

CIVIL CASE INFORMATION STATEMENT
In the Circuit Court Wetzel County, West Virginia

I. CASE STYLE

SWN PRODUCTION COMPANY, LLC
Petitioner,

v.

THE HONORABLE DALE STEAGER,
West Virginia State Tax Commissioner,
THE HONORABLE Scott Lemley,
Assessor of Marshall County, and
THE COUNTY COMMISSION OF WETZEL COUNTY,
Sitting as the Board of Assessment Appeals,
Respondents

Civil Action No. 18-C-21
The Honorable Jeffery D. Cramer

FILED
2018 APR 13 AM 11:31
LORI J. HEDGECOCK
CLERK
CIRCUIT COURT
WETZEL COUNTY, WV

II. TYPE OF CASE:

☒ General Civil

☐ Asbestos

☐ Adoption

☐ Appeal from Magistrate Court

☐ Professional

☐ Contract

☐ Miscellaneous Civil Petition

Malpractice

☐ Administrative Agency Appeal

☐ Magistrate Sentence

☐ Personal Injury

☐ Real Property

☐ Product Liability

☐ Mental Health

☐ Other

☐ Other Tort

III. JURY DEMAND: ☐ Yes ☒ No

CASE WILL BE READY FOR TRIAL BY:

IV. DO YOU OR ANY OF YOUR CLIENTS OR WITNESSES IN THIS CASE REQUIRE SPECIAL ACCOMMODATIONS DUE TO A DISABILITY OR AGE?

☐ Yes ☒ No

IF YES, PLEASE SPECIFY:

☐ Wheelchair accessible hearing room and other facilities

☐ Interpreter or other auxiliary aid for the hearing impaired

☐ Reader or other auxiliary aid for the visually impaired

☐ Spokesperson or other auxiliary aid for the speech impaired

☐ Other:

Attorney Name: L. Wayne Williams
Assistant Att'y Gen. (WVSB #4370)

Firm: WV Attorney General's Office

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Representing: Dale W. Steager, State Tax Commissioner
of West Virginia

☐ Plaintiff ☒ Defendant

☐ Cross-Complainant ☐ Cross-Defendant

Dated: April 13, 2018

Signature:

L. Wayne Williams

IN THE CIRCUIT COURT OF WETZEL COUNTY, WEST VIRGINIA

SWN PRODUCTION COMPANY, LLC,

Petitioner,

v.

2018 APR 13 AM 11:34

LORI J. HOOBY
CIRCUIT CLERK
WETZEL COUNTY, WV

Civil Action No. 18-C-21
Honorable Judge Cramer

THE HONORABLE DALE STEAGER,
West Virginia State Tax Commissioner
THE HONORABLE SCOTT LEMLEY,
Assessor of Marshall County,
THE COUNTY COMMISSION OF WETZEL COUNTY
Sitting as the Board of Assessment Appeals,

Respondents.

ANSWER OF THE
WEST VIRGINIA STATE TAX DEPARTMENT TO
COMPLAINT OF PETITIONER SWN PRODUCTION COMPANY, LLC

COMES NOW the West Virginia State Tax Department, by counsel, in order to answer the *Complaint* in the above referenced matter and states as follows. The *Complaint* was served on the State Tax Department on or about April 2, 2018.

1. The Tax Department admits the allegations set forth in Paragraph 1 of the *Complaint of Petitioner SWN Production Company, LLC* (hereinafter, *Complaint*).
2. The Tax Department admits that Paragraph 2 of the *Complaint* generally outlines the mass appraisal methodology used to value operating oil and gas wells. The Tax Department objects to any attempts to characterize the valuation methodology. The Tax Department states that the valuation methodology is set forth in the applicable legislative rule codified as W. Va. Code St. Rules § 110-1J-1, *et seq.*

