Exhibit A

DODDRIDGE COUNTY COMMISSION
LORENA CATEE SLATER, CLERK
108 COURT ST., SUITE 1
WEST UNION, WV 26456
(304) 873-2631

December 1, 2021

I, Lorena "Catee" Slater, Clerk of the Doddridge County Commission, do certify that the Foregoing attached document is a true and accurate copy of the minutes of the Doddridge County Board of Assessment Appeals meeting for Antero Resources Corporation held on the 5th day of October, 2021, in the County Commission Office, in West Union, West Virginia.

Given under my hand and seal, this 1st day of December, 2021.

Lorena Catee Slater

Clerk of Doddridge County Commission

DODDRIDGE COUNTY COMMISSION
108 Court Street, Suite 1
West Union, West Virginia 26456
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BEFORE THE COUNTY COMMISSION OF DODDRIDGE COUNTY, WEST VIRGINIA

ORDER

Pursuant to W.Va. Code §11-3-24 et seq, a full hearing was held before the County Commission of Doddridge County sitting as a Board of Appeals on the October 5, 2021 upon the protest of Antero Resources Corp of the value of personal property as appraised by the West Virginia State Tax Department for the tax year 2021. Antero Resources Corp. Vice President, Kevin Ellis and Lawrence D Rosenberg, Legal Counsel for Antero Resources Corp, and Jan P. Mudrinich appeared as counsel for the W.V. State Tax Department.

Subsequent to the admission of exhibits into evidence and the testimony and cross examination by Jan P. Mudrinich the County Commission ruled in favor of the W.V. State Tax Department Values.

Dated this 5 day of October, 2021.

Shawn Glaspell, President

Ronald L. Travis, Commissioner

Clinton Means, Commissioner

Attest to:

Lorena "Catee" Slater, County Clerk

Ronald L. Travis
Commissioner

Shawn Glaspell
President

Clinton Means
Commissioner

IN THE COUNTY COMMISSION OF DODDRIDGE COUNTY
WEST VIRGINIA SITTING AS THE BOARD OF
ASSESSMENTS APPEALS

* *

RE: ANTERO RESOURCES CORPORATION'S TAX YEAR 2021 NOTICE OF PROTEST AND ELECTION TO HAVE MATTER HEARD BY THE BOARD OF ASSESSMENT APPEALS

* *

The following hearing was taken by Antero, under the West Virginia Rules of Civil Procedure in the above-mentioned action, pursuant to notice, before Catherine L. Cordy, Court Reporter, Tuesday, October 5, 2021, at 10:23 a.m. - 11:39 a.m., at Doddridge County Commission, 101 Church Street, Suite 101, West Union, West Virginia 26456.

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HEARING BOARD

Shawn Glaspell, President
Clinton Means, Commissioner
Robert Travis, Commissioner
Lorena Catee Slater, County Clerk

I N D E X

WITNESS	DIRECT	CROSS
Kevin Ellis	23	36
Elizabeth Burg	45	50

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MR. MEADOWS: Good morning, Commission. Thank you so much for your attention. My name is John Meadows. I'm an attorney with Steptoe & Johnson based out of Charleston. We are glad to be with you here this morning.

You all are very familiar with these, I suspect, having done board of assessment appeals before; and you may be the experts in the room at processing and handling them. And we are glad to defer to you for matters such like that.

I will point out that this one's a little bit different, because normally we don't come to you and bring a pro hac vice lawyer with us. So we'd move for the admission of my friend, Larry Rosenberg. This is Mr. Rosenberg from the law firm of Jones Day, the D.C. office.

And so normally if we were upstairs with Judge Sweeney, we would have already filed the pro hac vice motion with the Court there and the judge then considers it and grants it. And Mr. Rosenberg has paid his money to the state bar as required by pro hac vice and has otherwise completed each and every administerial act.

Normally, I'd appear before Judge Sweeney to begin with and introduce him, as I have today, and then ask you to approve his admission pro hac vice. I'm going to ask you the same thing. We sent in the pro hac vice forms completed to you yesterday.

And, indeed, although it was bizarre and interesting for my friends Anita Casey and Cathy Hinning at the state bar, they figured out how to put this in a category where we could pay the fee and get it done. Because they are very sensitive to how they handle administrative filings.

But I assure you today it's all done and I'd like to present for admission today, pro hac vice, my friend, Mr. Rosenberg, without objection from the Board.

PRESIDENT GLASPELL: Do I have a motion to approve?

COMMISSIONER MEANS: Yes.

MR MEADOWS: Thank you very much. I'm going to let Mr. Rosenberg proceed.

MR. ROSENBERG: Thank you very much. We prepared a nice booklet, and we're going to go through some of this stuff.

What I'm going to do is spend a little bit of time at the outset going through the slides that are attached. So I want to walk you through that. And then we are going to have two witnesses this morning: Kevin

Ellis from Antero, who's going to testify as to certain of the matters we're going to cover. And Elizabeth Burg, who's an accountant from Altus who is going to testify as well.

But I think probably the best thing to do, because this is primarily a legal challenge, is to walk through these slides for a few minutes, if that's okay with the Board.

PRESIDENT GLASPELL: Okay.

MR. ROSENBERG: Thanks.

So if you turn to Slide 2. This is a summary of the arguments that we have. And they're really two different kinds of arguments. They are both legal. One is constitutional. And our argument is that the State and the County, by not permitting Antero to net out its gross receipts certain of its production expenses, has violated both what's called the Dormant Commerce Clause to be west constitution and the state and federal Equal Protection Clauses. And I'll get into this argument in a bit in a minute.

The bottom line is that because Antero sells almost all of its gas in other states, it has much higher expenses than sellers in West Virginia who sell primarily in state or use like a marketing company structure. And because Antero does not able -- is not able to net out of its gross receipts, those expenses, it has a much higher tax burden than its competitors. And under the Commerce Clause and Equal Protection Clause, we believe that's unconstitutional.

The second argument we're going to get into is one that's of administrative law. Very, very exciting. And that has to do with a June 2020 Guidance document, which I'll walk you through, that the State issued saying specifically that for Tax Year 2021, the tax year we're talking about here, companies like Antero could, in fact, net out of their gross receipts their expenses getting their product from the wellhead to the point of sell.

