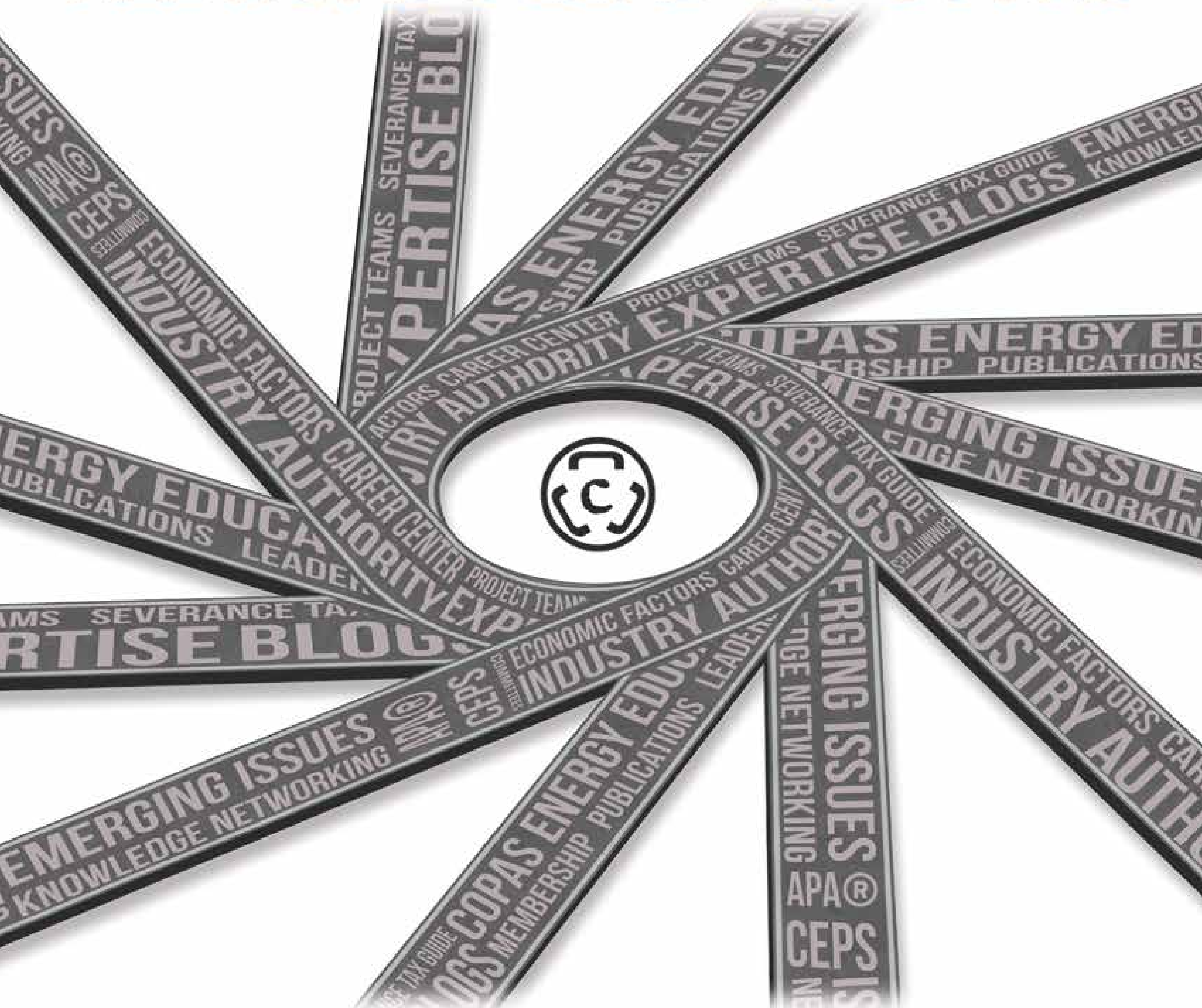
COUNCIL OF PETROLEUM ACCOUNTANTS SOCIETIES

ACCOUNTS

FALL 2021

ALL ROADS LEAD TO COPAS



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The Petroleum Accountants Society of Kansas Celebrates 85 Years

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Turning Energy Into Synergy

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PRESIDENT'S MESSAGE

A long time ago, in a land far away, I started my career in oil and gas accounting. To be more precise, it was 25 years ago, and I started my first job just two weeks after I was married. So officially, my oil and gas career is now old enough to rent a car.

To give you some perspective, twenty-five years ago, Bill Clinton was the President. Independence Day was the number one movie at the box office. Macarena was the number one song on the charts. The Summer Olympics were in Atlanta.

In the workplace, I used Lotus Notes for email and Lotus 1-2-3 for spreadsheets. I had a desktop computer that had one monitor which was the size of a small suitcase. I faxed documents rather than scanned or emailed them.

In the oil and gas industry, oil was priced at $18.29. For the most part, wells were only drilled vertically. We thought peak oil happened decades earlier.

In COPAS, the APA® credential had just been launched. Bulletins and Interpretations were published which are now called MFIs and AGs. The Bulletins and Interpretations were published and printed on paper which were stored in big brown binders. One of the most complicated joint interest scenarios was when a drilling a vertical well where different ownership existed for different zones. Drilling and completion costs had to be allocated to different ownership groups.

MELISSA GRUENEWALD

I went to my first COPAS OKC meeting at the Petroleum Club in downtown Oklahoma City. The Audit Committee had three people in attendance, and I was one of them. Of the other two, one was my co-worker and the other was the Chair of the Audit Committee who was looking for someone else to take over as Chair. Thankfully, my co-worker volunteered.

Fast forward 25 years, and things are different.

Most of us use Excel as a spreadsheet tool and have two or more monitors. We don't use paper as much as we used to, and I can't remember the last time I sent a fax. Now, I use encrypted software to share files and data.

Oil prices have been on a roller coaster ride. The industry saw the horizontal shale revolution and the technological changes of drilling further and further horizontally.

COPAS OKC now has a much larger Audit Committee with active engagement and lively discussion about topics. The local society has weathered many struggles, and continues to be strong.

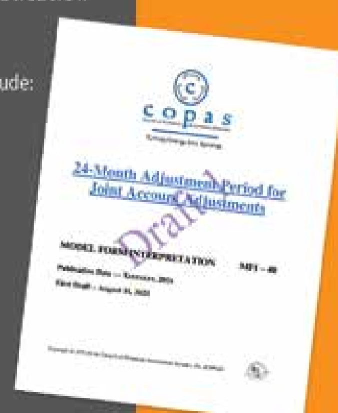
Although it's fun to reminisce, I don't mention these memories to remember back to the good old days. At times, there was nothing good or easy about those days. These memories are a reminder of how far we have come and how we have overcome challenges in the last 25 years. These memories represent growing and maturing. They represent the constant change that is before us. These memories represent hope, in spite of what is happening in the industry or in the economy.

I see today's challenges in a different light. The challenges aren't impossible, frustrating or bad. They are an opportunity for us to press forward while we look to the past for inspiration and hope. I know what we have overcome in the past, and I have confidence that this organization will endure in the future.

Looking into the future, twenty-five years from now, I hope that someone who is just starting their career now will have the opportunity to do this same exercise. My hope is that they will draw the same conclusion.

MFI-40 PROJECT STATUS UPDATE

MFI-40, 24 *Month Adjustment Period for Joint Account Adjustments* was published in 1998. Because a project team is working on this publication, it should not be inferred that the publication is 'broken.' The publication needs to be updated for industry changes since 1998 and to clarify certain terms.



Some items in the publication have been rearranged, but document largely remains as it was. Major points in the update include:

1. **Exhibit A.** Because the 1998 version was published prior to the COPAS Publication Guidelines, Draft 1 is much longer due to the requirement to have all applicable model form language being interpreted included in the document.
2. ***First Time Charges – E – Vendor Invoices*** contains new language regarding disputed invoices.
3. ***First Time Charges – G – Costs Prior to Operations or Joint Account*** is the main reason for re-opening MFI-40, to describe certain types of costs that when charged to the Joint Account are not deemed "adjustments" subject to the 24-month limitation, but rather as first-time Joint Account charges. This section borrows from COPAS AG-29, *Shared Well Pad Allocations*.
4. ***Rendered:*** The term "rendered" is defined as it pertains to the period open for adjustment/audit.
5. ***Example Dates:*** The dates used for the examples were updated from the 2000-2004 years used in the current document.

The first draft of the update can be found at https://www.copas.org/wp-content/uploads/MFI-40-Rewrite-Draft-1-August-16-2021.pdf. The drafting team requests comments by **October 15** so the team can be prepared to discuss comments in the Fall Joint Interest and Audit meetings October 19 and 20. Providing alternate language if you recommend a change to any of the examples or concepts is appreciated so we can properly evaluate and incorporate your comments.

HOME OFFICE MESSAGE

Tom Wierman, COPAS Executive Director
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Welcome back if your society took a summer break. Most societies are in the process of membership renewals and recruiting new members. I've heard about various events that societies hold to begin the renewal process. That would make a good Leadership Conference discussion topic, or maybe it's just a question asked at the one coming up so that other societies can consider similar events.

Many thanks for the efforts that society leaders are putting forward with recruiting. I wanted to let you know about a couple recruiting items we've been working on as a means of assisting the societies in that area.

Former members will soon receive a series of emails inviting them to consider renewing their membership. Issues with reaching people during COVID seem to be larger than we all realized and it's possible that some (now) former members unintentionally fell through the cracks. It's worth a shot at trying to reach them again and reconnect them to the important work of COPAS. If the former member is interested in renewing, we will sign them up and work with the societies to integrate them into your membership rolls and collect dues.

Likewise, we regularly receive website inquiries about joining COPAS. Our past practice has been to recommend a society for the individual to join, and then we follow up with the society on that lead. To shorten the time it takes for the potential member to filter through the system, the COPAS office will sign up the member and remit the local dues to the society. We refer to this program as "Join Now."

By the time the magazine reaches everyone both initiatives will be in place. Please contact the COPAS Office with any questions you might have.

When I look back to March 2020, I don't think I realized how long it was going to take for us to recover from our traditional in-person meetings. This will be the fourth COPAS meeting that has been

conducted in a virtual setting. Registration for the Fall Meeting is open. The 60-day notice has gone out and is also posted in the Events tab on the website. Agendas are being finalized and posted. We'll keep the meeting schedule we've been using for these virtual meetings so that everyone can attend as many committee meetings and other events as possible. Plans are still in place for the 2022 meetings to be in -person. Let's keep our fingers crossed!

One of Melissa's goals for this year was to create and execute an APA® Review. It's taken longer than expected (funny how other things can displace priorities) but we're going to be testing a version this fall. More information will be coming soon.

Not long ago the first "Around the Block" (ask the expert) education session was held. It was fantastic. For a nominal fee, we held an open discussion on Affiliates and Operator-owned Equipment. There were excellent questions posed to the two-person panel both in advance and during the session. Attendees were the beneficiary of the expertise offered by the panel. We'll do this again soon, so stay tuned for the topic and date.