3. The Tax Department states that sentence 1 of Paragraph 3 of the *Complaint* generally summarizes the law and mechanical procedures regarding the valuation of property for *ad valorem* tax purposes. No response is required. The Tax Department admits that prior to the 2016 TY, it invited taxpayers to submit **actual operating expenses per well** for review and consideration by the Property Tax Division as alleged in the first part of sentence 2 of Paragraph 3. The Tax Department lacks sufficient information to form an opinion with regards to the truth or falsity of the remaining allegations in of sentence 2; consequently, those allegations are denied. The Tax Department states that the applicable legislative rules do not authorize the Tax Department to utilize allocated operating expenses or purported operating expenses for individual taxpayers as demanded by SWN Production Company (sometimes hereinafter, SWN). Furthermore, SWN has failed to cite any statutory authority for the use of allocated operating expenses for individual taxpayers as demanded by the Taxpayer; the Tax Department demands strict proof thereof. The Tax Department admits that the 2016 and 2017 Administrative Notices did not invite taxpayers to submit actual operating expenses per well for review and consideration by the Property Tax Division as in prior years as alleged in the first part of sentence 3 of Paragraph 3. The Tax Department states that sentence 4 of Paragraph 3 refers to Administrative Notice 2017-08. The Tax Department admits that allegations set forth in sentence 4 of Paragraph 3. The Tax Department states that Administrative Notice 2017-08 speaks for itself and objects to any attempts to characterize the Administrative Notice. The Tax Department denies the remaining allegations set forth in Paragraph 3 of the *Complaint*. To the extent that a further response may be applicable, the Tax Department denies that it failed to correctly value the Petitioner's property for tax purposes and states that legal conclusions will be determined by the Court.

4. The Tax Department lacks sufficient information to determine the truth or falsity of the allegations set forth in the first sentence of Paragraph 4 of the *Complaint* regarding SWN's calculation of operating expenses; consequently, those allegations are denied. The Tax Department admits that the valuation for the 2017 TY is based on the 2015 CY income data as alleged in the last sentence of Paragraph 4 of the *Complaint*. The Tax Department denies the remaining allegations set forth in Paragraph 4 of the *Complaint*.

5. The Tax Department lacks sufficient information to determine the truth or falsity of the allegations set forth in Paragraph 5, of the *Complaint* regarding the basis on which SWN Production calculated operating expenses; consequently, those allegations are denied. The Tax Department states that the expenses and valuation methodology for calculating the value of producing oil and gas wells are set forth in the legislative rule, the administrative notices and other supporting documents in the record before the Court. The Tax Department further states that the legislative rules, the administrative notices and other documents from the Tax Department speak for themselves; the Tax Department objects to any attempts to characterize the supporting documentation issued by the Tax Department.

6. The Tax Department denies the allegations set forth in sentence 1 of Paragraph 6 of the *Complaint*. The Tax Department states that its objective is to correctly value every producing oil and gas well in the State according to the valuation methodology set forth in the legislative rule and the applicable property tax statutes. The Tax Department further denies that it has incorrectly valued SWN Production's oil and gas wells in any manner for the 2017 TY as alleged in sentence 1 of Paragraph 6 of the *Complaint*. The Tax Department admits that producers report revenue and well formation data to the Tax Department for ad valorem valuation purposes as alleged in the first part of sentence 2 of Paragraph 6. The Tax Department states that it deducts the "average annual industry expense deduction" for valuation purposes as

specifically required pursuant to W. Va. Code St. Rules § 110-1J-4.3 contrary to the allegations set forth in sentence 2 of Paragraph 6. The Tax Department lacks sufficient information to determine the truth or falsity of the remaining allegations set forth in Paragraph 6 of the *Complaint*; consequently, those allegations are denied. The Tax Department denies that it has incorrectly valued SWN Production's oil and gas wells in any manner for the 2017 TY as alleged in Paragraph 6 of the *Complaint*.

7. The Tax Department admits that the "average annual industry operating expense" of 20% of gross receipts not to exceed \$175,000 per well was utilized in valuing all Marcellus horizontal wells for the 2017 TY according to Administrative Notice 2017-08 as alleged in sentence 1 of Paragraph 7. The Tax Department states that Administrative Notice 2017-08 was issued in compliance with the applicable legislative rules for valuing producing oil and gas wells. The Tax Department denies the remaining allegations set forth in sentence 1 of Paragraph 7. The Tax Department denies the allegation set forth in sentence 2 of Paragraph 7. The Tax Department admits that it utilized the "average annual industry operating expense" to value SWN's producing gas wells as alleged in sentence 3 of Paragraph 7 of the *Complaint*; the Tax Department denies that it erroneously calculated the "average annual industry operating expense per well" as alleged in sentence 3 of Paragraph 7. The Tax Department further states that the legislative rules, the administrative notices and other documents from the Tax Department, speak for themselves; the Tax Department objects to any attempts to characterize these documents. The Tax Department denies the remaining allegations set forth in Paragraph 7 of the *Complaint*.

