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October 8, 2012

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

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BIA WEWOKA AGENCY

Mr. Streater:

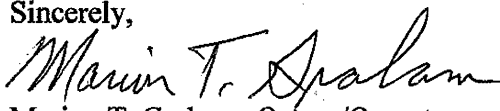
I am concerned about the proposed changes for the Code of Federal Regulations (CFR, Title 25, Chapter 1, Part 226) for Osage County.

Concerns:

1. NYMEX and Oklahoma Zone 1 are not feasible royalty pricing mechanisms for oil and gas, respectively because these numbers are unattainable by producers.
2. Early terminations of leases should only be initiated for perpetual non-production-not mechanical, modest production or non-development reasons.
3. Electronic reporting is too burdensome for producers and should be handled internally by the BIA.
4. Gauging, meter calibration etc. should not increase the labor requirements of the producer.

I believe this CFR revision should include more input from the private sector which includes producers, purchasers, engineers, geologists, and other qualified parties.

Sincerely,


Marion T. Graham, Owner/Operator
Graham Oil Company