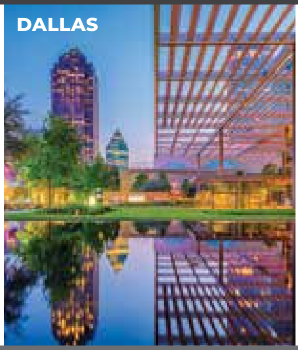
Season two of the Oil and Gas Accounting Podcast will soon begin. Soon to be released is a series on oil and gas accounting software and the COPAS economic factors. Phil and I have been working hard this summer to record these episodes and bring them to you.

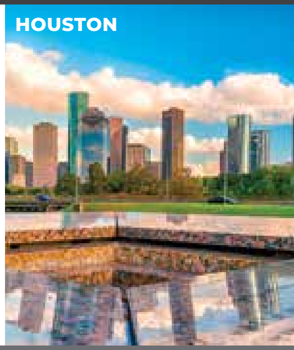
Melissa comments in her President pages that she's been in the industry 25 years. That's an accomplishment! I realized that I'm pushing 40 years in the industry. When I got out of college oil and gas accounting wasn't on my radar. Universities push the public accounting route so much I guess that's where I thought I'd initially end up. Thank goodness for the opportunity and experiences this industry has brought me. I think back to the various highlights or memories in my career – and there are many! I remember when oil hit $10/bbl in the mid 80's (and the tertiary project lifting costs far exceeded the sales price!). Do you remember the Windfall Profits Tax? I remember working on filing those reports. Does anyone remember NPGA pricing? 102d Gas? Take or Pay contracts? More recently we saw something we didn't think would ever happen – a negative oil price! I'm sure many of you have various "stories" about your time in the industry. Thank goodness that most of us didn't bail out of the industry after the first low price environment. I think they are more correctly referred to as "cycles" but many of us talk in terms of "rodeos." We've seen many of them and they have been quite challenging each time. Thank you all for sticking around and weathering the tough times.

We continue celebrating our 60th anniversary. We had bigger plans to recognize this milestone at each meeting this year, but COVID interrupts yet one more thing. Even though we can't be together, I hope you'll join me in celebrating the work of so many, past and present. Cheers to 60 Years!

MEETING SCHEDULE

EVENT	DATES	HOST	LOCATION
2021			
Fall	October 18-21	COPAS Office	**Virtual Meeting**
2022			
Spring	April 25-29	Houston	**San Luis Resort** Galveston, Texas
Fall	TBD	Dallas	**Westin Irving Convention Center at Las Colinas** Irving, Texas
2023			
Spring	April 17-20	COPAS Office	**Virtual Meeting**
Fall	TBD	TBD	**TBD**
2024			
Spring	TBD	COPAS Office	**Virtual Meeting**
Fall	TBD	Colorado	**TBD**





Dates beyond 2024 are available. Please contact the COPAS Office to volunteer.

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SPRING 2022 MEETING
APRIL 25-29, 2022 | GALVESTON, TEXAS

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Hosted by Petroleum Accountants Society of Houston

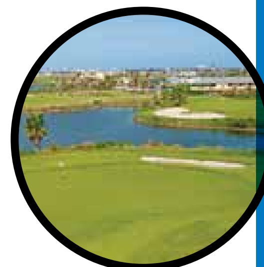
As each of you know, this has been a difficult year in planning for the unknown. Join us in person to celebrate the 60th Anniversary of COPAS. Yes, there will be restrictions and limitations, but we look forward to a great week. Get out of the house, take a break from work, network, learn a little something, and catch up with friends. Questions about the event? Contact us at pashcopas2021@yahoo.com. The Planning Committee will continue to monitor local restrictions and may adjust the plans, as necessary.

ABOUT THE HOTEL & LOCATION:

Located in Galveston, The San Luis Resort, Spa & Conference Center is on the Strip and minutes from Fort Crockett and Galveston Island Convention Center. This 4-star resort is within close proximity of NOAA Fisheries Galveston Laboratory and 61st Street Fishing Pier.

Pamper yourself with a visit to the spa, which offers massages, body treatments, and facials. You're sure to appreciate the recreational amenities, which include 2 outdoor swimming pools, outdoor tennis courts, and a fitness center.

A few of the island attractions that do not want to miss: 32 plus miles of beach, Moody Gardens three pyramids, shark fishing and crabbing, Pleasure Pier amusement park, tree sculpture tour from uprooted trees due to Hurricane Ike in 2008, tons of bars and clubs across from the water, shopping, historic houses from the 1800s, birding and bird watching and kayaking.



- Commitment to prevention and cleanliness for the wellbeing of guests
- Implementation of procedures to seamlessly incorporate the CDC and local guidelines
- Currently, masks are required in common areas
- Sweeping Gulf view from every guest room
- Fully accredited IACC conference facility
- Ergonomic tables & chairs
- Adjustable lighting and climate for each room
- Tack-able wall surfaces for interactive meetings

Join us to celebrate the 60th Anniversary!

INDUSTRY NEWS

A COLLECTION OF PUBLISHED NEWS ARTICLES

Oil and gas **M&A deal-making** in the second quarter of 2021 continued to bounce back from year-ago levels amid a tidal wave of corporate consolidation. The industry announced 40 more whole-company and minority-stake deals in second-quarter 2021 than in the second quarter of 2020(108 deals compared to 68). In the same period, the combined value of deals surged from $1.88 billion to $41.62 billion. The number of announced asset transactions rose from 77 to 123, and their aggregate value climbed nearly $12 billion to $14.04 billion. **Pembina Pipeline Corp.'s** $12.7 billion acquisition for fellow Canadian midstream operator **Inter Pipeline Ltd.** was the biggest deal announced during the period.

EQT Corporation acquired **Alta Resources'** US shale assets for $2.95 billion, including interests in Alta's upstream and midstream subsidiaries and 300,000 acres in the Marcellus Shale. This will add 1 BCF per day of gas production.

Cabot Oil & Gas and **Cimarex Energy** will combine at a combined value of $17 billion. Cabot has 173,000 net acres in the Marcellus Shale and Cimarex has 560,000 net acres in the Permian and Anadarko basins. The combined business will have a new name and be headquartered in Houston.

Occidental Petroleum sold southern Delaware Basin acreage to **Colgate Energy** for $508mm, including 25,000 net acres adjacent to Colgate's existing position in Reeves and Ward counties, TX.

Devon Energy outlined new environmental performance targets to cut its greenhouse gas emissions by 50% by 2030 and achieve net-zero emissions by 2050. The company will focus on leak detection and pipeline repair to cut methane emissions 65% and plans to eliminate flaring completely by 2030.

A Special City Council meeting voted to commence an ordinance to ban oil drilling in **Culver City, CA**. The Oil Drilling Subcommittee recommended to shut down **Sentinel Peak Resources** drilling on the Culver City portion of the **Inglewood Oil Field**, which will get a final reading at a future meeting and then become law.

A dozen U.S. energy firms, including **Dominion Energy** and **Sempra Energy**, started producing hydrogen and testing its viability in natural gas pipelines to take advantage of existing infrastructure due to net-zero carbon emissions goals. Canada's **Enbridge** is blending 2% hydrogen into its Ontario natural gas distribution systems and received approval to blend hydrogen in Quebec. Sempra's Southern California Gas utility is working on pilot programs to test the fuel in its pipelines and researching how a blended stream affects the pipes and equipment. Virginia-based Dominion is testing a 5% hydrogen blend in a training facility in Utah and proposed a similar pilot in North Carolina. To reach net-zero emissions by 2050, global hydrogen use will need to expand to over 200 million tons by 2030 from less than 90 million tons in 2020.

COMMODITY SPOT PRICING COMPARISON

	CRUDE OIL WTI (CUSHING) PER BBL				HENRY HUB NATURAL GAS SPOT PRICE DOLLARS PER MILLION BTU			
MONTH	**2018**	**2019**	**2020**	**2021**	**2018**	**2019**	**2020**	**2021**
January	63.70	51.38	57.52	52.00	3.87	3.11	2.02	2.71
February	62.23	54.95	50.54	59.04	2.67	2.69	1.91	5.35
March	62.72	58.15	29.21	62.33	2.69	2.95	1.79	2.62
April	66.25	63.86	16.55	61.72	2.80	2.65	1.74	2.66
May	69.98	60.83	28.56	65.17	2.80	2.64	1.75	2.91
June	67.87	54.66	38.31	71.38	2.97	2.40	1.63	3.26
July	70.98	57.35	40.71	72.49	2.83	2.37	1.77	3.84
August	68.06	54.81	42.34		2.96	2.22	2.30	
September	70.23	56.95	39.63		3.00	2.56	1.92	
October	70.75	53.96	39.40		3.28	2.33	2.39	
November	56.96	57.03	40.94		4.09	2.65	2.61	
December	49.52	59.88	47.02		4.04	2.22	2.59	
YTD Average	64.94	56.98	39.23	63.45	3.17	2.57	2.04	3.34

Information obtained from the U.S. Department of Energy, EIA Website eia.doe.gov. These prices should not be utilized as an indication of market pricing, but are provided for comparison purposes only.

California continued to deny July 2021 drilling permits in its move to ending fracking. The State sent letters to **Aera Energy** denying permits to drill using hydraulic fracturing in two Kern County oil fields. Also, **Governor Gavin Newsom** directed the state's Geologic Energy Management Division to develop a plan to stop issuing new fracking permits by 2024.

Lime Rock Resources purchased Delaware basin assets in Loving County, TX for $508.3mm from a private seller. The assets produce 15,000 BOEPD.

KODY IMPSON

Kody joined Martindale Consultants in 2008 and has been an integral part of Martindale's management team, seeking new opportunities to fuel growth and develop a talented staff to better serve clients. Kody holds bachelor's degrees in finance and accounting and a MBA. He is also a Certified Fraud Examiner. Kody is excited to continue the standard set by Mike Cougevan providing newsworthy industry updates to COPAS members.

Shell's recently sanctioned Whale deepwater project in the Gulf of Mexico will feature a semi-submersible rig in over 8,600 feet of water with 15 producing oil wells. Whale is expected to begin production in 2024 and to produce 100,000 BOE per day at peak production. Total estimated recoverable reserves are 490 million gross BOE. Shell operates with a 60% interest and **Chevron** holds 40%.

Penn Virginia will acquire **Lonestar Resources** for $370mm to increase Penn Virginia's drilling inventory locations to 750.

An attempt to undo the nation's ban on natural gas was defeated in federal court in July 2021. The 2019 ban enacted in **Berkeley, CA**, made hookups for natural gas illegal in new buildings. It has inspired copycat laws in other California cities, and municipalities in Washington, Massachusetts, Oregon, and New York. Dozens of other states have considered bills that prohibit cities from targeting natural gas consumption.

