

MEMORANDUM No. 121

DATE: January 22, 2008

TO: All Operators and Interested Persons

FROM: Nebraska Oil and Gas Conservation Commission

SUBJECT: Decrease of Conservation Tax Mill Levy

The present mill levy of three (3.0) mills per dollar is providing income levels which exceed the operating expenses of the Commission.

The Commission has entered Order No. R-820 which decreases the mill levy of the Conservation Tax on all crude oil, dry gas, and casinghead gas produced, saved, and sold from lands in the State of Nebraska, to two (2.0) mills per dollar.

The decrease in the conservation tax mill levy will be effective at 12:01 a.m., Mountain Time, April 1, 2008, and will apply to the production which is produced, saved, and sold subsequent to that hour and date.

Please make certain that this memorandum is routed to the personnel within your organization who are responsible for tax matters.

William H. Sydow
Director