That notice, however, was never put into enforcement. Because several months later, the state tried to withdrawal it. But our argument is that that withdrawal is illegal, that the notice itself was a clarification of existing law that Antero was entitled to and did rely upon. And, therefore, again, the State and County have violated the law by not allowing Antero, for at least Tax Year 2021, to net out its gross receipts -- its expenses out of its gross receipts.

Before we get to the legal stuff, I want to just talk a little bit about some of the factual underpinnings. And both Mr. Ellis and Ms. Burg are going to testify to some of this. But if you turn to Slide 3, we want to make clear that Antero makes significant contributions to Doddridge County. It pays a very large amount in property tax. It's been involved in road upgrade projects. Mr. Ellis will explain all of this.

If you look at Slide 4, Antero has made a great deal of the royalty payments; and we're talking about hundreds of millions of dollars in royalty payments. It has contributed a great deal.

Slide 5 talks about the Community Partnership between Antero and Doddridge County and a number of the good works that Antero has done. And this is apart from its ad valorem taxes. These are things that have been done over and above everything that the County benefits from as far as the tax burden. And Mr. Ellis is going to talk about some of these things.

Taking a look at Slide 6, I want to talk a little bit about the very basic legal underpinnings. I talked about them a little bit already. But there are several constitutional provisions that are at issue here. There is the Equal Protection Clauses of both the West Virginia and U.S. Constitutions. And these basically require that if you're similarly situated and you're selling similar products, you've got to be treated the same.

If you look at Slide 7, we are talking about the provisions that describe what we call the Negative Endorsement Commerce Clause. And basically what this stuff says is, you cannot tax more heavily somebody for selling its product out of state than you tax a similarly situated party for selling its product in the state. That's -- and going all the way back to the founding. If you read the federalist papers or listen to some of the songs in the musical Hamilton, there's stuff where they talk about this. There was a worry at the founding that states like Virginia, for example, might make it much more difficult to get product -- or my tax products more heavily that are sold to York rather than sold in Virginia. So this is something that's been part of our law since the founding.

If you look at Slide 8, our argument is that the ad valorem tax regime here in West Virginia violates those foundational constitutional principles. Again, Antero sells almost exclusively out of state, it has higher costs. Parties that sell primarily or exclusively in state have lower costs. Antero's not able to deduct those costs and therefore its tax burden is much higher.

Starting with Slide 9 we have a few graphs, that, again, Mr. Ellis and his worker is going to testify about. But I want to just cover them briefly here.

First of all on Slide 9, we have a chart that shows where Antero's product goes. And as you can see, it's a lot of pretty lines. But, basically, it goes, a lot of it, very far away. You have a lot of sales to the Gulf Coast, to Texas. You have sales to Midwest markets. You have sales to regional markets. And we even have sales that go internationally, typically out of Philadelphia.

And so Antero sells, I think, a very small amount in the state of West Virginia but most of its sales are elsewhere and it does incur very significant expenses getting it there.

If you look at Slide 10, there is a chart that shows its expenses. And you can see starting at the well pad, it's got gathering and compression costs, then processing and fractionation costs and then, of course, transportation costs. So between the wellhead and the point of sale, it incurs at least these three major categories of cost.

And there's a little chart in the bottom left-hand corner here which basically shows the average-per-well cost for these in West Virginia and it ends up being about 1.6 million dollars per well in these costs.

If you take a look at Slide 11, this is a little bit more of a breakdown of these costs. And, again, it shows those costs total for West Virginia, about 1.6 million average cost per well. These are the costs that are disallowed. These are some other costs that are allowed. These are the costs that are disallowed by the State.

And then for Doddridge County, specifically, the number's a little smaller. It's about 1.33 million per well in Doddridge County.

And Ms. Burg is going to testify that she has, through accounting analysis, compared the costs -- the average well assessment multiple for MCF that Antero incurs versus its competitors. And at every level of production, less than 500 MCF, 500 to a million, over a million and all wells total, you can see Antero's paying a much higher -- it's being assessed a much higher tax burden than its competitors. That its well assessments are just much, much higher. And again, the reason for that is because its cost that are disallowed are so much higher than its competitors.

In fact, one way to look at this, in Slide 13, which looks at Antero's average well expense against the gross weight and average deduction that the State permits and Antero's disallowed expenses are more than ten times the gross weighted average deduction. In fact, I think we're probably close to 15 times. Because you have about 1.6 million versus 125,000.

So what does this all mean, right? And so, again, we are talking about these two legal points here. If you look at Slide 14, again we're trying to explain that Antero is selling its gas primarily out of state, other people sell primarily or at least significantly in state but Antero is taxed much, much more.

In fact, the Circuit Court, Judge Wilkes, in a parallel case that's still being litigated originally held that this scheme did, in fact, disparately tax Antero for no plausible reason. And, therefore, violated state and federal equal protection principles.

Look at Slide 15, if you will. And, again, we are talking about an unconstitutional tax. In fact, in the October 19th hearing before this Board, the State effectively admitted that that's what was going on when the State said, "Look, if Antero wants to pay less taxes, just sell your gas at the wellhead."

And as Mr. Ellis is going to testify, if Antero sold all of its gas at the wellhead in West Virginia, that would entirely flood the market in West Virginia and collapse the natural gas market in this state. So that is simply not a plausible option, everything else considered as well.

If you take a look at Slide 16. You know, the State basically came around and recognized that this tax regime is, in fact, illegal. And that was -- was embodied in this June 2020 Guidance.

The June 2020 Guidance said, "Look, if you have these costs getting your product from the wellhead to the point of sell, you can net those costs out of gross receipts. And that is what Antero wanted to do. This is the argument Antero's been making for years. I'm sure some of you may remember such arguments in prior years.

And if you look at Slide 17, we have snippets of the guidance. The guidance documents in full are included at Tab 3, but we'll look at these slides. And if you want to look at Tab 3 later and talk more about it, that's fine.

But the June 2020 Guidance specifically says, "Look, there's a definition in the code that gross receipts, you know, means total income," et cetera.

And then at the bottom there it says, "When sale of the natural gas or oil produced from a well is not sold in a field line sales transaction, then the gross proceeds of sales derived from the sales transaction needs to be adjusted to approximate the gross receipts you would have received had the sale been a field line sales transaction." This was the guidance that came out.

Then on the next slide, Slide 18, it says, "We recognize that due to deregulation of the natural gas industry, not all gas is sold today in field line sales transactions. To avoid having your well overvalued for property tax purposes, it is important that you appropriately adjust actual gross proceeds of sale to properly reflect the gross receipts you would have received had the sales transaction been a field line point of sale." That was the instruction that was given to Antero and to everyone else at the time.