ExxonMobil reported a discovery at Whiptail in the Stabroek Block offshore **Guyana**. The Whiptail-1 well encountered 246 feet of net pay in oil-bearing sandstone reservoirs. Drilling is ongoing at the Whiptail-2 well, which has encountered 167 feet of net pay in oil-bearing sandstone reservoirs. Drilling continues at both wells to test deeper target zones. ExxonMobil envisions six projects online by 2027 with potential for up to 10 projects.

Oil posted its fourth consecutive monthly gain in July 2021 due to steady demand and tight supplies. Crude supplies are expected to remain tight through the end of 2021, supporting the rally.

Natural gas pipeline exports from the **U.S. to Mexico** surpassed 7 BCFD in June. Over the years, Mexico has expanded its natural gas pipeline infrastructure, relying on imported natural gas from U.S. pipelines. Pipeline imports accounted for 76% of Mexico's total natural gas supply in June 2021, up 25% from June 2020 and 44% more than the previous five-year monthly average. Mexico has reduced both its natural gas production and imports of liquefied natural gas as a share of its total natural gas supply. The record-high flows were driven by increased power demand, high temperatures, and greater industrial demand in June.

U.S. crude production rose 80,000 bpd in May to 11.231 MMBPD. Crude production has risen year-over-year but has not yet returned to pre-pandemic highs above 12.8 MMBPD. A combination of a global price war and reduced demand due to the coronavirus dramatically cut 2020 U.S. production.

May U.S. gasoline demand was 9.137 MMBPD, up from 8.791 MMBPD in April. While gasoline demand has rebounded, May 2021 demand remained below that seen in the same month in 2019.

Callon Petroleum acquired **Primexx Energy Partners** for $788mm. Callon will get 35,000 net acres in Reeves County of W. Texas and the equivalent daily output of 18,000 BOE.

RIG COUNTS

LOCATION	WEEK OF:									
	2.15.19	5.10.19	7.19.19	2.14.20	5.8.20	7.31.20	10.31.20	2.5.21	4.30.21	8.20.21
Gulf of Mexico	21	20	25	23	15	12	13	16	13	14
Canada	224	63	118	255	26	45	86	171	51	156
North America	1275	1051	1072	1045	400	296	382	563	491	659
Oil	857	805	779	678	292	180	221	299	342	405
Gas	194	183	174	110	80	69	72	92	96	97
Directional	70	71	69	47	27	22	22	18	23	30
Horizontal	915	872	829	713	338	216	254	354	398	454
Vertical	66	45	56	30	9	13	20	20	19	19
Major State										
Alaska	12	9	10	9	3	3	3	4	3	4
Arkansas	0	0	0	0	0	0	0	0	0	0
California	11	15	17	14	5	4	4	7	7	6
Colorado	35	33	31	22	8	5	4	8	10	11
Louisiana	66	61	66	52	38	29	37	47	49	49
New Mexico	109	102	107	113	70	49	47	61	70	80
North Dakota	57	56	55	52	20	11	11	12	15	22
Oklahoma	119	105	95	50	13	11	14	18	21	30
Pennsylvania	44	43	37	24	23	20	18	18	18	19
Texas	509	485	454	397	173	104	133	189	212	231
West Virgiana	18	21	21	14	7	5	8	12	11	9
Wyoming	37	30	32	22	4	1	3	5	4	16

Source: Baker Hughes at www.bakerhughes.com

MORE INDUSTRY NEWS

Kinder Morgan purchased **Kinetrex Energy** for $310mm. Kinetrex is the leading supplier of LNG in the Midwest and a rapidly growing player in producing and supplying renewable natural gas under long-term contracts to transportation service providers. The acquisition includes two small-scale, domestic LNG production and fueling facilities, a 50% interest in a landfill facility, and three additional facilities with signed commercial arrangements.

Topaz Energy acquired **Montney Royalty** assets worth $145mm, including overriding royalty interests spanning 290,000 gross acres in the NEBC Montney play area.

Southwestern Energy purchased Haynesville driller **Indigo Natural Resources** for $3.05 billion. The deal will add more than 1,000 locations to Southwestern's dry gas inventory and increase the company's net production to over 4 Bcf per day, about 85% of which is natural gas.

Plains All American Pipelines sold its Pine Prairie and Southern Pines natural gas storage facilities for $850mm to **Hartree Partners**. The assets include about 70 Bcf of total working gas capacity across nine caverns, along with related base gas, header pipelines and compression facilities.

Arc Resources acquired **Seven Generations Energy** for $3.7 billion, making Arc Canada's largest condensate producer, third-largest natural gas producer, and sixth-largest upstream energy company. Arc now owns over 1.1 million net acres of Montney land with production totaling 340,000 BOEPD.

Expro Group and **Frank's International** have merged in deal valued at $2.1 billion. The combined company will bring together the two companies' capabilities in well construction, flow management and intervention, as well as subsea well access and production services.

Ovintiv exited the Eagle Ford by selling its assets to **Validus Energy** for $880mm. The deal includes 42,000 acres and more than 400 producing wells across Karnes and Atascosa, TX counties. In a separate transaction, **Ovintiv** sold its Duvernay assets for $263mm to an undisclosed buyer.

Shell sold its Kaybob Duvernay assets in Alberta to Canada's **Crescent Point Energy** for $708.61mm to add production of about 30,000 BOEPD in what Crescent Point considers a low-risk play with key infrastructure and market access already in place.

Viper Energy, subsidiary of **Diamondback**, purchased 2,302 net royalty acres from Swallowtail Royalties for $225mm increasing Viper's Diamondback-operated acreage to 14,191 net royalty acres. Diamondback plans to complete over 70 wells in the area in 2022 with an additional 325 to 375 wells planned for the four years thereafter.

California Resources sold its Ventura Basin operations for $102mm to an undisclosed buyer. In a separate transaction, California Resources acquired **Macquarie Infrastructure and Real Assets'** 90% working interest in its San Joaquin Basin operated wells adding 1,600 BOE per day.

Riverstone Energy sold its Golf of Mexico interest in **ILX Holdings III** to an institutional investment fund managed by **Ridgewood Energy** for $172mm.

NexTier Oilfield Solutions acquired **Alamo Pressure Pumping** for $268mm. The combined companies will operate 17 hydraulic fracturing fleets in the Permian Basin and 46 fleets total that are capable of using low emission natural gas as fuel.

Sunoco acquired eight storage terminals from **NuStar Energy** for $250mm located in the Midwest, Northeast, and Southeast United States.

Chevron added rigs and completion crews to the **Permian Basin**, expecting production to surpass 600,000 BOE per day by the end of 2021. Chevron and other large Permian producers are taking advantage of a significant reduction in service prices. Chevron expects to add at least one or two more drilling rigs to the five that are already in place.

ExxonMobil plans to boost **Permian** production by about 40,000 BOE per day later in 2021 from the current 400,000 BOE per day rate and has doubled lateral-feet-per day drilling rates compared with 2019. XOM recently set an industry record by drilling a 12,500-foot lateral well in just 12 days in the Delaware basin. Drilling rates are around three times more efficient than they were in 2019, with the eight rigs running currently achieving the same lateral length as it took close to 25 rigs to drill just two years ago. Faster hydraulic fracturing rates have resulted in a 40% decline in drilling and completion costs.

BHP announced it approved $544mm in capital expenditure to execute the **Shenzi North** oil project in the U.S. GOM. Shenzi North is the first development phase of Greater Wildling and will add two wells and subsea equipment to establish a new drill center north of Shenzi. Production is expected to begin in 2024. BHP holds a 72% share in Shenzi North; Repsol holds the other 28%.

Tourmaline Oil acquired **Black Swan Energy** for $908.7mm, which includes 491.9 million BOE, 1,600 Montney horizontal drilling locations, and 230,000 net acres of Montney rights. With the acquisition, Tourmaline's North Montney aims to increase production to approximately 175,000 BOE per day during 2022.

SAVE *the* DATE

FALL 2022 MEETING | OCTOBER 17-21, 2022 | IRVING, TX

HOTEL: Westin Irving Convention Center at Las Colinas
HOSTED BY COPAS OF DALLAS

COPAS
OF DALLAS

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As well, immediate exam scoring is provided. After pressing submit, exam results will be given to you. You'll know how you did...no more waiting to find out!

For more information on taking the exam, please visit the COPAS website or contact the APA® Administrator at APAAdministrator@copas.org.

GENERAL TEST INFORMATION

The APA® exam is a single exam consisting of 175 questions. The exam is offered in the odd calendar months, except January. Registration is required no later than 45 days prior to the exam window and is available on the COPAS website.

Exams are administered by Scantron using their extensive testing center and online proctoring network. Exams may be given any day during the selected exam month, subject to testing facility and proctor availability. International testing options are available for a slightly higher fee.

For more information, contact Vanessa Galindo, APA® Administrator, by calling (303) 300-1131 or emailing Vanessa.Galindo@copas.org.

TESTING DATES

EXAM MONTH	REGISTRATION DATES
November 2021	August 1, 2021 – September 15, 2021
March 2022	December 1, 2021 – January 14, 2022
May 2022	February 3, 2022 – March 15, 2022
July 2022	April 1, 2022 – May 13, 2022
September 2022	June 1, 2022 - July 15, 2022

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ABOUT THE CREDENTIAL

Developed and administered by the Council of Petroleum Accountants Societies, Inc. (COPAS)

The APA® certification is a unique credential among other accounting certifications. While the Petroleum Accountant needs the basic concepts and understanding of all accounting matters, the petroleum industry operates under unique guidelines and principles. In preparing for and earning the APA® credential, the accountant will be exposed to all facets of the petroleum industry and achieve or exceed the knowledge required for competent practice as a petroleum accountant.

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PROJECT STATUS REPORT

COPAS MODEL FORMS

COMMITTEE	PROJECT	STATUS	COMMENTS BY	ANTICIPATED COUNCIL VOTE
Joint Interest	Accounting Procedure	Draft 5 expected Q3 Committee vote in Oct.	TBD	Spring 2022

COPAS MODEL FORMS MODIFICATIONS AND INTERPRETATIONS

COMMITTEE	PROJECT	STATUS	COMMENTS BY	ANTICIPATED COUNCIL VOTE
Joint Interest	MFI to accompany new model form Accounting Procedure	Draft 3 expected Q3 Committee vote in Oct.		Spring 2022
Joint Interest	MFI-40, 24-Month Adjustment Period for Joint Account Adjustments	Draft 1 expected in Q3	October 15, 2021	

COPAS ACCOUNTING GUIDELINES

COMMITTEE	PROJECT	STATUS	COMMENTS BY	ANTICIPATED COUNCIL VOTE
	No projects to report at this time.			