8. The Tax Department admits that the maximum ordinary operating expense for wells that produced both oil and gas varies depending on the percentage of gas receipts versus the percentage of oil receipts according to Administrative Notice 2017-08 as alleged in sentence

1 of Paragraph 8. The Tax Department denies the remaining allegations set forth in Paragraph 8 of the *Complaint*.

9. The Tax Department admits that SWN Production Company protested the valuation of its producing wells in Wetzel County before the Board of Assessment Appeals on October 4, 2017, that Kirsten Evans of Altus Group testified on SWN's behalf, and that SWN presented information from the WV Oil and Natural Gas Association, and that the Board of Assessment Appeals did not change SWN's property valuation, as alleged in Paragraph 9 of the *Complaint*. The Tax Department lacks sufficient information to determine the truth or falsity of the allegations regarding the "weighting of operating expenses" as alleged in Paragraph 9; consequently, those allegations are denied. The Tax Department denies the remaining allegations set forth in Paragraph 9 of the *Complaint*. The Tax Department further denies that it has incorrectly valued SWN Production's oil and gas wells in any manner for the 2017 TY as alleged in Paragraph 9 of the *Complaint*.

10. The Tax Department admits that SWN Production appealed the decision of the Board of Assessment Appeals to the Circuit Court of Wetzel County as alleged in sentence 1 of Paragraph 10 of the *Complaint*. The Tax Department lacks sufficient information to form an opinion with regards to the truth or falsity of the allegation that the appeal was timely; consequently, that allegation is denied. The Tax Department denies the remaining allegations set forth in Paragraph 10 of the *Complaint*.

11. The Tax Department admits the allegations set forth in Paragraph 11 of the *Complaint*.

12. The Tax Department admits that Kirsten Evans of Altus Group, a consulting company, testified on behalf of SWN Production at the Board of Assessment Appeals hearing, that SWN Production is claiming operating expenses of 56.4% of gross receipts or \$765,000 for

every well in Wetzel County, and that the WV Oil and Natural Gas Association submitted public comments to the Tax Department regarding the valuation variables for the 2017 TY as alleged in Paragraph 12 of the Complaint. The Tax Department admits that the 2014 survey did not include a specific line item requesting gathering and compression expenses, transportation expenses, and processing costs as alleged in sentence 2 of Paragraph 12. However, the Tax Department denies that the survey was inadequate in any manner as in sentence 2 of Paragraph 12. The Tax Department admits that it calculated an "average annual industry operating expense" of 20% of gross receipts not to exceed \$150,000 per well for the 2016 TY based upon the industry responses to the 2014 survey as required by the legislative rules as alleged in sentence 3 of Paragraph 12. However, the Tax Department denies that the 2016 TY has any relevance to the 2017 TY which is the only case before the Circuit Court of Wetzel County contrary to the allegations in sentence 3 of Paragraph 12. The Tax Department admits that it recalculated the "average annual industry operating expense" based upon information from the oil and gas producers and utilized 20% of gross receipts not to exceed \$175,000 per well for the 2017 TY for the "average annual industry operating expense" as alleged in sentence 4 of Paragraph 12. The Tax Department denies that the calculation for \$175,000 per well is erroneous in any manner contrary to the allegations in sentence 4 of Paragraph 12. The Tax Department denies the remaining allegations in Paragraph 12. The Tax Department further denies that the valuation of SWN Productions producing oil and gas wells is erroneous or contrary to the applicable legislative rules and relevant statutes in any manner.

13. The Tax Department denies that an individual company's "business model" is a proper topic for the survey of oil and natural gas producers, administrative notices, and the legislative rules, as alleged in Paragraph 13 of the *Complaint*. The Tax Department further denies that the valuation of SWN Productions producing oil and gas wells is erroneous or

contrary to the applicable legislative rules and relevant statutes in any manner. The Tax Department denies the remaining allegations in Paragraph 13 of the *Complaint*.

