

GBC PETROLEUM, INC

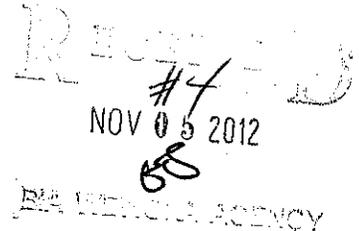
P O BOX 82

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10-29-2012



Mr. Eddie Streater
Designated Federal Officer
BIA, Wewoka Agency
P O Box 1540
Seminole, OK 74818

RE: /CFR, Title 25, Chapter 1, Part 226 for Osage County

Dear Sir,

We are writing in regard to the above referenced revision being deliberated. According to all accounts it appears the proposed changes will have a definite negative affect on all Osage County Producers

As a small independent producer in Osage County, we are writing to vehemently oppose these changes!

Calculating royalty payments based on NYMEX for oil makes absolutely no sense when producers do not have ability to obtain the necessary numbers. Likewise for gas producers. Why would the BIA choose to make decisions counter-productive to the very citizens they are appointed to protect?

Additionally, terminating a lease early because of anything OTHER THAN PERPETUAL non-production is counter-productive to the producers and oil production itself. There are many small producers whose very lively-hood depend on their modest production. Each independent producer has their own set of circumstances and should not be penalized for any reason other than perpetual non-production.

Another burden you would be adding to the producer is requiring the producer to file their reports electronically. Many places in Osage County still have difficulty getting access to the internet.

Something else that begs the question is why would there be a need for the way producers gauge & report both their oil &/or gas production? Many gas purchasers provide enclosed calibration meters and can only be accessed by the purchaser. Producers and operators must take their calculations they receive from the purchaser.

We would ask you to get a great deal more input from the private sector, producers and the actual parties that the changes would affect before implementing any of the proposed changes. Way too many times rules, laws and requirements are changed and put in place that are pointless and create a hardship on the very people those same rules were meant to help.

Please consider the produces, purchasers and all those that will be adversely affected by those changes and consider their opinions and input seriously before changing anything.

Respectfully Submitted,

A handwritten signature in black ink that reads "Michael L. Brown". The signature is written in a cursive style with a large initial "M".

Michael L. Brown
President GBC. Petroleum, Inc.