COPAS TRAINING & REFERENCE

COMMITTEE	PROJECT	STATUS	COMMENTS BY	ANTICIPATED COUNCIL VOTE
Revenue	TR-7, Severance Tax Guide	Project is complete. Contact Revenue Committee Chair to volunteer for future updates.		

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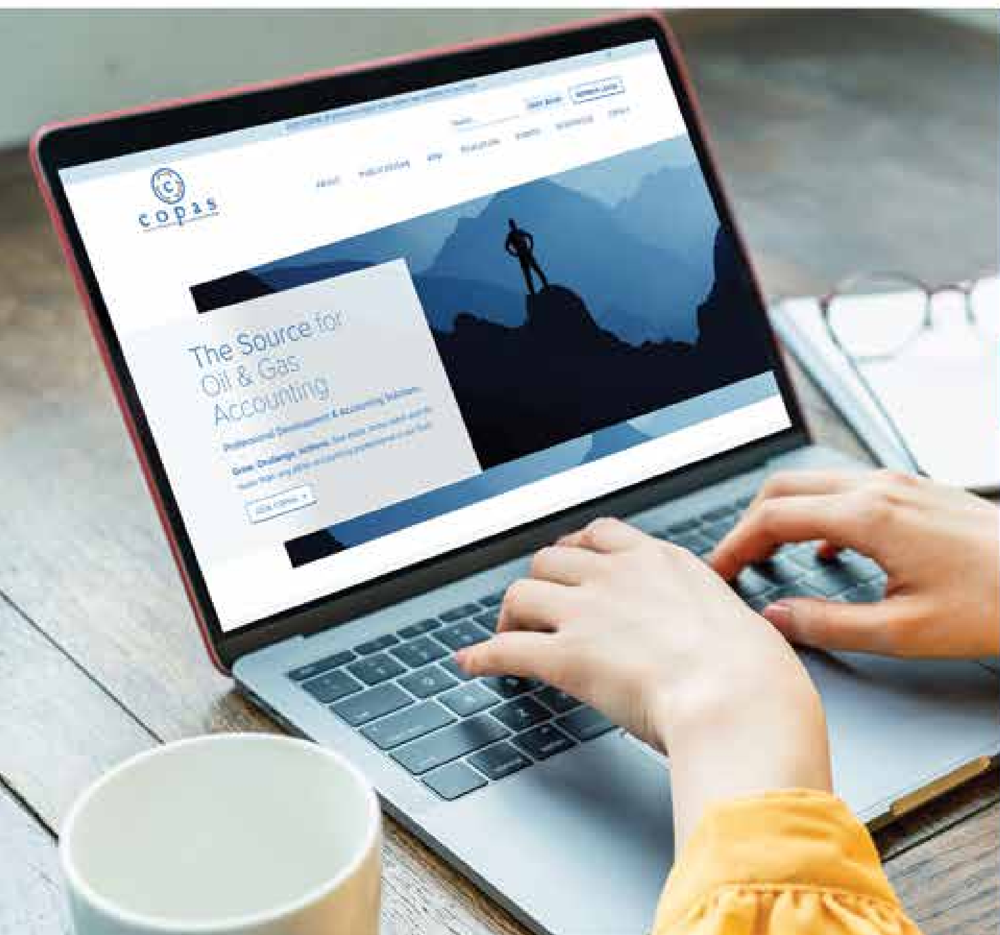

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Presented by Salomon Tristan

September 13 10:00AM CT	**Land Departments and Division Order** (90 Mins CPE 1.5)
October 11 10:00AM CT	**Royalties and Interests I** (90 Mins CPE 1.5)
November 15 10:00AM CT	**Royalties and Interests II** (90 Mins CPE 1.5)
December 13 10:00AM CT	**Landman and the Law** (60 Mins CPE 1.0)

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Production and Severance Taxes (60 Mins CPE: 1)	October 12	10AM CT
Private State and Federal Royalties (60 Mins CPE: 1)	November 16	10AM CT
Checkstub Processing (60 Mins CPE: 1)	December 14	10AM CT

PRINCIPLES OF JOINT INTEREST ACCOUNTING (JIBC) SERIES

Presented by Phil Fischer and Jeff Wright

Special Joint Venture Adjustments (60 mins CPE: 1)	September 15	12PM CT
Allocations (60 Mins CPE: 1)	October 13	12PM CT
Joint Interest Billings (60 Mins CPE: 1)	November 17	12PM CT
Accounting for Joint Venture Costs (50 Mins CPE: 1)	December 8	12PM CT

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KNOWING YOUR COPAS DOCUMENTS (KYCD) SERIES
Presented by Roger Gann

Building Joint Account Payroll Charges (80 mins CPE: 1.5)	September 16	9AM CT
Building Overhead Charges to the Joint Account (90 mins CPE: 1.5)	October 14	9AM CT
Help Me Process These Invoices (75 Mins CPE: 1.5)	November 18	9AM CT
COPAS Economic Factors - Behind the Numbers (75 Mins CPE: 1.5)	December 9	9AM CT

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LEGISLATIVE & REGULATIVE

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MIKE FOSTER
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Information provided by Mike Foster and Nate Wolf, subcommittee chairs for the National COPAS Revenue Committee. Questions may be e-mailed to Mike at MikeFoster@copas.org. or Nate at NateWolf@copas.org. The update is based on legislative and regulatory information available at the time of publication and is not intended as legal, tax or accounting advice. It may also include items listed in the previous issue of ACCOUNTS, as well as new items.

Mike Foster will be retiring in the coming months. We want to thank Mike for his years of dedicated service to COPAS and keeping us updated on legislative developments! With Mike's departure, Jeremy Norton will be assuming the responsibility of providing updates for pending state/federal royalties and volumetric reporting changes.

Limitations of Onshore and Offshore Drilling

Several states in 2021 continue their efforts to limit or restrict oil and gas development on lands within state jurisdiction. **Connecticut SB8** will prohibit offshore drilling of oil and gas wells while **Connecticut HB5625** will not allow surveys in Long Island Sound. **Florida HB333** and **SB722** prohibit the Department of Environmental Protection from granting permits for the drilling of wells for oil or gas within the Everglades Protection Area both failed. **Florida HB283** and **SB720** prohibit the drilling or exploration for, or production of, oil, gas or other petroleum products on lands and waters of the state both failed. **Massachusetts SD1707** will protect its coasts from offshore drilling while **Massachusetts HD1373** will only allow natural gas compressors in industrial zoning districts. **New York S1421** and **A4242** prohibits the leasing of state forests and wildlife areas for gas production. **South Carolina S119** prohibits approving a plan, license, or permit application for infrastructure used to facilitate the transportation of crude oil or natural gas from the Atlantic Ocean into the state and prohibits the exploration, development, or production of offshore crude or natural gas. **US HR455** and **US S28** provide additional restrictions on developments in the Gulf of Mexico and off the coast of California.

Hydraulic Fracturing Restrictions and Prohibitions

Hydraulic fracturing remains the subject of legislative scrutiny at both the state and federal level. Connecticut (SB753), Oregon (HB2623) and Washington SB5145) all passed legislation in 2019 to ban or restrict this practice. Virginia (SB106) passed legislation in 2020 to restrict fracturing in designated areas. In 2021 Arizona (HB2199, HB2520 and SB1688), California (SB25, SB467), Florida (SB546, HB1575), Maryland (HB196), Massachusetts (SD20, SD21, HD2259, HD463 and SD1457), New Jersey (A656, S1517), New York (A1332, S4480, S355, A1404, S2914, A4027, S 4099, and A4918), and North Carolina (HB635) are all considering bills to either prohibit, further regulate, or further study hydraulic fracturing. Pennsylvania (HB353, HB838) proposes to require fluid tracers in hydraulic fracturing fluids and to require additional disclosures on the chemical content of fracturing fluids.

Well Setback Requirements

The **Colorado** Oil and Gas Conservation Commission's requirements that new oil and gas wells be drilled at least 2,000 feet from most buildings took effect on January 15. The previous commission rules required only a 500-foot setback. **Texas HB 2814** proposes public hearings on Applications for Permits to Drill wells within 1,500 feet of schools and other structures. **Pennsylvania HB1144** proposes a 200 feet setback from a building or water well and SB650 increases setbacks from schools and hospitals to 5,000 feet. **West Virginia HB2975** to require a 2,500 feet setback from occupied structures failed sine die.

States Challenge President Biden Executive Orders

Some Executive Orders issued by President Biden with potential impact upon the oil and gas industry are being challenged in state legislatures and in the United States (US). Congress. (See Executive Order 13990 "Protecting Public Health and the Environment and Restoring Science to Tackle the Climate Crisis", Executive Order 14008 "Tackling the Climate Crisis at Home and Abroad" and Executive Order 13992 "Revocation of Certain Executive Orders Concerning Federal Regulations"). **US HR218** prohibits the Secretary of the Interior and the Secretary of Agriculture from issuing moratoriums on new oil and gas leases and permits. **US HR2131** will require that the federal government issue payments to Gulf of Mexico producing states for losses to revenue caused by moratoriums on offshore leases. **US HR519** and **US HR1726** state that any moratoriums on federal leasing will require the joint approval of both Houses of Congress. **US HR543** is known as the POWER Act and will prohibit presidential moratoria on leasing federal lands. **US HR 859** the Protecting American Energy Jobs Act will nullify specific executive orders. In addition to these proposed congressional bills, **Iowa** (HF577, HF578), **Louisiana** (HB617), **North Dakota** (HB1164), **Oklahoma** (HB1236, HB1237), and **Texas** (HB1283, SB1734, SB1248) are proposing to restrict or limit executive orders deemed to be contrary to individual state law or attorney general rulings. **West Virginia** (SB504, HB3063, HB3164) and **Wyoming** HB260 requiring a review of presidential executive orders all failed this year.

BLM
Security and Measurement Rules

On September 10, 2020, the BLM published new proposed Measurement and Site Security Rules. The rules will continue to require that producers apply for Facility Measurement Point (FMP) numbers to be used in filing the monthly Oil and Gas Operators Report (OGOR). They clarify that FMP numbers are needed for all measurement points relevant to determining the allocation of production to Federal or Indian leases, Unit Participating Areas or Communitization Agreements. They removed the requirements that measurement points be BLM approved and further state that plant tailgates are no longer recognized as measurement points. The proposed rules establish a 3-year timeline, commencing with the effective date of the rules, for producers to apply for FMP numbers based upon the level of oil and gas production from the well. Producers of wells producing more than 4,500 mcf or 500 barrels per month have one year from the effective date to apply for FMPs. Producers of wells producing more than 1,000 mcf but less than 4,500 mcf or producing more than 50 barrels but less than 500 barrels per month have two years from the effective date to apply for FMPs. Producers of wells producing less than 1,000 mcf per month or less than 50 barrels per month have three years from the effective date to apply for FMPs. The rules indicate that operators must start reporting production on the OGOR using the FMP number beginning the third production month after the BLM assigns the FMP number and every month thereafter.