And one thing that's important, if you take a look at Slides 19 and 20, these are diagrams showing the transition from wellhead to point of sale. These are diagrams that have been up on the State's web site for years. And in that guidance, the State said, "Hey, take a look at what we've said in our diagram for years. This shows you this is what we have meant all along."

And so for that reason, Antero has argued, has argued before you, has argued in prior litigation, that this June 2020 Guidance was simply clarifying the law. It was pointing to diagrams before you on the State's web site. It was saying, "Look, this is how you're supposed to do it."

Okay. And we believe that this June 2020 Guidance, if you look at Slide 21, corresponds with the rulings of the West Virginia Supreme Court in the Steager v. Consol case that went up to the Supreme Court a few years ago. And our interpretation of that case is that the West Virginia Supreme Court recognized that the ad valorem tax scheme that was before it disparately taxed well owners for no lawful reason.

Now, the State attempts to backtrack. And just to talk about Steager v. Consol, this is a lawyer's argument and maybe this isn't really something you'll be that interested in. But that case said, "Look, some of what the State did was illegal. Some of it might be okay. But the State has discretion to interpret the provisions of the law." Right?

And so the Court said, "We're not going to necessarily overturn a State's reasonable interpretation." And our view is that June 2020 Guidance is exactly that. It's the reasonable interpretation of the law that the Supreme Court said in Consol the State was able to make. However, they're bound by it once they make it as we'll get to in a minute.

So if you'll look at Slide 22 -- and I think the timing here is important. So the State issued that guidance on June 30th of 2020.

In August of 2020, Antero brought a lawsuit in the business court before Judge Wilkes saying that that guidance should apply not only to Tax Year 2021 but should apply retroactively to the tax years that are still in dispute in the state courts. Because it's a clarification of existing law. And under fundamental principles of administrative law, clarifications of existing law apply to all pending cases.

However, after that lawsuit was bought, the State then backtracked. The State tried to say, "No. Well, we can't actually give this guidance, so we're going to withdraw it."

And so in October of 2020, the State issued this withdrawal and basically just says, "After further consideration, it is my determination that that notice was issued without legal authority and was void and ineffective."

Now, just think about that for a minute. This is the State saying, "We issued illegal guidance and now we are going to withdrawal it. Not because it was wrong, not because it was improper, not because conditions have changed but because we illegally issued it." That is remarkable that the State would say that the guidance they issued three months before is illegal.

However, under the State's own argument, the withdrawal's illegal. So if you look at Slide 24, the June 2020 Guidance admits that the current regime, that's the regime the State has and wants to enact again, overvalued wells for tax purposes. And, effectively, the June 2020 Guidance acknowledges that its prior contrary position was itself arbitrary and capricious.

And so under the West Virginia State Administrative Procedures Act, that June 2020 Guidance is binding.

Now, if you look at Slide 25 we talk about the purported withdrawal. The withdrawal completely undermines the State's position that it's taking in this -- we assume it's taking in this proceeding and that it's taking into legal proceedings.

Again, the Steager v. Consol Energy case says the State was free to make a reasoned interpretation of existing law. That's exactly what it did in the June 2020 Guidance. And withdrawing it is simply not something that is appropriate.

Take a look, if you will, at Slide 26. It is black letter law in West Virginia that a State cannot simply change positions like this. I'll read this quote. It's the second bullet point. "[A]n agency will not be permitted to [flit] serendipitously from case to case, like a bee buzzing from flower to flower, making up its rules and policies as it goes along."

And that quote is completely consistent with the statement -- the bedrock statement of federal administrative law on Slide 27 from the Motor Vehicle Manufacturers case v. State Farm. It says, "An agency changing its course by rescinding a rule is obligated to supply a reasoned analysis for the change, meaning that it "must examine the relevant data and articulate a satisfactory explanation for [its] action including a rational connection between the facts found and the choice made." But that did not happen here.

The only reason that the State gave for withdrawing the June 2020 Guidance was to say, "We issued it illegally, because it was a substantive change that couldn't be made in notice but had to go through rulemaking, notice of comment rulemaking." But it's clearly not true.

As we say on the next slide, "The June 2020 Guidance was not a "Substantive Change" in the law." The law is the same. The code sections, the rules, they didn't change. As before, natural resources property had to be taxed under law to their true and actual value. And as before, operating expenses are defined the same.

The June 2020 Guidance simply changed a prior agency interpretation of the definition of gross receipts, which it was free to do following the Steager v. Consol decision. It is plainly not a substantive change in law, it is simply an interpretation.

In Slide 29, we address the State's argument that it was displacing, "A longstanding and reasonable construction of the law."

First of all, the State's position that these expenses were not deductible was never issued in a rule. It was a litigating position. Right? So there can't be any deference in administrative law to litigating this issue. There was no rule that it changed. There was no notice that it changed. It simply was a litigating position.

Again, Consol said the State had discretion to interpret actual law. And one thing that is, I think, a little confusing and to be clear, the State has argued in the power level proceeding that -- that our arguments were clothed by the Steager v. Consol decision because that decision addressed the same provision. That is not true.

What Consol addressed specifically was the definition of operating expenses, which is a below-the-line deduction. And in Consol, the Supreme Court said, "Look, the State and the Counties are free to say that for that below-the-line deduction, these so-called post production expenses can be excluded."

But what the June 2020 Guidance did was it defined the above-the-line term, "Gross receipts." It said, "When you determine gross receipts, you're supposed to do it as if the transaction had occurred at the wellhead, at the field line." And so it's a different provision.

And so the State was in no way bound by Steager v. Consol to come up with a different rationale than the June 2020 Guidance. It was permitted to come up with simply a reasonable interpretation of that term, "Gross receipts."

Now, the State's argument ultimately hinges --

this is Slide 30 -- on this argument that, "No, no, no. Any substantive change in law has to go through these mandatory procedures in the state APA." But -- and I apologize for the small print here. But the State's withdrawal didn't go through any of those procedures. Right?

So if the State says the June Guidance was a change in substantive law, than surely the October withdrawal was a substantive change in law and it would have had to go through those in comment rulemaking. Well, they didn't. It wasn't promulgated with the Secretary of Revenue's written consent.

There was no notice of rulemaking. The tax commissioner did not fix a date, time and place for the receipt of public comment. The tax commissioner did not wait for the -- there was no public comment. There was no notice, there was no comment.