14. The Tax Department denies that SWN Production submitted actual operating expenses for each of the 56 Marcellus gas wells in Wetzel County for the 2017 TY as alleged in sentence 1 of Paragraph 14 of the *Complaint*. The Tax Department argues that SWN submitted allocated expenses and not actual expenses for each well. The Tax Department admits that SWN is claiming allocated costs of 56.4% of gross receipts or \$765,283 per well as alleged in sentence 2 of Paragraph 14 of the *Complaint*. The Tax Department further denies that the legislative rules authorize an individual company to deduct its claimed operating expenses for ad valorem property tax valuation purposes in lieu of deducting the "average annual industry operating expense per well" required pursuant to the legislative rule. The Tax Department demands strict proof thereof. The legislative rule specifically states, "The average annual industry operating expenses shall be deducted from working interest gross receipts to develop an income stream for application of a yield capitalization procedure." W. Va. Code St. Rules § 110-1J-4.3. The Tax Department admits the allegations set forth in sentence 3 of Paragraph 14.

15. Paragraph 15 of the *Complaint* summarizes some of the mechanical procedures regarding the valuation of property for *ad valorem* tax purposes. No response is required. To the extent that a response may be applicable, the Tax Department denies that it failed to correctly value the Petitioner's property for tax purposes and states that legal conclusions will be determined by the Court.

16. The Tax Department admits that in prior to the 2016 TY, the Tax Department stated in the administrative notices that it would consider, and possibly use, the actual operating expenses from individual producers in the valuation of the property as alleged in the first sentence of Paragraph 16 of the *Complaint*. The Tax Department denies that it is authorized by

statute or legislative rule to use alleged operating expenses per well for individual taxpayers in valuing the property instead of the "average annual industry operating expenses" required pursuant to W.Va. St. R. § 110-1J-4.3 as alleged in Paragraph 12 of the *Complaint*; the Tax Department demands strict proof thereof. The Tax Department denies that SWN has submitted the actual operating expenses for each of the gas wells being challenged in Wetzel County as alleged in the second sentence of Paragraph 16 of the *Complaint*; SWN Production has only submitted allocated expenses and not the actual expenses for every well being challenged.

17. The Tax Department states that the proper expense deductions for valuing producing oil and gas wells are set forth in the administrative notices and other supporting documentation issued by the Tax Department as alleged in Paragraph 17 of the *Complaint*. The Tax Department further states that the administrative notices and other documents from the Tax Department speak for themselves; the Tax Department objects to any attempts to characterize the supporting documentation issued by the Tax Department. The Tax Department denies that SWN has proven that the average operating expenses for each of the 56 oil and gas wells being challenged in Wetzel County is \$765,283 as alleged in the second sentence of Paragraph 17 of the *Complaint*. The Tax Department denies that SWN has submitted the actual operating expenses for each of the gas wells being challenged in Wetzel County as alleged in the second sentence of Paragraph 17 of the *Complaint*; SWN Production has only submitted allocated expenses and not the actual expenses for every well being challenged. The Tax Department denies that it has valued SWN's gas wells erroneously in any manner as alleged in the third sentence of Paragraph 17 of the *Complaint*. The Tax Department admits that it valued SWN's producing oil and gas wells at \$163.9 million for the 2017 TY while SWN claims a valuation of only \$73.9 million as alleged in sentence 4 of Paragraph 17. The Tax Department denies that SWN properly calculated its claimed valuation under the legislative rules contrary to the

allegations in sentence 4 of Paragraph 17. The Tax Department denies the remaining allegations set forth in Paragraph 17 of the *Complaint*.

18. The Tax Department admits the allegations set forth in Paragraph 18 of the *Complaint*.

19. The Tax Department admits that it argued at the BAA Hearing that it valued SWN Production's producing oil and gas wells correctly under the applicable legislative rules and statutes as alleged in Paragraph 19 of the *Complaint*. The Tax Department admits that it argued at the BAA Hearing that it did not have sufficient back-up data regarding public comments submitted by WVONGA related to the proffered expense deductions as alleged in Paragraph 19 of the *Complaint*. To the extent that Paragraph 19 refers to SWN's claimed expenses, the Tax Department lacks sufficient information to determine the truth or falsity of the allegations regarding back-up data; consequently, those allegations are denied. The Tax Department denies that it is authorized by statute or legislative rule to use alleged operating expenses allocated per well for individual taxpayers in valuing the property instead of the "average annual industry operating expenses" required pursuant to W.Va. St. R. § 110-1J-4.3 as alleged in Paragraph 19 of the *Complaint*; the Tax Department demands strict proof thereof. The Tax Department denies the remaining allegations set forth in Paragraph 19 of the *Complaint*. The Tax Department denies that it has valued SWN's gas wells erroneously in any manner as alleged in Paragraph 19 of the *Complaint*.