Waste Prevention Rule (aka Venting & Flaring) (CFR 3179)

On July 15, 2020, the U.S. District Court for the Northern District of California vacated the 2018 Replacement Rule governing waste prevention with the vacatur being effective October 15, 2020. The California decision required industry to comply once again with the November 18, 2016 "Waste Prevention, Production Subject to Royalties and Resource Conservation" Rule (aka the "2016 Final Rule"). The 2016 Final Rule and the 2018 Replacement Rule have very different criteria for determining when flared gas is considered "avoidably lost" and as such, subject to royalties. To further confuse the waste prevention compliance effort, less than three months following the California decision the U.S. District Court of Wyoming (See State of Wyoming and State of Montana vs. United States Department of the Interior, Case No. 2:16-CV-0285-SWS) on October 8, 2020 vacated the 2016 Final Rule except for the amendments to Part 3103.3-1 (related to royalty rates) and Subpart 3178 (defining Royalty-Free Use of Lease Production). The Wyoming decision vacated Subpart 3179 (Waste Prevention & Resource Conservation) which included the BLM's definition of Unavoidably Lost, the definition of Avoidably Lost, the Gas Capture Percentage calculation and the required monthly gas capture targets. The Wyoming decision returned industry to the original Waste Prevention Rules defined by the Department of the Interior's 1979 Notice to Lessees and Operators of Onshore Federal and Indian Oil and Gas Leases (NTL-4A). The waste prevention directives appear to be far from resolved, however, as **United States HR 1492**, the Methane Waste Prevention Act of 2021 was introduced on March 2 by Representative Diana DeGette (D-CO) and proposes the development of another new set of regulations for methane emissions. This bill would also reinstate the 2016 Final Rule for an interim period until new regulations are issued.

ALASKA

The 32nd Alaska Legislature gaveled in January 19 and concluded on May 19. The 1st and 2nd Special Sessions concluded on June 18 and June 28, respectively. A 3rd Special Session is scheduled to begin August 16, 2021. The Department of Revenue issued a Scoping Notice requesting input on regulations pertaining to **SB138** which passed in 2014 and makes changes to AS 43.55 effective January 1, 2022. Input is due by August 12, 2021.

GET PLUGGED IN

If you are interested in receiving free legislative updates as they occur, please e-mail Jeremy Norton at JeremyNorton@copas.org or Nate Wolf at NateWolf@copas.org. Specify whether you want to receive updates on state severance taxes and/or state/federal royalties and volumetric reporting. Please note that these Bills only represent what has been filed or proposed at the time of this article. Some may not progress while others may get vetoed, amended and/or passed.

ARKANSAS

Arkansas convened it legislative session on January 11 and is scheduled to adjourn on September 30. **HB1273** was enacted on March 8 and grants mineral owners a lien on their percentage of ownership of production sales as security on the purchaser's obligations to pay. **HB1725** proposes to amend royalty interest to a minimum of one eighth following integration orders on drilling units.

CALIFORNIA

California opened its legislative session on December 7, 2020 and is set to adjourn November 30. **SB47** expresses the intent of the California Legislature to enact legislation related to orphaned oil and gas wells. **SB84** and **AB896** pertain to hazardous or idle-deserted wells and facilities and require that the cost of plugging and abandoning a well or the cost of decommissioning deserted production facilities be obtained from the current operator before seeking to recover such costs from a previous operator.

COLORADO

Colorado which opened its legislative session on January 13 and ended on June 12. 2021 continues to see local regulatory activity resulting from **SB181** "Protect Public Welfare Oil and Gas Operations (aka Omnibus Oil and Gas Bill)" implemented in 2019. A key provision of this bill allows local governments to regulate oil and gas operations above and beyond the regulations of the State. Several municipalities and counties have acted upon this bill over the past two years to regulate well setback requirements, to enact moratoriums on oil and gas development, to regulate drilling noise pollution and to notify neighbors of proposed new oil and gas developments. These include Adams County (1,000 feet well setback), Boulder City (moratorium on new drilling), Boulder County (moratorium on new drilling), Weld County (new county well permitting), Town of Erie and City of Louisville (moratoriums on new development), City of Lafayette (moratorium on new development), City of Broomfield (emergency noise ordinance, 2,000 feet well setback), Larimer County (1,000 feet well setback), and Town of Superior (1,500 feet well setback). **HB1312** limits the netback deductions to direct costs (transportation, manufacturing, processing, and depreciation) actually paid or accrued by the taxpayer while disallowing costs of capital and other indirect expenses. This Bill passed and is effective January 1, 2022. **SB281** requires metropolitan districts created after July 1, 2021, to annually pay the state an amount equal to the total of all severance tax ad valorem credits claimed for property taxes that are imposed by the metropolitan district. This money will be allocated like severance tax revenues. This Bill has passed and was signed by the Governor on June 18 and is effective immediately.

FLORIDA

Florida opened its legislative session March 2 and concluded on April 30. A Special Session ran from May 17 until May 21. Current Florida Statute 211.0251 grants a credit for contributions to eligible nonprofit scholarship-funding organizations. The credit is allowed at 100% but may not exceed 50% of the oil production tax or gas production tax liability. Although **SB908**, **HB897** and **HB7061** are nearly identical, **SB908** and **HB897** did not pass. **HB7061** did pass and proposes beginning January 1, 2022, allowing a credit of 100% of a contribution made to an eligible charitable organization as defined by the Department of Children and Families under proposed section 402.62 titled ***Strong Family Tax Credit***. This Bill took effect on July 1. **HB3** allows a credit of 100% of an eligible contribution made to the ***New Worlds Reading Initiative*** against any tax due under oil production taxes or gas production taxes. This Bill passed and takes effect upon becoming law. The combined credits allowed may not exceed 50% of the tax due on the return on which the credit is taken.

KENTUCKY

Kentucky opened it legislative session January 5 and closed March 30. **HB575** sought to repeal the credit for production recovered from an inactive natural gas well. This Bill did not pass out of the House Revenue and Appropriations committee.

LOUISIANA

Louisiana convened its legislative session April 12 and concluded on June 10. **HB26** proposed to exempt crude oil produced from certified stripper wells from severance tax in any month in which the average value is less than $20 per barrel. Although this Bill was successful in the House and Senate, it was vetoed by the Governor. **HB30** proposed several changes to the oil severance tax, most notably reducing the severance tax rate on oil over an eight-year period from 12.5% to 8.5%. This Bill failed sine die. **HB57** attempted to create an exemption for oil produced from any orphaned well, newly drilled well, or newly completed well but failed sine die. Please note that **HB658**, **HB661**, and **HB662** were identical to **HB57** and they too failed sine die. **HB444** proposed to repeal reduced severance tax rates and severance tax suspensions but failed sine die. **SB171** was successful and passed. It proposed that beginning Oct. 1, 2021, through June 30, 2031, oil produced from any inactive well that has been certified as an orphaned well (no production for more than 12 months) that is undergoing or has undergone well enhancements that required a Dept. of Natural Resources permit such as a re-entry, workover, or plug back, will be exempt from severance tax when production occurs on or after Oct. 1, 2021, and before June 30, 2031. It requires the operator to retain an amount equal to the severance tax otherwise due for the initial three months of the exemption. Beginning in the fourth month following certification, the operator shall report and remit the severance tax which will be credited to the site-specific trust account.

MISSISSIPPI

Mississippi opened its legislative session on January 5 and ended it on April 1. **HB145** proposing to reduce the recording fee for each oil and gas assignment failed. Two bills addressing the reversion of mineral interest to surface fee owners after various periods of inactivity also failed. **HB906** would have reverted mineral interest to the surface owner after 10 years of non-production. **HB555** would have reverted mineral interest to surface fee owners after 20 years with no bona fide attempt to drill for or produce minerals or no actual production of minerals. **HB664** has failed. It provided that the owner of the surface rights in real estate under which oil, gas or other mineral interests are owned or held separately may be exempt from paying 25% of the ad valorem taxes otherwise due on the real estate. However, the owner or holder of any ***nonproducing*** oil, gas or other mineral interest owned or held separately from the rights owned in the surface estate shall pay a prorated portion of 25% of the ad valorem taxes due on the land. *Please note that this language is written in the severance tax regulation (§27-25) and the ad valorem tax regulation (§27-31).*

MONTANA

Montana opened it legislative session on January 4 and closed April 29. **LC2499** clarifies the primacy of the mineral estates and clarifies the jurisdiction of the Board of Oil and Gas Conservation by stating that natural resource laws may not alter the primacy of the mineral estate, limit access to the mineral estate or limit development of the mineral estate. **LC0540** creates the Natural Resource-Related Investigation Program within the Bureau of Mines and Geology to determine the existence of oil and gas deposits in the state and to determine if new production methods will improve production in existing fields and to locate new fields. **HB661** was introduced March 18 and passed as amended on April 28. It makes distinctions between the Stripper Oil and the Stripper Well Exemption for Pre-1999 and Post-1999 wells. "Post-1999 stripper well" means an oil well drilled on or after January 1, 1999 that produces more than 3 barrels but fewer than 15 barrels a day for the calendar year immediately preceding the current year if the average price for a barrel of crude oil reported and received by the producer for Montana oil marketed during a calendar quarter is less than $30. If the price of oil is equal to or greater than $30 a barrel in a calendar quarter, there is no stripper tax rate in that quarter. Post-1999 stripper well exemption production is taxed only if the average price reported and received by the producer for Montana oil marketed during a calendar quarter is less than $54 a barrel. If the price of oil is equal to or greater than $54 a barrel, there is no post-1999 stripper well exemption tax rate and oil produced from a well that produces 3 barrels a day or less is taxed as stripper well bonus production."Pre-1999 stripper well" means an oil well that was drilled before January 1, 1999, that produces more than 3 barrels a day but fewer than 10 barrels a day or less. Pre-1999 stripper well exemption production is taxed only if the average price reported and received by the producer for Montana oil marketed during a calendar quarter is less than $54 a barrel. If the price of oil is equal to or greater than $54 a barrel, there is no pre-1999 stripper well exemption tax rate and oil produced from a well that produces 3 barrels a day or less is taxed as pre-1999 stripper well bonus production. Finally, the new or expanded secondary recovery production price is tied to Montana oil rather than west Texas intermediate oil.

NEW JERSEY

New Jersey's legislative session is year round. New Jersey carries over from last year's legislative session **A3223** which proposes that a surface owner of real property may act to terminate a mineral interest if such interest is dormant for a period of 20 or more years. New Jersey is also proposing **AB5220** to implement a $0.065 per barrel tax to be levied upon the owner of any petroleum or petroleum product at the time the product is received by rail, at a marine terminal, storage or transfer terminal, or refinery to pay for the cost of training, equipment, and emergency assistance for local units to prepare for, and respond to, discharges of petroleum or petroleum products transported by rail. The tax is to be collected by the owner or operator of the marine terminal, storage or transfer terminal, or refinery.