And, indeed, filing with the Tax Commission. "Never filed the text of the October 2020 Withdrawal with its notice of adoption in the State Register."

The State cannot have it both ways here. Right? Its original interpretation was a litigation position, not a notice and comment rule. The June 2020 Guidance was simply clarifying existing law, and it is valid. The

October withdrawal, on the other hand, didn't go through any of the incidents of substantive rulemaking.

And so the State can't claim on the one hand the June 2020 Guidance was invalid for not doing this but the October withdrawal is valid even though it didn't do it either. It simply is an inconsistent position.

And so to sort of sum up our positions, the next two slides, first on Slide 31, one huge problem with what the State has done is that once it promulgated the June 2020 Guidance, people like Antero relied on it. And there are critical reliances. Antero organized its budget, it did a number of things. It put a lot of plans into motion because of that.

And, quite frankly, our litigating position was based on that June 2020 Guidance. We brought a lawsuit based on that. And in response to our lawsuit, then the State decided to withdrawal the guidance.

But in doing that, the State didn't consider any reliance interest. And under the law, it is absolutely obligated to do that. If it's going to change the law, even if it does it validly, it has to consider reliance interests and the State absolutely did not do that here.

And then finally, on Slide 32, "Permitting the State to disavow its own position," is illegal. It violates, as we said, the due process -- sorry, the Equal Protection Clause and the Dormant Commerce Clause. It violates the State's APA. And because this action is so arbitrary and so inconsistent, it also violates the Due Process Clause of both the Federal Constitution and the West Virginia Constitution.

So, in sum, these are the reasons we are saying that what the County wants to do, what the State is doing here, violate the law, they violate the constitution and they violate the State APA.

And, at this point, I'm happy to answer questions or we could put on our witnesses.

PRESIDENT GLASPELL: None for me.

Do you have any questions?

COMMISSIONER MEANS: No.

MR. ROSENBERG: Okay. All right.

I call Kevin Ellis.

K E V I N E L L I S,

was called as a witness by Antero, pursuant to notice, and having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. ROSENBERG:

Q. Good morning, Mr. Ellis. Could you please introduce yourself to the tribunal.

A. Sure. Be glad to.

Most of you already know me. I'm Kevin Ellis, Antero Resources, vice president. Twenty-year resident of Morgantown. Graduate of West Virginia University College of Law, and have been with Antero now for about ten years. Had various interactions with all of you at some point in time. And am currently working in Bridgeport, of course, the office up there. That's close to Ellenboro.

Q. Okay. Could you just explain, briefly, what is Antero and what does it do?

A. Sure. So we are an oil and gas company that produces natural gas. Presently we do horizontal well drilling in Marcellus formation. And we have offices, of course, in Bridgeport. We have an office here in West Union. We have some field offices, some lay down yards and things of that nature out across the counties as well.

We have approximately 1,300 wells total. A thousand of those are here in West Virginia. And I think somewhere north of 400 or so are right in Doddridge County.

Q. And why is Antero here today challenging the tax bills that it's challenging?

A. Well, we appreciate the board's time today to hear our appeal. It's important for us. Right? So the reason we are here today is because we fill like the valuation for our wells are unfair. They don't capture true and actual value. And we are treated differently than the other taxpayers that are our peers, relative to the production of their wells in the same county.

As we've talked about earlier, as Mr. Rosenberg talked about, you know, we've -- we've been a partner with Doddridge for a long time. We will continue to be a partner with Doddridge.

And part of that is, you know, how do we get to a place where we are treated the same as our other peers relative to our tax obligations? We know that we have a lot of wells and a lot of production, but we want the tax assessments to be based on fairness. And we don't want to be treated differently than the others.

Q. Okay. I'll show you the slides in a little bit. I want to just cover, quickly -- could you -- Slide 9 talks about some of Antero's holdings. Maybe you could just describe, briefly, some of Antero's holdings by looking at Slide 9.

A. Okay. So we already talked about the wells and production. We have a lot of production facilities and things of that nature, offices and whatnot. But as you -- from this slide, what this kind of gives you is a snapshot of how Antero does business.

We sell almost all of our natural gas products at places that are outside of the state of West Virginia. A lot of gas is delivered to customers at the Gulf Coast, Texas, Louisiana. In the midwest, Michigan, Chicago, places of that nature. We sell gas in Ohio, Pennsylvania, Tennessee.

And then we also export materials internationally. We support a great deal of LNG Export Gas being sold in Asia and in Europe. So gas that we produce right here, in Doddridge County, finds its way to help support peoples energy needs across not only domestically, the United States, but internationally as well.

Q. Just realistically, could Antero simply sell all of its gas here in West Virginia?

A. So -- the answer is no. So when we talk about selling at the wellhead, what we really mean is selling gas on Domin- -- well, it's Eastern Gas now. Eastern South or Texas -- Teco & 2 (phonetic), the local delivery points. Those pipelines are not -- we couldn't sell all of our production there because of the volume we produce.

Remember, Appalachia has always been an over-supplied basin relative to the demand. So -- and that's reflected in what we all call basis differential. You all have probably heard of that. Right? What's the difference between local delivery price versus a Ninmex or Henry Hub delivery price. We've always been behind that. Because of why? Oversupply, not enough demand.

So if we were to take our gas and try -- and I don't even know if we could do it. But even if we were to try to sell a portion of our gas, meaningful portion at some of these local indexes, it would really have a significant impact on -- it would basically collapse the local market for a lot of conventional produ- -- I mean, conventional producers wouldn't be able to sell gas at all. But I think it would just totally upend the entire local basin pricing system.

Q. Okay. I want to talk a little bit about the contributions that Antero makes to West Virginia into Doddridge County. If you want to turn in the book back to Slide 3, there's a few slides on that.

So maybe you could just describe -- here we talk about property tax revenues and road upgrades. Maybe you could just describe some of your thoughts about that to the tribunal.

A. Sure. So I tried to capture just a little data for you from the last three or four years. I think this is mostly the last three years.

So from property tax standpoint, Antero has been responsible for paying into Doddridge County, I mean, just right at 50 million dollars over the last three years in property tax payments. That doesn't take into consideration severance tax payments.

You know, all in, we're about 105 -- in 2020, we were 105 million dollars in severance of property and other sales use taxes that were paid to the State.

And I don't have the data here about the County's share of the local -- the split, you know, with the severance tax; but it's fairly significant.