20. The Tax Department admits that Kirsten Evans, of Altus, testified on behalf of SWN Production Company at the Board of Assessment Appeals hearing in October 2017, as alleged in Paragraph 20 of the *Complaint*. The Tax Department admits that numerous charts and documentation were admitted into the record as Petitioner's Exhibits as alleged in Paragraph 20 of the *Complaint*. The Tax Department denies the remaining allegations set forth in Paragraph

20 of the *Complaint*. The Tax Department denies that it has valued SWN's gas wells erroneously in any manner as alleged in Paragraph 20 of the *Complaint*.

21. The Tax Department admits that SWN presented testimony from Altus, a consulting company, at the Board of Assessment Appeal hearing in October 2017 as alleged in Paragraph 21 of the *Complaint*. The Tax Department denies that SWN has submitted the actual operating expenses for each of the gas wells being challenged in Wetzel County as alleged Paragraph 21 of the *Complaint*; SWN Production has only submitted allocated expenses and not the actual expenses for every well being challenged. The Tax Department further denies that it has valued SWN's oil and gas wells erroneously in any manner as alleged in Paragraph 21 of the *Complaint*. The Tax Department denies the remaining allegations set forth in Paragraph 21 of the *Complaint*.

22. The Tax Department denies that it has valued SWN's oil and gas wells incorrectly in any manner regarding allocating the expense deductions based on the percentage of oil versus the percentage of natural gas produced by the wells as alleged in Paragraph 22 of the *Complaint*. The Tax Department denies that it has valued SWN's oil and gas wells incorrectly in any manner or contrary to the applicable legislative rules as alleged in Paragraph 22 of the *Complaint*. The Tax Department admits that SWN Production or its representatives discussed allocating the expense deductions based on the percentage of oil versus the percentage of natural gas produced by the wells with the Tax Department as alleged in Paragraph 22 of the *Complaint*. The Tax Department lacks sufficient information to determine the truth or falsity of the remaining allegations set forth in Paragraph 22 of the *Complaint*; consequently, those allegations are denied.

23. On January 4, 2018, the Tax Department filed a *Motion to Dismiss for Failure to Timely Perfect the Appeal* in Civil Action No. 17-C-319. Based upon a review of the record as

filed with the Clerk of the Circuit Court, the Tax Department admits that the record has been timely certified by the county clerk and transmitted to the Clerk of the Circuit Court. Therefore, the Tax Department admits the allegations set forth in Paragraph 23 of the *Complaint*.

24. The Tax Department lacks sufficient information to form an opinion with regards to the truth or falsity regarding the date on which SWN Production received the Order from the Board of Assessment Appeals and whether the appeal was timely filed in the Circuit Court of Wetzel County; consequently, those allegations are denied. The Tax Department admits the remaining allegations set forth in Paragraph 24 of the *Complaint*.

25. Paragraph 25 of the *Complaint* summarizes the law regarding the valuation of property for *ad valorem* tax purposes. No response is required. To the extent that a response may be applicable, the Tax Department denies that it failed to correctly value the Petitioner's property for tax purposes and states that legal conclusions will be determined by the Court.

26. Paragraph 26 of the *Complaint* refers to the law and legislative rule regarding the valuation of property for *ad valorem* tax purposes. No response is required. To the extent that a response may be applicable, the Tax Department denies that it failed to correctly value the Petitioner's property for tax purposes and states that legal conclusions will be determined by the Court.

27. Paragraph 27 of the *Complaint* summarizes the law and mechanical procedures regarding the valuation of property for *ad valorem* tax purposes. No response is required. To the extent that a response may be applicable, the Tax Department denies that it failed to correctly value the Petitioner's property for tax purposes and states that legal conclusions will be determined by the Court.

28. The Tax Department denies the allegations set forth in the first sentence of Paragraph 28 of the *Complaint*; the Tax Department states that the Taxpayers have failed to cite

any statutory authority or legislative rule authorizing the use of an individual taxpayer's claimed operating expenses in calculating the value of gas wells and demands strict proof thereof. The Tax Department denies that SWN presented actual operating expenses for each well under protest; SWN Production has only submitted allocated expenses and not the actual expenses for every well being challenged. The Tax Department further denies that the information provided by SWN is the type of information contemplated by the legislative rule as alleged in the last sentence of Paragraph 28. The remaining allegations set forth in Paragraph 28 of the *Complaint* summarize the law and mechanical procedures regarding the valuation of property for *ad valorem* tax purposes. No response is required. To the extent that a response may be applicable, the Tax Department denies that it failed to correctly value the Petitioner's property for tax purposes and states that legal conclusions will be determined by the Court.