NEW MEXICO

New Mexico opened its legislative session on January 19 and ended Sine Die on March 20. A Special Session convened for two days on March 30 and 31. **HB181** failed. It proposed that the tax on carbon dioxide would be 0% until December 31, 2030 when used for a qualified enhanced recovery project that involved the injection of captured carbon dioxide in the process of displacing oil and other liquid hydrocarbons. On March 25, a significant regulatory change in New Mexico occurred when the New Mexico Oil Conservation Commission approved new **Gas Capture Rules**. The rules target the capture of ninety-eight percent of natural gas production by the end of year 2026. This capture target will be one of the most aggressive of all oil and gas producing states. The rules define venting and flaring as waste which opens the potential for royalty and severance taxes to be assessed on such waste. The new rules will have two primary phases. Phase One will run thru the remainder of year 2021 and involves an intense data collection and reporting of natural gas losses by both upstream and midstream companies. The data collected will be used to establish individual company gas capture baselines. Phase Two will commence in year 2022 and will require companies to develop and implement plans to achieve phased increases in their baseline gas capture performance cumulating in a 98% gas capture by the end of 2026. The rules indicate that penalties, curtailment and/or shut-in of production and/or denial of drilling permits will be the initial enforcement tools for companies not in compliance by December 31, 2026.

NEW YORK

New York opened the legislative session on January 6 and ended June 10. **A95** and **A331** require that gas produced, sold, purchased, acquired, stored, or injected in the State of New York be tested to determine the radon level of the gas. Gas with a radon level greater than 2 pCi/L (picocuries per litre) cannot enter a gas distribution system in the state after January 1, 2022. **A225** requires the governor's tax expenditure reporting include an enumeration of all fossil fuel related tax expenditures and imposes a five-year expiration upon any fossil fuel related tax expenditures. **A313** and **S2834** express the legislative intent for the State of New York to transition away from fossil fuels to clean renewable energy. They set a goal of achieving one hundred precent clean renewable energy for the generation of electricity by the year 2030. **A4304** repeals provisions related to compulsory integration and utilization in oil and natural gas pools and fields. **A5303** promulgates rules related to gas measurement and the use of electronic flow meters. None of these bills passed in this legislative session, but New York allows them to be carried over to 2022.

NORTH DAKOTA

North Dakota opened its legislative session January 5 and closed on April 30. **HB1010** has passed and amends and reenacts sections of the North Dakota Century Code relating to the obligation to pay oil and gas royalties on leases owned and managed by the Board of University and School Lands. The bill changes the interest rate to be paid on unpaid royalties from 18 percent per annum to a flat 0.75% per month up to a maximum of 9% interest per year and allows the State Land Commissioner to waive all or a portion of the interest for good cause. Penalties on unpaid state royalties may be imposed by the Department of Trust Lands at a rate of 0.5% per month, to a maximum of 6% per year. The penalty provisions are tied to a formal notice being provided to the lessee by North Dakota Rules of Civil Procedure. A lessee has 90 days following formal notice to pay the royalty owned without being subject to a penalty. Penalties may also be waived by the Land Commission for good cause. Lessees may also pay "under protest" and stop interest and penalty assessments against the amounts they are alleged to owe. **SB1164** allows North Dakota legislative management to review an executive order issued by the president of the United States which has not been affirmed by a vote of the United States Congress to determine if the North Dakota attorney general and governor should seek an exemption from the application of the order or seek to have the order declared unconstitutional. The orders to be reviewed include those related to natural resources, including coal and oil. **SB2262** allowing a surface owner to request a review of the temporarily abandoned status of a well that has been on temporarily abandoned status for at least two years has failed. **SB2217** was subject to much debate during the legislative session and was revised multiple times from its initial version before being enacted on April 22. The final rule authorizes a study of deductions for post-production costs under oil and gas leases. Legislative management sponsoring the study shall report its findings and recommendations, together with any legislation required to implement the recommendations to the sixty-eight legislative assembly that will convene in year 2023. **SB2328** entitles a producer to a credit against the tax liability under the Oil Extraction tax equal to $0.75 per MMBTU of flare mitigation resulting from an onsite flare mitigation system on a qualifying well. The credit may be claimed for up to 12 months per well and may not exceed $6,000 per well per month. The flare mitigation system must be installed between June 30, 2021, and July 1, 2023. The credit only applies to production from wells located outside the exterior boundaries of the Fort Berthold Reservation unless the Three Affiliated Tribes notifies the tax commissioner that the Three Affiliated Tribes desires to include production from wells from within the boundaries of the Fort Berthold Indian Reservation. This Bill has passed and is effective through June 30, 2023 and after that date is ineffective. **SB2319** was introduced January 25. The taxes subject to this Bill are the state's Oil and Gas Gross Production and Oil Extraction taxes attributable to production from wells located within the exterior boundaries of the reservation and wells located on trust properties outside reservation boundaries. For purposes of this Bill, ***"Wells located within the exterior boundaries of the reservation" includes wells with one or more horizontal laterals that penetrate the reservation.*** This Bill has passed.

OFFICE OF NATURAL RESOURCES REVENUE (ONRR)

The ONRR 2020 Valuation Reform and Civil Penalty Rule (the 2020 Rule) was published in the Federal Register on January 15. The rule revised portions of the Consolidated Federal Oil and Gas Valuation Reform Rule (the 2016 Valuation Rule) that was effective January 1, 2017. The 2020 Rule was to be effective February 16 with compliance for the oil and gas valuation portions of the rules to occur on or after May 1. On January 20, the Biden administration froze all pending federal regulations for 60 days. On March 15, the ONRR solicited industry and public comments regarding the 2020 Rule Revisions and the impact of pending and/or revoking those revisions. On April 16, the ONRR announced that the effective date of the 2020 Rule is extended until November 1, but the implementation date of the rule is indefinitely suspended. On June 11, the ONRR published a proposal to withdraw in whole or in part the ONRR 2020 Valuation Reform and Civil Penalty Rule.

OKLAHOMA

Oklahoma opened its legislative session on February 1 and ended on May 27. **SB467** and **HB1833** are proposed rules to prohibit nuisance actions for oil and gas activities lawfully in operations for two years or more prior to the date of bringing the action. **SB476** rescinds the transfer of a well or wells that were done for improper or fraudulent purposes and in those instances specifies that the liability for plugging costs and any additional liability shall remain with the transferor. **HB2029** makes a minor wording change to the definition of a Division Order. **HB1003** modifies to nine months (vs. the previous six months) the date by which initial royalties from new wells must be paid from the date of first sales. **SB632** modifying the Oil and Gas Owner's Lien Act of 2010 was enacted on April 20. **SB389** proposed to reduce the Gross Production Tax rate effective January 1, 2022. However, this Bill failed sine die.

PENNSYLVANIA

Pennsylvania opened its legislative session on January 5 and is schedule to end November 30. **HB1144** and **SB534** reintroduce the Conventional Oil and Gas Well Act. This is an act relating to conventional wells and the development of oil, gas, and coal. It imposes powers and duties on the Department of Environmental Protections and attempts to permit the optimal development of oil and gas resources consistent with the property rights of owners, to protect the safety of personnel and facilities employed in the exploration, development, storage of natural gas or oil or the mining of coal and to protect the safety and property rights of persons residing in areas where exploration, development, storage, or production occurs. A similar bill by the same name was passed in the previous legislative session but was vetoed by Governor Wolf on November 25, 2020. **HB1242** proposes that beginning July 1, 2021 a natural gas severance tax is proposed to be levied and payable by every producer. The tax imposed will be 3.5% of the gross value of natural gas and natural gas liquids. The tax rate will be adjusted annually on July 1 for the following 12 months. On or before April 1, 2022, and annually thereafter, when the average Pennsylvania hub price in the prior calendar year is between $0 and $2.50 per MCF the adjusted tax rate will be 3% of the gross value; when the price is between $2.51 and $3.00 per MCF the adjusted tax rate will be 4% of the gross value; and, when the price is more than $3.00 per MCF the adjusted tax rate will be 5% of the gross value. Exemptions from the severance tax are stripper wells, gas sold by an operator within five miles of the producing well for the processing or manufacture of tangible personal property, gas provided free of charge to the surface owner, and natural gas, dry natural gas, or natural gas liquids severed from a storage field. this Bill has not moved since its introduction on April 20 and still resides in the State Government Committee. SB806 was referred to the Environmental Resources and Energy committee on June 25. This bill calls for changes to the payment information provided to interest owners for proceeds from production (check stub).

TEXAS

Texas opened its Regular legislative session on January 12 and ended on May 31. Texas has proposed eight Bills with focus on natural gas flaring and greenhouse gas emissions. These include HB1976 which calls for a Railroad Commission study of gas flaring, HB1975 requiring the Railroad Commission to publish a monthly report with the names of the 20 operators with the highest levels of flaring, HB1452 requiring the Railroad Commission establish a policy by December 31, 2025 to eliminate the routine flaring of gas from wells or other facilities regulated by the commission, HB3567 requiring the Railroad Commission conduct a study to assess the feasibility of and barriers to operators of oil and gas wells using flared natural gas for on-site generation of electricity, HB1913 stating that the Railroad Commission may not issue a permit to drill, deepen, plug back, or reenter an oil or gas well unless the applicant submits with the application a gas capture plan to minimize flaring of gas from the well. Additionally, **SB388** and **HB1521** will require the University of Texas System to adopt a formal policy to eliminate routine methane flaring on university lands by the year 2025. **HB3636** requires that permits filed with the Texas Commission on Environmental Quality for natural gas liquefaction facilities and natural gas export terminals require elevated flare stacks or ground flares located at the facility to be constructed in a manner that obscures from public view any flaring occurring at the facility. All these bills failed sine die.

Texas also has proposed nine Bills related to facility permitting and waste management. These include **SB367** to amend the information required on an Application for a Permit to Drill for wells adjacent to well blow out sites in certain counties. **SB367** passed both the House and the Senate. **HB2201** and **SB772** to establish standards governing permissible locations for commercial oil and gas disposal facilities. **HB2201** was passed and signed by the Governor becoming effective on September 1, 2021. **HB2006** to require the publication of notice of an application for a permit for a commercial surface disposal facility including giving notice of the permit application to a river authority or groundwater conservation district whose territory contains the tract of land on which a disposal pit will be located or on which the disposal will take place. **HB4066** calls for the adoption by the Railroad Commission of a permit by rule for the beneficial reuse of domestic wastewater and for mobile drinking water treatment systems for wastewater produced at certain oil and gas drilling facilities. **HB4524** requires the Railroad Commission to adopt rules regarding the discharge of produced oil and gas water into waters in the state. **HB316** and **SB1335** amend section 122.004 of the Natural Resources code related to the treatment and beneficial use of oil and gas waste. **HB2006**, **HB4066**, **HB4524**, **HB316** and **SB1335** all failed sine die.

