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September 20, 2013

Armand Southall  
Regulatory Specialist, ONRR  
Office of Natural Resources Revenue  
Building 85, Room A-614  
Denver Federal Center  
West 6<sup>th</sup> Ave and Kipling St.  
Denver, Colorado 80025

**Submitted via Federal Express**

Re: Comments of Chevron U.S.A. Inc. on Direct Final Rule: Amendments to ONRR's  
Service of Official Correspondence; RIN 1012-AA14

Dear Mr. Southall:

Chevron U.S.A. Inc. (Chevron) appreciates the opportunity to comment on the Office of Natural Resources Revenue's (ONRR) Direct Final Rule (Rule) amending ONRR's Service of Official Correspondence issued on August 23, 2013. 78 Fed. Reg. 52431. ONRR explains that the purpose of the Rule is to allow ONRR to use any electronic method to deliver official correspondence, whether or not there is receipt of delivery.

Chevron is a member company of the American Petroleum Institute (API). As such Chevron endorses and supports the comments filed by API on the Rule and incorporates them by reference.

Chevron's ability to effectively protect its rights relies upon the timely receipt of official correspondence and the knowledge that the date of receipt is certain. ONRR should expect an increase in appeals if that certainty is removed. ONRR gives "MessageWay" as an example of one of the electronic methods it may use. In Chevron's experience MessageWay is not a reliable means of transmitting documents and the use of MessageWay has become of increasing concern to Chevron. There have been several incidents recently when an auditor has called asking about a document that they placed in MessageWay and why Chevron had not responded. Chevron explained that it had not received an email that a document was waiting in MessageWay and the auditor was unable to provide any proof that the email was sent. The

auditor did state that MessageWay was unreliable so the thought that ONRR would put forth this form of electronic communication is of much concern.

A company only has 30 days from receipt of an order or demand from ONRR to gather its records and file an appeal. ONRR should understand the amount of time it may take to assemble the information needed for an administrative record. Reducing this already brief 30-day window has the potential to limit, or in some cases eradicate, Chevron's ability to exercise its right to appeal.

While Chevron applauds the government's efforts to increase efficiency and reduce costs, this cannot be done at the expense of jeopardizing a company's legal rights. The fact that ONRR believes that these changes do not substantively impact the lessee or payor and are noncontroversial simply underscores the fact that withdrawing this Rule and issuing a proposed rule with the opportunity for the stakeholders to comment is necessary.

Due to the significant, and possibly devastating impact this change could have on Chevron, it urges ONRR to work with the companies to establish a rule that is fair to all parties.

Sincerely,

A handwritten signature in blue ink, appearing to read "Colleen B. Naff". The signature is fluid and cursive, with the first name "Colleen" being the most prominent part.

Colleen B. Naff