29. Paragraph 29 of the *Complaint* summarizes the law regarding the burden of proof for taxpayers challenging the valuation of property and the record to be reviewed in circuit court for the valuation of property for *ad valorem* tax purposes. No response is required. To the extent that a response may be applicable, the Tax Department denies that it failed to correctly value the Petitioner's property for tax purposes and states that legal conclusions will be determined by the Court.

30. The Tax Department denies the allegations set forth in the first sentence of Paragraph 30 of the *Complaint*. The remainder of Paragraph 30 recites SWN's prayer for relief. No response is necessary. To the extent that a response may be applicable, the Tax Department denies that any relief is warranted in this case.

31. The Tax Department denies that it has discretion to select the appraisal methodology for producing oil and natural gas wells as alleged in Paragraph 31 of the *Complaint*. According to the applicable legislative rules, the value of oil and natural gas

producing properties "...shall be determined through the process of applying a yield capitalization model to the net receipts...." See W. Va. St. R. § 110-1J-4.1. The Tax Department is required to use the income approach to value for producing oil and gas wells under the legislative rule. The Tax Department further denies that it failed to correctly apply the yield capitalization model to Petitioner's property for tax ad valorem tax purposes and states that legal conclusions will be determined by the Court.

32. The Tax Department denies the allegations set forth in Paragraph 32 of the *Complaint*. The Tax Department denies that it failed to correctly value the Petitioner's property for tax purposes in any manner as alleged in Paragraph 32 of the *Complaint*.

33. The Tax Department denies the allegations set forth in Paragraph 33 of the *Complaint*. The Tax Department denies that it failed to correctly value the Petitioner's property for tax purposes in any manner as alleged in Paragraph 33 of the *Complaint*.

34. The Tax Department denies the allegations set forth in the first two sentences of Paragraph 34 of the *Complaint*. The Tax Department denies that it failed to correctly value the Petitioner's property for tax purposes in any manner as alleged in the first two sentences of Paragraph 34 of the *Complaint*. The Tax Department lacks sufficient information to determine the truth or falsity of the allegations in sentence 3 of Paragraph 34; consequently, those allegations are denied.

35. The Tax Department denies every allegation in the *Complaint* which has not been specifically admitted.

AFFIRMATIVE DEFENSE NUMBER 1

36. SWN Production has failed to cite any statutory authority authorizing the Tax Department to use the alleged operating expenses for an individual taxpayer in valuing the

operating oil and gas wells under protest for *ad valorem* tax purposes in a mass appraisal environment. The Tax Department demands strict proof thereof.

AFFIRMATIVE DEFENSE NUMBER 2

37. SWN Production has failed to provide the actual operating expenses per well for the 56 oil and gas wells under protest in Wetzel County. SWN Production has simply provided the arithmetic average of its expenses allocated to 56 producing oil and gas wells.

AFFIRMATIVE DEFENSE NUMBER 3

38. The applicable legislative rule states:

4.3. Average industry operating expenses. -- The Tax Commissioner shall every five (5) years, determine the average annual industry operating expenses per well. The **average annual industry operating expenses** shall be deducted from working interest gross receipts to develop an income stream for application of a yield capitalization procedure.