Texas has nine proposed bills related to leasing, ownership, and owner payment obligations. These include **SB1032** and **HB2883** stating that a payee is to be provided, upon request, a copy of a division order, lease, pooling agreement, or unit designation within fourteen days of written request or be released from their obligation to sign such ratification or division order documents. **SB1033** and **HB2884** require that suspended payees must receive written notice and explanation of the suspension within 30 days after the date payment was suspended. Failure to provide this information will subject the payor to incur interest on the amount of the suspended payment. **SB1031** and **HB2882** amend Section 91.402 of the Natural Resource Code for horizontal wells whose wellbore extends outside of the tract on which a payee has an interest directly or through pooling. **SB1259** and **HB3262** state that payments withheld due to title are not actionable by the payee unless their contract specifies otherwise. **SB1259** was enacted and the remaining bills failed sine die. **HB4218** states that a person may bring a cause of action for a bad faith washout of the person's overriding royalty interest in an oil and gas lease was vetoed by the Governor. A washout is defined as the elimination or reduction of an overriding royalty interest in an oil and gas lease by the forfeiture or surrender of the oil and gas lease by a lessee or the lessee's successors or assigns and the subsequent reacquisition of a lease, or all or part of the mineral estate associated with the lease, by the lessee or the lessee's successors, assigns, contractors or subsidiaries on all or part of the same land free of the overriding royalty interest.

Texas has proposed four tax related Bills focusing on venting and flaring, and one tax Bill focusing on plugging orphaned wells. **HB1377**, **HB1494**, **SB1293**, and **HB4367** have failed sine die.

Governor Abbott convened a special legislative session in Texas beginning July 8. **HB19** and **HB276** regarding flaring were filed July 7 and July 15, respectively. **HB19** requires the commission to publish names of operators who report the highest twenty levels of flaring, and **HB276** requires the commission to establish a policy to eliminate routine flaring.

VIRGINIA

Virginia opened its legislative session on January 13 and closed on March 1. **HB2293** has passed and signed by the Governor on July 1. It proposes that any county or city may adopt a license tax on every person engaging in the business of severing gases from the earth. The rate of tax will not exceed 1%. **HB2293** proposes to extend the sunset date from January 1, 2022 to January 1, 2024.

WEST VIRGINIA

West Virginia's legislative session ran from January 13 thru April 10. Two Special Sessions ran on June 7 and June 24, respectively. The following Bills were considered but failed sine die. **HB2205** streamlined the process for abandoned mineral interests to vest in the surface owner. **HB2081** proposed to implement an income withholding tax on royalties paid to any nonresident lessor. **HB2132** and **HB2074** were to implement the recommendations required by the Natural Gas Horizontal Well Control Act related to the continuous monitoring of air, noise, dust, and particulates. These Bills also changed the set back from horizontal well work activity to be 1,500 feet from a residence.

WYOMING

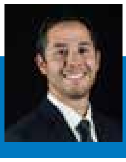
Wyoming began its legislative session January 12 and closed on April 2. **HB11** is unsuccessful. It attempted to provide an exemption for oil and natural gas severance taxes for new wells drilled after January 1, 2021 and those wells previously shut-in after July 1, 2020. **HB189** clarifies that natural gas consumed on-site is not exempted from severance taxes. Exceptions are granted for natural gas used for treating by-product water enabling the water to be acceptable for beneficial use in Wyoming, when pipeline capacity is not available, when it is uneconomical to connect to a pipeline, or when a producer is unable to secure a contract with a pipeline. This Bill has passed. **SF45** was an Ad Valorem tax Bill that made changes to the roll out of monthly ad valorem payments but was unsuccessful. **SF60** is another Ad Valorem tax Bill. This Bill eliminates the long-term rollout of monthly payments. Rather, it requires monthly payments to track with severance tax payments immediately in 2022. Monthly payments from 2020 and 2021 production are to be paid over 13 years at 8% installments. This Bill was successful and was signed by the Governor. **HB141** proposed that title to all public lands be transferred from the United States to the state of Wyoming on or before December 31, 2023. This Bill failed by not being received by the House for consideration.

UNITED STATES CONGRESS

The following bills are all under consideration in the 117th United States Congress which is in session from 2021 thru 2022. **S624**, the Fair Returns for Public Lands Act of 2021, proposes to amend the Mineral Leasing Act to increase certain royalty rates, rentals, and minimum bid requirements. **HR1505** will amend the Minerals Leasing Act for surface-disturbing activities and reclamation costs. **HR1612** and **S683** amend the Internal Revenue Service Code of 1986 to clarify those products from tar sands are crude oil. **HR1329**, the Surface Transportation Investment Act of 2021, amends the Internal Revenue Service Code of 1986 to 'repeal loopholes for [major integrated] oil companies', including the foreign tax credit, deductions for intangible drilling and development costs, percentage depletion allowances for oil and gas wells and tax deductions for tertiary injection expenses. **HR2184** proposes to Amend the Internal Revenue Service Code of 1986 to repeal fossil fuel subsidies for oil companies. **HR575** proposes additional regulation of border crossing facilities used for the import or export of oil and natural gas. **HR1575** proposes to repeal restrictions on the export and import of natural gas. **HR1819** and **S707** require that a percentage of exports be transported on United States flagged vessels. **S1011** amends the Natural Gas Act to provide for expanded natural gas exports. **HR1600** proposes to reduce methane emissions due to flaring from oil and natural gas drilling and production activities. **S2801** proposes to establish a durable framework for achieving long-term reductions in methane emissions. **S1326** prohibits the Environmental Protection Agency from issuing greenhouse gas emission rules until such time as China, India, and Russia adhere to the same Paris Agreement emission reduction targets as the United States. **S645** and **HR4219** propose that the Secretary of the Treasury levy an $1,800 per ton fee on oil and gas facility methane emissions. **HR1492**, the Methane Waste Prevention Act of 2021, proposes the creation of new federal waste prevention rules to reduce methane emissions to ninety percent of 2012 levels by the year 2030. This rule would also reinstate the Waste Prevention, Production Subject to Royalties and Resource Conservation rule (the 2016 Final Rule) published on November 18, 2016 (see 81 FR 83008). **HR2132** requires the regulation of oil and gas waste under the Solid Waste Disposal Act. The House has not yet published the full text of **HR4334** which empowers States to manage the development of oil and gas on available Federal land.

LEGISLATIVE & REGULATIVE UPDATE 2021

COMMITTEE NEWS



AUDIT STANDING COMMITTEE

MATT PILKINGTON,
CHAIR

The Audit Committee met July 15 in a joint meeting with Joint Interest. The committees focused on two publications currently in the pipeline.

Karla Bower led the update of the Model Form Accounting Procedure 202X on behalf of the project team. Ms. Bower pointed out that the team's goal is put the document up for committee vote at the Fall 2021 meeting with council approval at the Spring 2022 meeting. Draft 5 will be available during the third quarter. A few key points discussed in the audit committee breakout session covered the new provisions of the accounting procedure: the technical services definition, environmental overhead, field agent, and how the language from existing MFIs compared to the new accounting procedure language.

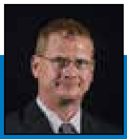
Amy Whitley provided an update and project status on behalf of the MFI-40 project team. Ms. Whitley explained the new draft will include a revised introduction and problem statement, new sections for pre-Joint Account costs, clarification on the "JIB Rendered Date," and disputed invoices that were never charged. Draft 1 of this publication is available on the COPAS website. Comments are requested by October 15.

Wellbore remediation and frac protection costs have been a topic of discussion the past several meetings, with discussion surrounding which party should pay for temporary shut-in and wellbore remediation costs for wells nearby a completion operation. COPAS sent a survey to all members in May 2021 regarding this topic; the survey results were presented during the meeting. In general, the survey results showed that regardless of which well the costs are booked to (either the drilling well or to the well(s) being shut-in), the costs are passed to the joint account and are typically not disputed by Non-Operators.

Mark the COPAS fall meeting on your calendars, scheduled for October 18 through 21. The meeting will be held virtually and will be especially important with the upcoming vote of the Model Form Accounting Procedure 202X and accompanying Model Form Interpretation.

If you were not able to attend the summer meeting and have any questions or have any general audit questions, please do not hesitate to e-mail me at m.pilkington@marticons.com. The Audit Committee is here to help with all your audit scenarios and questions!

Last but not least, I would like to thank Tom, Angie, and Vanessa (the COPAS front office), who put so much effort into the meetings.



JOINT INTEREST Standing Committee

JASON POTEET, CHAIR

The Joint Interest Standing Committee held a combined virtual meeting with the Audit Standing Committee on July 15, 2021.

Karla Bower presented the MFI-XX 2022 Accounting Procedure update. The Drafting Team's plan is to distribute Draft 5 of the Accounting Procedure and Draft 3 of the Model Form Interpretation by the end of summer. The drafts are available in the Members' area of the COPAS website. Joint Interest and Audit committees will vote on the drafts during the Fall 2021 National Meeting and a Council vote during the Spring 2022 National Meeting.

MFI-40, 24 Month Adjustment Period for Joint Account Adjustments update was given by Amy Whitley. Draft 1 has been sent to the society Joint Interest Chairs for distribution. The MFI-40 Drafting Team has requested comments be submitted by October 15 for discussion during the Fall 2021 National Meeting.

Matt Pilkington, the Audit Committee Chair, and I presented the Wellbore Remediation/Frac Protect Survey results. The results showed a slight majority of the wells near a drilling well are being shut in. Most of the responses indicated regardless of which well bore the costs, those costs are being passed to the joint account and are not being disputed.

Dalin Error, representing the COPAS Board of Directors, concluded the combined session by polling the group about the future of COPAS meetings and the usage of the Workers Compensation Insurance Manual Rates.

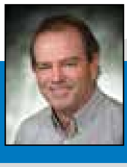
During the standalone Joint Interest Committee meeting, we reviewed MFI-40 and the MFI-XX 202X Accounting Procedure from the combined session.

The Fall 2021 National Meeting is shaping up to be a busy meeting. The Joint Interest Committee will be voting on a few items and continuing the document discussions.

The Joint Interest Committee welcomes Cody Deckard and Danny Polak to the Vehicle Subcommittee and Stephanie Schwindt to the Employee Benefits Subcommittee. Cody and Stephanie will be taking over the Chairs of their Subcommittees. The Joint Interest Committee also thanks Amy Whitley and Janice Edmiston for their many years of service on the Vehicle Subcommittee and Dawn Bruno for her 10 plus years of service on the Employee Benefits Subcommittee.

There are various leadership positions open in the Joint Interest Committee and the subcommittees. Please reach out to Patricia Ellington or me if you are interested in serving.

I conclude by thanking everyone who has helped me during my tenure as the Vice Chair and Chair of the Joint Interest Committee. My term expires at the end of the year and Patricia Ellington is in line to become the new Joint Interest Committee Chair. Serving in these positions has taught me so much and has allowed me to meet great professionals from across the country.