Talk a little bit about roads. I mean, we've -- since we have began operations really and started tracking this, we spent about 200 million dollars since 2013 in road upgrades. And a lot of that, as you know, early on went to Doddridge County secondary roads. And then we also put some money into some of the primary routes where the State had jurisdiction to do road repairs and we put some money -- with other companies as well, like 18 North and so forth.

So we've been very robust in the way that we try to do that. So yeah.

Q. If you turn to Slide 4, we talk about royalties. Maybe you can discuss that.

A. Yeah. So what I tried to do is capture some very specific Doddridge County stuff.

So what this slide reflects really is just for the past 2018 to the present, so that includes part of 2020. The wells that we have drilled in Doddridge County has generated roughly 347 million dollars of royalties for that 3-year time period. And of that, approximately 52 million of those royalty dollars went to people who live in Doddridge County.

And that doesn't count the people who live in Doddridge County that may get royalty on wells outside the county. That's just solely for the Doddridge County production.

And then, of course, we know that there's revenue and royalties that also go to the County Commission as well, for property that the County owns.

Q. Go to the next slide. You talk a little bit about the community partnership with Doddridge County. Maybe if you could just expand on that a little bit.

A. Sure. So we've -- so one of the things that I do as part of my job is I have general oversight and supervision of all of the offices in West Virginia. Part of that is our community relations piece. Some of you know Dave Cava. He works for me.

And we really -- I mean, we try to do a lot of this because, Number One, we should do it. But a lot of our employees live here. You know that. We live here. And so we want to get engaged and be involved and help -- stand up behind the people who need it the most. And we try to do that here through some of these partnerships.

So we're there for livestock sales, we're there at the fairs. And we'll continue to be doing that. We want to do that.

You know, we're very, very excited about some of the work that's going on here at the park. We're going to hopefully finish that town park up, I'm thinking probably before the winter this year. We have a few more items to do there. But that's been an important project for us. Plus you can see what's there.

You know, we want to be supportive of these kind of efforts. Because at the end of the day, we have to be. And I think all of the businesses like Antero Resources and some of our peers, you know, we are not different in that regard. We want to be very helpful as we can. And this chart illustrates just some of the highlights of that the last few years.

Q. Yeah. All right.

Well, I think we described Antero's customers.

If you want to turn to Slide 10. I want to ask you a little bit about Antero's expenses getting its product to the point of sale. Maybe you could describe that a little bit.

A. Sure. So let's talk about some of these expenses that we are talking about today that we feel like we are not allowed -- we are disallowed, they should have been counted.

So compression and gatherings. Let's think about that for a second. You got low pressure, high pressure gathering. If you think about low pressure, it's basically everything on the (inaudible) side of the pressure station. High pressure gathering is everything on the discharge side of the compressor station before it goes to processing.

Then we go to processing. And you know what we have here. We have the MPLX plant, Mark West plant. That facility is the largest three-foot plant -- residue gas plant in the U.S. I mean, it's right here. And it has been for some time. So more gas is sold at the tailgate of that plant than any other plant across the -- actually, North America. And that -- you know, so that's part -- that's reflected here in the gas processing piece

And then from there, you have other things that happen to the gas -- or excuse me, to the products. You have fractionation, de-ethanizers that maybe recover ethane. And all those kinds of things.

And then what you finally have is kind of the transportation piece. Because I have to pay a rate to transport gas from the plant at Sherwood and, I guess, now it's Smithburg, because we have a plant up there now -- to transport that to some of these markets that were reflected in this other slide: To the Gulf Coast, to Co. Point and to the LNG Export that's being passed. So those are also costs that are involved in order for us just to get to a sales point.

And remember why. Because really selling gas here locally is just simply -- it's not an option. And, actually, if that were to be the case, we would see a further erosion of our basis, if you will, in price. Which everybody would be impacted negatively by that.

Q. And just to be clear, are those expenses on this chart, are you able to deduct those for purposes of gross receipts, according to the State and County currently?

A. No. Those expenses have been disallowed by the State.

Q. Okay. If you turn to the next -- well, let's go to Slide 12.

How do Antero's values for tax purposes compare with its competitors? And I have this slide together that I know that Ms. Burg put together, but, you know, I want you to just say from the Antero perspective how this compares with its competitors.

A. Sure. What it reflects is that Antero is actually assessed at a higher rate per unit of production than our peers. And for gas that's produced, you know, from wells right in the same county, in some cases property side by side.

Q. And do you think that's fair?

A. Well, I think clearly that shows it is not fair. It treats us differently. We are the same class of taxpayer, but we're being treated differently. And this graphical representation shows that disparately.

Q. If you look at the next slide, Slide 13, how does the average disallowed expenses for Antero compare with the gross weighted average deduction that is permitted?

A. So this is a pretty important distinction.

Because basically with what the State has allowed under their methodology for the annual average operating expense, it probably only represents, you know, eight, nine percent of our total expenses to get to a sales point.

Q. Okay. Shifting gears a little bit. Does Antero pay revenue-based taxes besides the ad valorem tax?

A. Yes, we do.

Q. What other taxes?

A. Well, we pay revenue-based taxes, for example, in our corporate net income tax. And we are also subject to revenue-based taxes in other jurisdictions where we deliver and sell gas.

Q. Okay. And you do pay the revenue-based taxes in other states?

A. Yes. For example, we have a -- we're subject to a proportional tax on our revenue-generated for sales of gas in Texas.

Q. Do you know what the amount is for the tax we're talking about here that you believe Antero has been overcharged in its Doddridge County taxes?

A. Yes. We believe that the improper valuations have amounted to about a 7.8 million dollar overcharge in our tax liability for Tax Year 2021.

Q. If Antero didn't have to pay that tax, what would it be doing with that money?

A. Well, I think that we would, I mean, essentially be reinvesting those dollars back into our business, to our employees, to the various local things that we try to support from a charitable standpoint. Maybe look for new business opportunities that, in turn, would enhance opportunities for all of us, you know, in the area. We would make those investments to seek out those new opportunities.

Q. And if, in fact, Antero has to pay that 7.88 million that it believes it shouldn't, how would that affect Antero? Or would it adversely affect Antero?

A. Well, it will. I mean, it will. And it will affect us in this way: We may not be able to, you know, replace positions as they come open. We may not be able to continue to hire. We may be -- we would not be able to maybe provide the same level of compensation to our people that maybe they should get because of maybe the availability of either layoffs or maybe salary.