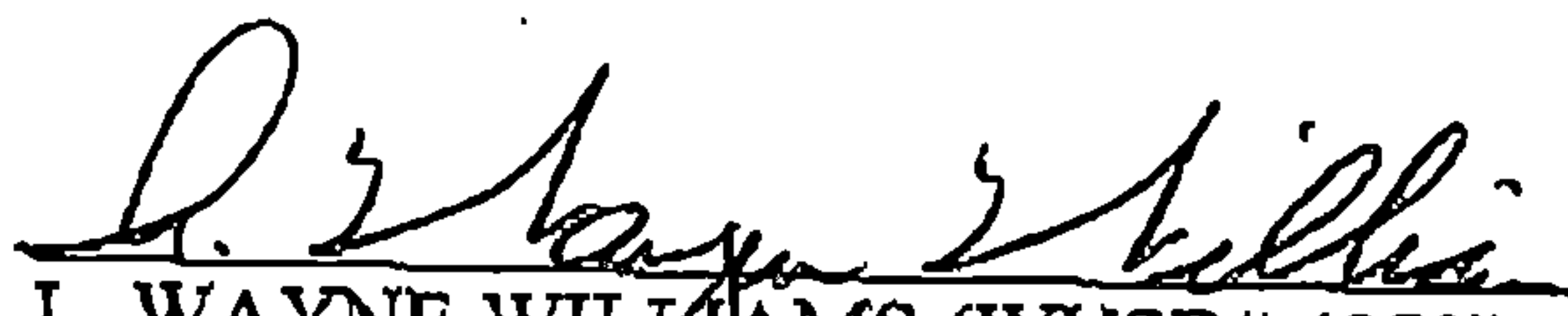
W. Va. St. R. § 110-1J-4.3 (emphasis added). The Tax Department has correctly valued the operating gas well as required under the applicable legislative rules.

WHEREFORE, State Tax Commissioner prays the Honorable Court DISMISS the Complaint with prejudice and for such additional relief as the Court deems just and proper.

Respectfully submitted,

DALE W. STEAGER,
State Tax Commissioner,
By counsel,

PATRICK MORRISEY
ATTORNEY GENERAL


L. WAYNE WILLIAMS (WVSB# 4370)
ASSISTANT ATTORNEY GENERAL

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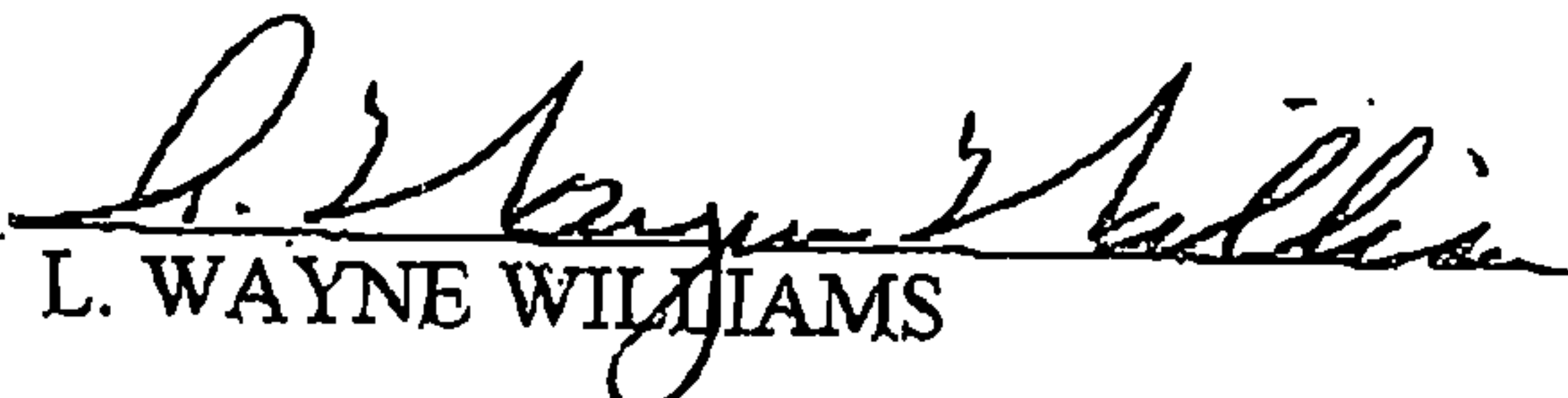
CERTIFICATE OF SERVICE

I, L. Wayne Williams, Assistant Attorney General, do hereby certify that the foregoing "*Answer of the West Virginia State Tax Department to Complaint of Petitioner SWN Production Company, LLC*" was served upon the following by depositing a copy of the same in the United States Mail, via first-class postage prepaid, this 13th day of April, 2018, addressed as follows:

Craig A. Griffith, Esq.
John J. Meadows, Esq.
Steptoe & Johnson
P.O. Box 1588
Charleston, WV 25326-1588

Honorable Scott Lemley
600 7th Street
Moundsville, WV 26041

Wetzel County Commission
Board of Assessment Appeals
200 Main Street
New Martinsville, WV 26155


L. WAYNE WILLIAMS