APA® BOARD OF EXAMINERS

MIKE MAY, CHAIR

Many societies return from a summer break. This is a perfect time to build up your skill set!

The APA® studies will prepare you for any accounting or finance role in the oil and gas industry or provide an invaluable perspective into the industry's "know-hows" for an auditor. While you prepare for the certification exam you will learn about all the regulations, various COPAS rules and industry best practices. There is nothing more bonding than studying together with your coworkers for the exam!

Congratulations to the newest APA®s. (See the list on page 17.)

We are looking forward seeing you at the test!

Olga Sirovatco, Reporter

SOCIETY NEWS

COPAS OF EAST TEXAS

RACHEL LARSON, PRESIDENT

COPAS of East Texas held a general member meeting on May 5 with Greg Wood as the guest speaker. Greg is the Vice-President of Acquisitions-Business Development with Vernon E. Faulconer, Inc. His topic was "Acquisitions in Today's Market." Greg presented a recent acquisition his company had made, how it was analyzed, current headwinds to East Texas oil and gas, and how access to capital has changed.

The society met again in person on August 11. Steve Bailey, Director of Projects with Safire Oil and Gas Consulting was guest speaker. Steve's topic was severance tax and ONRR reporting matters.

The Board continues to identify candidates for two open board positions.

COPAS – OKC

CHRIS COPELAND, PRESIDENT

After a year that disconnected many of us, we're starting to see signs of life in Oklahoma City and the oil & gas industry more broadly. Oil prices are hovering over $70 per barrel. Rig counts are creeping higher. Public company earnings and cash flows are trending up. Until recently, COVID cases were heading in the right direction, too.

In 2020-2021, COPAS-OKC offered quality hybrid educational content (virtually and in-person) at the committee and society level as well as our annual Education Day. We hosted several world-class speakers including but not limited to:

Brook Simmons – President, The Petroleum Alliance of Oklahoma (OK O&G Update)
Bernadette Johnson – SVP Power & Renewables, Enverus (O&G Market Trends)
Kate Henderson – President, Bearcat Land (Ask a Landman)
John Spears & Richard Spears – President & Vice President, Spears & Associates (Rebuilding the American Oilfield)
Dr. Betty Simkins – Dept. of Finance Head, Oklahoma State University (O&G Finance)

Full in-person meetings resume September 14, 2021. In anticipation of our 2021-2022 membership year, Martindale Consultants graciously hosted a membership drive social on August 25 at its office. We seek to provide our existing and prospective members an opportunity to reconnect, learn more about COPAS, and register for membership if they haven't already.

We hope to build on our historical accomplishments as well as create new relationships and professional development opportunities for our members during the next year.

PETROLEUM ACCOUNTANTS SOCIETYOFOKLAHOMA-TULSA

VANESSA GREEN, PRESIDENT

The Petroleum Accountants Society of Oklahoma-Tulsa (PASO) society began another year of productively. It all started in August when we held our annual membership drive. Members were given the opportunity to win prizes by registering for the annual membership early. All in all, with new members and returning ones, the PASO-Tulsa Society has approximately 80 members representing various companies in the Tulsa metro area. Also, in August the Society took its members out to the ballpark. The night at the park was a great opportunity for members to reconnect. Everyone enjoyed the game, libations, food and fireworks afterwards.

In September, we reconvened in-person meetings. It was refreshing to get back together, and we were entertained with speaking topics of cyber security, diversity and inclusion and community involvement.

Our meetings are typically held on the 3rd Tuesday of the month September through May. Additional information can be found by visiting our website at paso-tulsa.org.

PETROLEUM ACCOUNTANTS SOCIETY OF PERMIAN BASIN

ELIZABETH LEYVA-PACHECO, PRESIDENT

The Petroleum Accountants Society of Permian Basin held our last luncheon of the year 2020-2021 in May to honor the employer of the year which was Great Western Drilling. Alba Soltero was voted board member of the year for her continuous efforts on accommodating speakers and presentations via Zoom and in person due to COVID restrictions. Mark A. Bruehl from Summit Petroleum LLC was voted member of the year for always showing kindness to everybody and attending and participating at the PASPB events. The board thanked Angie Favela for serving as the 2020-2021 PASPB President and doing a great job during those tough months.

We welcome our newly elected board members:

Savannah Ballard, Legacy Reserves
Sabrina Romero, Pioneer Natural Resources
Janeth Griego, Parallel Petroleum
Alexis Jurado, Kevin O. Butler & Associates

The officers for the current fiscal year are:

President – Elizabeth Leyva-Pacheco, Endeavor Energy Resources
Vice President – Matthew Hayward, Endeavor Energy Resources
Secretary – Alba Soltero, Johnson, Miller & Co
Treasurer – Natalie Conner, Pioneer Natural Resources
Meeting Arrangements – Bryant Baeza, Great Western Drilling
Newsletter – Alexis Jurado, Sunscape Landscaping LLC
Program and Technical Speakers – Savannah Ballard, Legacy Reserves
Membership – Sabrina Romero, Pioneer Natural Resources
Website – Janeth Griego, Parallel Petroleum

We are currently working on membership renewals and attracting new members. We had our first social at the Summer Lawn Concert. Our first luncheon meeting is scheduled for Tuesday, September 14 at Midland Country Club. Our education committee has been busy planning education day for October 26 at the Midland Country Club.

PETROLEUM ACCOUNTANTS SOCIETY OF SAN ANTONIO

KIRK FOREMAN, PRESIDENT

After a year and a half of being mothballed, the Petroleum Accountant's Society of San Antonio (PASSA) was excited to begin a new COPAS year by having attorney Wade Caldwell speak at our September meeting. His topic was "10 Biggest Royalty Owner Complaints in Dealing with Operators". He provided Operators great information on how to better communicate with Royalty Owners thus creating better Operator/Owner relationships and greatly reducing the number of problems between the parties. Wade also gave important tips to Owners to aid them in being more pro-active in managing their mineral interests.

We were also excited to announce our new standing committee, "Midstream". Dan Hodgson is the committee chair. Dan currently works for Stakeholder Midstream. He has been involved in the Midstream side of the Energy Industry for many years and will bring his expertise to help better educate PASSA as well as COPAS about this sector of the Oil & Gas Industry. Dan will be our main speaker for our November meeting. Dan also serves on the COPAS APA® Board of Examiners.

PASSA would also like to introduce Jay Jackson of AMS-PAR as our new website committee chair. Jay has recently overhauled our website. Please take some time to look at it at www.COPASSA.net.

Lastly, PASSA expresses gratitude to Dan Triezenberg for keeping us connected to current events through his assembling of the Virtual COPAS Small Society Collaboration. Even though PASSA is meeting face to face again we are looking forward to continuing the Small Society virtual presentations.

COPAS HISTORY

The Petroleum Accountants Society of Kansas (PASOK) observes their 85th year in 2021.

"Kansas," a COPAS charter society, was organized April 30, 1936 and chartered by the state of Kansas on September 22, 1936. The society is the second oldest continuously operating society.

Congratulations to the officers and members of PASOK!

VOTING ITEMS

FALL 2021

- ☐ *Spring 2021 Council Meeting Minutes (majority)*
- ☐ *Employee Benefits Upper Limitation of 35%, effective January 1, 2022 (majority)*
- ☐ *Publications Process Update (Conversion and Publication Errors Clean-Up Project) (majority)*
- ☐ *Election of Board of Directors for 2022 - 2024 term (top 3)*
- ☐ *Election of 2022 Nominating Committee (majority)*

ON AIR

the OIL & GAS ACCOUNTING

PODCAST

hosted by SherWare + copas

COPAS has teamed up with SherWare, Inc. to host a weekly Oil and Gas Accounting podcast. COPAS Executive Director Tom Wierman and SherWare CEO, Phil Sherwood, are the co-hosts.

Why an Oil and Gas Accounting Podcast? Because there's so much happening in the world today, especially in oil and gas that affects the accounting function, we want to be a place that you can come to for relevant and timely information on the different accounting issues that you're facing. The weekly podcast will bring valuable accounting information to the folks who deal with oil and gas accounting on a daily basis. If you're a CPA, an accountant, a bookkeeper, an office manager, or if you work for an oil and gas operator doing the accounting yourself, you are who this podcast is for.

Get the podcast wherever you get your podcasts (Apple Podcast, Spotify, Google, iHeart Radio, etc.) Subscribe to the podcast on our website .

Please leave us a review or suggest a topic.

We'd love to hear from you!

More than 25 episodes have been recorded. Stay tuned for Season 2, releasing September 2021.

TOPICS:

Mergers & Acquisitions
Networking
Oil & Gas Accounting
Oil and Gas Education
Politics in Oil and Gas
Oil and Gas Taxes
Property Tax
Protecting your assets
Vendor Risk Management
General Topics

RECENT PODCAST TOPICS:

Compliance in a Post-Covid Era
Must-have Reference Items in Your Oil and Gas Accounting Library
Retaining Employees and Creating a Positive Work Culture
Are You a Folder or a Crumpler?
Surviving Mergers & Acquisitions
How the Election Results Will Impact the Energy Section
How Derivatives Can Protect You in a Volatile Market
And many more!

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SAVE THE DATES

10 Spring 2022 /// April 25-29, 2022 /// Galveston, TX
15 Fall 2022 /// October 17-21, 2022 /// Irving, TX

NEXT ACCOUNTS DEADLINE

November 1st 2021

Please send all reports and Advertising to

Editor@COPAS.org

For Accountants Not Afraid To Get Their Calculators Dirty

COPAS provides high performance advancement for accountants in the oil and gas industry through education, publications and APA® certification.

Sign Up For COPAS Energy Education Webinars

A Revenue Accounting webinar series is underway with classes taking place monthly. Registration is open for individual webinars and a discount subscription package for the final six webinars. Monthly series in Joint Interest Accounting, Gas Balancing, and Introduction to Oil and Gas Exploration, Production, and Upstream Operations are now available. Discounts are available for full series subscriptions. Register at www.COPAS.org.

Get APA® Certified

The APA® certified professional is equipped with knowledge and understanding of the industry and petroleum accounting sufficient to excel in job performance and provide a heightened level of accuracy and ethics in performance of tasks. The APA® designation can be a significant factor for employee selection, promotion, and retention in the petroleum industry. Start today and get your career on track! Learn more about the APA® Program at www.COPAS.org.

Join COPAS

As a member of COPAS, you will learn more about the petroleum industry's best accounting practices and join us at our and Spring and Fall National Conferences. In addition, you can become a member of a task force, engaged in the development of accounting standards and guidelines. To become a member of COPAS and join a participating society, fill out a Membership Referral Form at www.COPAS.org

Established in 1961, the Council of Petroleum Accountants Societies, Inc. (COPAS) is a professional organization in the United States and Canada.

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Council of Petroleum Accountants Societies