You know, so it goes into the way that we try to manage the business and to -- to make those investments back into the business. If we don't have it, those are investments we can't make.

Q. Is there anything else you wanted to tell the Commission while you're here today?

A. Well, I -- the only thing that I would say to the Commission is that, again, we appreciate your time. We know that you've been through these appeal processes for a long time, a lot of years. And, you know, we hope that you'll give us a fair consideration in our request today.

It's -- I think what we have here shows that it's pretty clear that we are being treated differently, solely because of how we do business, where we sell our gas. I've tried to explain the reasoning behind all of that. Right? It's not -- I mean, there's market forces that come to play.

And when we do the business the way we do, you know, if we are right in how we do it, everybody benefits from that. But right now, the benefit is unfair because it's not capturing our actual valuations properly.

MR. ROSENBERG: Thank you very much.

No further questions.

MR. MUDRINICH: I don't have any questions for this -- well, just one.

CROSS-EXAMINATION

BY MR. MUDRINICH:

Q. Mr. Ellis, the chart on Slides 12 and Slides 13, you did not create these, correct?

A. No, sir.

Q. The other witness did?

A. Yes.

MR. MUDRINICH: Okay. Then I have no further questions.

MR. ROSENBERG: Okay.

PRESIDENT GLASPELL: I have a couple.

The tax law that was just passed, does it not take care of these issues from the State.

MR. ELLIS: You're asking for my opinion.

PRESIDENT GLASPELL: Well, sure.

MR. ELLIS: Well, it addresses some of the concerns that we have here today.

PRESIDENT GLASPELL: What concerns does it not address?

MR. ELLIS: Just -- I mean, there will be, you know, how it's supplied. We still haven't seen the models yet, so -- we got to see that first.

PRESIDENT GLASPELL: You know, our roads. I'm an engineer by education. But for six years, I drove the 18 North route on school bus. And I watched the tractor and trailers loaded with -- I've also owned business, had my own tractor and trailers -- and watched them completely demolished the road, too. So we appreciate you fixing what you tore up. Because that's basically what the oil and gas did, they tore it up and then they fixed it. And I appreciate that. But lightweight cars didn't tear the road up. It wasn't tore up before you started drilling heavily down in that area.

I've lived in Doddridge County for 47-and-a-half years, and I'm pretty familiar with it. And I understand that -- we all understand that if we owe you 8 million and Tyler owes you 8 million, Harrison owes you 8 million, that, you know, now you've accumulated whatever. I mean, 40 million or less or more. Who knows the number, because nobody can figure out what expenses are.

But with this unfarity happening from 16 to 20, what are your net incomes? I mean, what was your net income? Did you go in the red? Did you make money? We hear what you lost, but we have never heard of what you made.

So, you know, I -- I don't disagree with being treated fairly. I don't. I've had three businesses of my own. I mean, I get it. But, you know, I just want to make sure Antero understands. Will it affect me? Maybe not. Probably not. I don't know. But if they -- if this rule goes through and there isn't some kind of control on it, then, you know, we can't tell you what to do with your products.

So, you know, we have -- you know, I now teach engineering at the high school. And if -- if it's -- you know, here's my feelings. And I just want to make sure everybody in this room understands this. That I've worked one-on-one with Antero many times. We have done a lot of the transactions together. You know, I like the thoughts of what you guys stand for.

My issue is, just remember, if you're fighting out of greed and the kids in that school and the people in this community see this and it doesn't somehow come back and positively affect our four or five counties, then I don't know that that makes it worth anybody's while.

So I just want to make sure everybody understands the impact and the good that we do utilize your tax money with. However, I don't want you to go broke because of it. And if that's the case, then I understand.

So I just want to make sure that everyone, from the bottom employee to the top, realizes what impact this will have. And it's already happening in our county.

You know, so that's just all I want to make sure.

You know, a lot of us tolerate a lot of things. You know, not everybody owns royalty, so they don't get anything from your guys' business. So if we can't provide tax dollars back to those people, then they don't like you at all.

So all I'm saying is, if -- when this all comes to a head -- and it's getting close. Because, you know, it all goes through the State. It really doesn't go through us at all. You know, the suit come to us, it didn't go to the other counties. That's fine. You know, makes no difference to me. I just want to make sure that the people wearing the suits and ties realize the negative effects that this is creating.

Now, you know, the park? Hey, that's great. It took four and a half years to fix it. You know, at the last FFA sale, because I'm at every one, you know, Antero spent hardly nothing compared to local people. And that's fine. Maybe you don't have the money. I don't know your account. I don't know what -- I don't know this stuff.

All I'm saying is, that, you know, Antero wants a good image. I want Antero to have a good image, because it's a good company to have in our county. But we just need to make sure that with all this being done, that it's positive for somebody or for everybody in our four-or-five-county area. Because there are over half of us that we are tolerating it. We are not doing business with. So we get to hear this. You know what I'm saying?

We get people that they don't own royalty, they don't own property. So they don't have a pipeline making money. They don't get damages. They don't get a new road, because maybe you're not in that area. There's a lot of reasons why people don't benefit from this.

So just keep it in -- you know, all I'm saying is, think about that on your business models. Because however 53 million or this many million or that many million, we still have the old lady on the corner that needs help. And that's where your tax revenue from Antero helps her. That's where the good faith money comes from. It's from us, utilizing every dollar you give us.

We don't ha, ha, ha, we got all this money and throw it in the Middle Island Creek. I mean, you can look around and see the improvements that we've tried to do with every single dime we've made.

So I just want you to keep that in mind and I thank you for listening.

MR. MEANS: You were talking about -- and you did spend a lot of money on Route 18. And it was impassable until you worked on it. But that $750,000 that you spent on that, could you not claim that as expenses when you filed your taxes?

MR. ELLIS: Those are charitable contributions. And just for the clarification, as an oil and gas company, we can't do work on the primary routes.

PRESIDENT GLASPELL: We understand. And trust us, we fight State road.

MR. MEANS: Also, the gas that you ship out of here, is it all stripped gas?

MR. ELLIS: What do you mean?

MR. MEANS: Are bi-products taken out of it?

MR. ELLIS: Yes. We recover products out of the gas.

MR. MEANS: Okay. Then you were talking a little bit about cost you more to ship it than it does others. How many of these other companies around here strip their gas before they send it?

MR. ELLIS: I don't know what other companies do.

MR. MEANS: Because I worked for Equitable for years and when we would have to burn off of Hope once in a while, we'd have to put a deodorant in it or you couldn't tell you was getting gas. So, you know, there's a lot of bi-products.

Of course, I live in Smithburg. I see what all goes in and out up there. And it goes out by pipeline now. It used to go out by truck. It's going out by pipeline now. And to hear you all talk, we would feel like we should take up a collection and give you. But I know better than that. Because you're doing okay. Because I know too many royalty holders in this county.

But I do know one thing: I talked to a lot of people in the last six months that said if they knew now what they knew ten years ago, they never would have signed a lease. And that don't look good for you all. You know what I'm saying?

MR. ELLIS: Uh-huh.

MR. MEANS: People just gets upset with a lot of things.

But I'm thankful for all that -- our school. We are building a new annex across the street here. We couldn't do that if it wasn't for oil and gas money. I was on here 25 years ago. We didn't know if we could make payday or not. Now we are okay. And it's all due to oil and gas.

But there's an end to what we can do and an end to what you can do. You know, everybody needs to make a living; but we cannot be greedy. I read a book one time where they asked Nelson what we wanted more of and he said, "More money." So, you know, sometimes more money is not the thing. If we have good friendship, that's the most important.

And I think you guys have done -- and you've done an excellent job this morning, sir. And you have, too. And all of you have. But, you know, we have to look at our part, too. And we have to look at the guy down here on the street or the old lady out in the country that says, "Hey, what are you going to do for me?"

And we give, what, 500-and-some-thousand dollars away to different organizations around here in the county every year. And the only way we can do that is because of the taxes we get from you. And we really appreciate it.

PRESIDENT GLASPELL: And they do, too.

MR. MEANS: Yeah.

But I know you've got a job to do.

I worked for a gas company for 34 years. I know what they are like. Some good, some bad. When I went to work, it was a good company to start with, Equitable. When I retired, it was like working in hell.

Thank you.

MR. ELLIS: Yes, sir. Thank you.

MR. ROSENBERG: I do have one additional witness, if there are no further questions for Mr. Ellis.

E L I Z A B E T H B U R G,

was called as a witness by Antero, pursuant to notice, and having been first duly sworn, testified as follows:

DIRECT EXAMINATION

BY MR. ROSENBERG:

Q. Ms. Burg, could you, please, introduce yourself to the tribunal.

A. Yes. My name's Elizabeth Burg. I work at Altus Group. I'm a director there. And we do state and local tax consulting, including property taxes.

I've been there for about five years. Prior to that, I worked in the oil and gas business. Actually worked at EQT for about 10 years. And I'm currently the tax coach here for the Gas And Oil Association.

Q. What is your educational background?

A. I have a bachelor's degree in accounting.

Q. And what certifications, if any, do you have?
A. I'm a certified public accountant in Pennsylvania.
Q. All right. And what analysis did you do for Antero that we're going to talk about today?
A. Altus Group is Antero's property tax adviser. We consult and estimate their property taxes, including their wells. For Tax Year '21 we prepared the oil and gas return.
And then we also estimate the property tax values based on the State's models. And we analyze the values as issued by the State.
We also, in this case, prepared the Tax Year '21 appeal values at hand.
Q. Okay. And what do Doddridge County and the tax commissioner believe Antero owes in ad valorem taxes to Doddridge County for Tax Year 2021?
A. For Tax year 2021, for the wells under appeal, Doddridge assessed approximately 15.1 million in tax.
Q. And what does Antero contend it should actually owe for 2021?
A. Antero contends they owe approximately 7.3 million in tax.
Q. And so what's the difference? What's the amount

in controversy?

A. The amount in controversy is 7.8 million in tax.

Q. Okay. And you may have already answered this but how did you calculate those numbers, what Antero actually should owe in your review?

A. We used the State's discounted cash flow model. It's published on their web site. There's various inputs that go into how those values are derived. The only input that we changed was the working interest gross receipts.

So we took and adjusted Antero's receipts to reflect a field line point of sale. In West Virginia, comparable to their peers. And then we applied a working interest percent to that adjusted receipts basis to derive the working interest receipts for the model.

We didn't change the decline rate or the capitalization rate in the model.

Q. Okay. Did the State provide any guidance suggesting that you should use -- you should capture the field line point of sale?

A. Yes. The June 2020 Guidance that was previously presented here from the State indicated that when a sale doesn't occur in the state of West Virginia, companies should adjust their receipts to reflect that field line point of sale in the state.

Q. Did you look at Antero's tax burden versus that of its competitors?

A. Yes.

Q. And did you prepare a chart that reflects that?

A. Yes.

Q. So if we could turn to -- I believe it's Slide 12.

Is this the chart that you prepared?

A. Yes.

Q. And could you just, basically, describe what this chart says?

A. Yes. We compiled the Marcellus well assessment data based on property tax bill information for Tax Year 2021. And we identified the accounts per well and matched those assessments per well with the production from the DEP for 2019. And then we computed an average value -- assessment value per MCF.

In order to compare Antero to their peers, we wanted to show the value per MCF on the same metric throughout Doddridge County.

And as you can see here, Antero's values for Tax

Year 2021 are, you know, one and a half to three times greater than their peers.

Q. Okay. Let me ask you this question: Has Antero already paid some of its Doddridge County taxes for the year?

A. Yes. The first half payments, the majority of those happened the first of September with a discount. And then some additional payments happen here towards the end of September.

Q. If you could turn to Tab 4 real quick in the binder.

Does this exhibit reflect the amounts that Antero has already paid?

A. Correct. This exhibit's showing by account the amounts paid. It shows the check numbers and then copies of check numbers follow.

Q. Okay. And just to close the loop, could you turn to Tab 1 really quick in the binder?

A. Yep.

Q. I believe this is the protest letter, and it attaches a lengthy spreadsheet.

A. Right.

Q. What is this?

A. So this is the list of accounts under appeal for

Tax Year 2021. It's Antero's wells in Doddridge. And it's -- under, "State Appraised Value," that's the fair market value issued by the State. And then the, "Taxpayer value," is Antero's estimate of what their fair market value should be using a field line sale in West Virginia in the State's model. And then the del set (phonetic) is the amount in controversy.

Q. Okay.

I have no further questions. Is there anything else you think you need to add?

A. No. Other than we appreciate your time.

MR. ROSENBERG: Thank you.

CROSS-EXAMINATION

BY MR. MUDRINICH:

Q. Let's go to Slide 12. Explain this in a little more detail. I'm seeing -- I guess these are wells reflecting the 500,000 MCF; 500,000 to a million?

A. Basically we took all of the property tax bill assessment data that's out on Doddridge County's web site. So we got all the well assessment information for Tax Year 2021. We looked at the account information to understand which permit number, the API number, would be associated with each assessment. And we lined the assessment up with the production information, that's also public data from the Department of Environmental Protection.

So basically it's arithmetic. You take your total assessment per well, divided by total production and then you get this multiple that's demonstrated here.

Q. The competitors you looked at. Who are these competitors?

A. In Doddridge, it's EQT -- I have a note, because I can't remember -- and JB were the two competitors in this demonstration.

Q. And, again, you determined that they only received -- let's just go to the 500K per million. That they only received $1.25 per MCF versus Antero's 2.41?

A. They are not receiving anything. They are getting assessed through the State's property tax assessment. So they have to pay a property tax based off a value of 1.2 -- or $1.20 per MCF. And Antero, for that same group, is paying an assessment based off of $2 per MCF.

Q. And that was determined by looking at DEP data?

A. It's looking at both the assessment information on the county web site and the DEP data.

Q. Look on the next slide, Slide 13. This gross weighted average deduction. Is this the 125,000 that the State lost across the board for --

A. Correct.

Q. So all the competitors of Antero get the same similar -- gets the same $125,000 expense deduction with final return?

A. In the State's model, they provide the 125-. However, the gross receipts that's -- you know, you have gross receipts and you have expenses. You know, the gross receipts, more than likely, is adjusted for the competitors in that higher graph.

Q. What do you mean by, "Gross receipts are adjusted"?

A. More than likely, you know, the peers here on this Slide 12, they are deriving a gross receipts based off of a sale within the state of West Virginia. I can't say for sure. I don't have that information. But I'm speculating.

Q. Let's go back to these sheets attached to Exhibit 1. The different values that you protested.

So you looked at the State's appraised value. And when you reviewed that, did you see that each of these was derived from allowing $125,000 in expense deduction?

A. Yes.

Q. And with slight adjustment they are producing a royal --

A. Yes.

Q. So the State appraisals are consistent with what they said they were going to do in the variables they filed, give you 125,000 -- the appraisals were correctly performed in compliance with the stated intention of allowing 125,000?

A. Can you rephrase the question or ask the question again?

Q. The -- I understand you dispute you don't get enough expenses. That aside, you know the State only allowed 125,000?

A. Correct.

Q. So the State's appraisal -- you have no objections to the State's appraisal of 125 -- of these -- using our method? We did that correctly? We followed our method. You disagree with our method, but we followed our method?

A. Well, there was guidance that was issued in June that suggested that when you don't have a sale in the state, you should adjust your gross receipts. So we are talking gross receipts.

Q. The guidance that was revoked, for lack of a better term, in October?

A. Correct. After the producer/operator return had been submitted in August using a field line sale basis.

Q. So you're saying you filed these returns in August. You already backed out the gross receipts?

A. That was the guidance, yes.

Q. Then why are you objecting?

A. Because the State denied it.

Q. Oh, okay. So the State's back to the 125,000 on each well?

A. For Antero, yes.

MR. MUDRINICH: I have no further questions.

MR. ROSENBERG: I don't think I have any further questions.

PRESIDENT GLASPELL: None for me.

MR. MEANS: None for me either.

MR. MUDRINICH: I'd just like to do a little housekeeping.

MR. ROSENBERG: Yeah. I have a short conclusion and want to do some housekeeping, also, if now's a good time for that?

The first thing, we'd like to admit the binder of exhibits. All of them have been testified to today. So I move the admission of these.

MR. MUDRINICH: I have no objection to admitting. I will stipulate that these are appraised values. We also stipulate that this is what the taxpayer's reduction is they are desiring.

And the reason I do that is because we no longer have a witness. We got a system in flux. I looked at several of these. These State appraisals are what we sent out on your increase letters. I can't generate the reports we used to use when Cindy was here, to hand that exhibit to your -- it's going to say the same thing as this. So that's what -- the reason for what I'm trying to stipulate.

(Antero Exhibit 1 marked.)

MR. ROSENBERG: So let me just say this: I don't have a problem with the exhibit. The exhibit says what it says. I think we actually don't think that all of them are completely correct. A lot are. But I think our view is that some of them may be slightly off or incorrect. So we're not going to stipulate that they are correct. But we note that the exhibit says what it says. We have no challenge to that.

MR. MUDRINICH: Okay. And if you got a slight problem with some of the numbers and you ultimately end up winning, they can be revisited.

MR. ROSENBERG: Yeah. Okay.

MR. MUDRINICH: Or if they ultimately end up losing the overall argument but there's a remand, for instance, to look at all these again, that's fine.

MR. ROSENBERG: Okay.

MR. MUDRINICH: I no longer have the normal witness who puts in all of the yocap (phonetic) policies.

MR. ROSENBERG: Yeah. Okay.

The only other thing I'd like to say -- I mean, I went through this presentation and thank you very much for your patience. I very much appreciate the comments from the Board. I mean, if I misstate anything, Kevin's going to correct me.

I mean, Antero values its relationship with Doddridge County tremendously and with the other counties as well. And it is definitely doing everything it thinks it can to be a good corporate citizen.

This is just about fairness. Is that Antero is effectively being singled out to pay a much higher tax burden that its competitors. And it's true in this county and it's true in the others. And there are a lot of reasons for it. But one of the main reasons is it just has such high expenses getting its product to the point of sale.

And it's not that Antero in any way wants to harm anybody or not help the wonderful folks in Doddridge County or everyone, it's just that it's a matter of fairness and that's why Antero's here.

And it's fairness and the law. You know, again, if Antero didn't have an extremely strong legal basis, it won't be bringing this challenge.

And as I think the Board mentioned, there's a new statute that's going to affect a lot of this going forward. This was supposed to be taken care of for 2021. That's why that guidance came out.

And, you know, putting the back years aside, which aren't at issue before you, I think Antero feels like it's extremely unfair that this guidance came out and said you're supposed to do this by netting out gross receipts. We submitted our return doing that and then this withdrawal, you know, magically appears and they denied our returns. We just think that's extremely unfair.

And we really do feel that that withdrawal was illegal and really in retaliation for the course of