



UTAH STATE TAX COMMISSION
PROPERTY TAX DIVISION
CENTRALLY ASSESSED PROPERTY
VALUATION APPEAL FORM

ASSESSMENT
YEAR
2020
REV. 01/2020

TAXPAYER INFORMATION

[a] UTAH TAX ACCOUNT NAME			[b] UTAH TAX ACCOUNT ID		
[c] INDUSTRY TYPE					
<input type="checkbox"/> Coal	<input type="checkbox"/> Coal Load-out	<input type="checkbox"/> Land-Only	<input type="checkbox"/> Non-Metalliferrous Mining	<input type="checkbox"/> Metalliferrous Mining	
<input type="checkbox"/> Oil & Gas Gathering	<input type="checkbox"/> Oil & Gas Production	<input type="checkbox"/> Oil & Gas Water Disposal	<input checked="" type="checkbox"/> Sand & Gravel	<input type="checkbox"/> Uranium	
<input type="checkbox"/> Air Carrier	<input type="checkbox"/> Electric Generation	<input type="checkbox"/> Electric Rural	<input type="checkbox"/> Electric Utility	<input type="checkbox"/> Gas Pipeline	
<input type="checkbox"/> Gas Utility	<input type="checkbox"/> Ground Access	<input type="checkbox"/> Liquid Pipeline	<input type="checkbox"/> Railroad	<input type="checkbox"/> Telecommunications	
<input type="checkbox"/> Railcar					
[d] NAME OF TAXPAYER COMPANY CONTACT Holliday Construction, Inc			COMPANY POSITION		
TAXPAYER ADDRESS (LINE 1) PO Box 502			E-MAIL ADDRESS		
TAXPAYER ADDRESS (LINE 2)			TELEPHONE NUMBER 435-678-2028		
CITY Blanding	STATE UT	ZIP CODE 84511	FAX NUMBER		

TAXPAYER REPRESENTATIVE/PETITIONER'S INFORMATION

[e] PETITIONER'S NAME Joey Holliday		PETITIONER'S EMPLOYER Holliday Construction, Inc.			
PETITIONER'S ADDRESS (LINE 1) PO Box 502		E-MAIL ADDRESS			
PETITIONER'S ADDRESS (LINE 2)		TELEPHONE NUMBER 435-678-2028			
CITY Blanding	STATE UT	ZIP CODE 84511	FAX NUMBER		

VALUATION INFORMATION

[f] STATE TAX COMMISSION VALUE \$675,893	[g] PETITIONER'S ESTIMATE OF FAIR MARKET VALUE \$450,480	DIFFERENCE IN VALUE \$225,413
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AFFECTED COUNTIES (PLEASE CHECK ALL THAT APPLY)

<input type="checkbox"/> BEAVER	<input type="checkbox"/> DUCHESNE	<input type="checkbox"/> KANE	<input checked="" type="checkbox"/> SAN JUAN	<input type="checkbox"/> UTAH
<input type="checkbox"/> BOX ELDER	<input type="checkbox"/> EMERY	<input type="checkbox"/> MILLARD	<input type="checkbox"/> SANPETE	<input type="checkbox"/> WASATCH
<input type="checkbox"/> CACHE	<input type="checkbox"/> GARFIELD	<input type="checkbox"/> MORGAN	<input type="checkbox"/> SEVIER	<input type="checkbox"/> WASHINGTON
<input type="checkbox"/> CARBON	<input type="checkbox"/> GRAND	<input type="checkbox"/> PIUTE	<input type="checkbox"/> SUMMIT	<input type="checkbox"/> WAYNE
<input type="checkbox"/> DAGGETT	<input type="checkbox"/> IRON	<input type="checkbox"/> RICH	<input type="checkbox"/> TOOELE	<input type="checkbox"/> WEBER
<input type="checkbox"/> DAVIS	<input type="checkbox"/> JUAB	<input type="checkbox"/> SALT LAKE	<input type="checkbox"/> UINTAH	

ADDITIONAL INFORMATION

[h] PLEASE STATE THE REASON FOR RELIEF INCLUDING THE STATEMENT OF FACTS, SUMMARY OF ARGUMENTS, AND AUTHORITIES RELIED ON:
(ATTACH ADDITIONAL SHEETS AS NEEDED)

[m] SIGNATURE <i>Joey Holliday</i>	DATE 08/03/2020
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We were late in filing our preliminary assessment form so the state estimated your values. They were fair in their approach, but they assumed a CWIP value of \$189,109. Holliday Construction, Inc. showed a loss in 2019 of \$77,129.

Our Valuation for 2019 Was based on 2018 Income of \$192,796, but the income for 2019 is the loss indicated above. There should be no WIP adjustment increase for the 2020 valuation.

Based on our calculations, we would have the following:

Holliday Construction, Inc.		2019	2020 Est	2020 Actual
Tax Area	001-0000	30,953	94,537	58,233
Tax Area	003-0000	77,207	61,368	61,368
Tax Area	011-0000	309,534	519,988	330,879
Total		\$ 417,694	\$ 675,893	\$ 450,480

The 001-0000 property – Lime Ridge should have no additional equipment added and no WIP.

The 003-0000 property – Blanding Pt is OK with the State Estimate of \$31,368 and no WIP.

The 011-0000 property – Bluff Pit is OK with the State Estimate of \$330,879 but should have no WIP.

Please let me know if this information is not clear, or if you require additional documentation.

Sincerely,



Property Tax Division of the Utah State Tax Commission
210 N 1950 W, Third Floor
Salt Lake City, Utah 84134
Telephone: (801) 297-3609

BEFORE THE UTAH STATE TAX COMMISSION

<p>ELK OPERATING SERVICES LLC</p> <p style="text-align: center;">Petitioner,</p> <p style="text-align: center;">vs.</p> <p>PROPERTY TAX DIVISION OF THE UTAH STATE TAX COMMISSION,</p> <p style="text-align: center;">Respondent.</p>	<p>SETTLEMENT STIPULATION</p> <p>Taxpayer No. 14584239-002-PCA</p> <p>Appeal No. 20-1423</p> <p>Centrally Assessed Property Tax</p>
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1. This Stipulation is entered into by and between the Property Tax Division of the Utah State Tax Commission (the "Division") and Elk Operating Services, LLC ("Elk Operating").

2. The parties have discussed and considered their respective positions concerning the assessed values determined by the Division for the related tax years and recognize the considerable costs and risks inherent in the potential litigation of these matters.

3. The parties mutually desire to avoid these costs and risks and fully settle and resolve Elk Operating's appeal for the property tax year in question without further litigation, in a fair, reasonable and economic fashion.

4. The parties agree to resolve and settle the above-captioned appeal by stipulating to the following "Stipulated Taxable Value" for the property tax year in question:

<u>Tax Year</u>	<u>Original Assessment</u>	<u>Stipulated Taxable Value</u>
2020	\$107,909,198	\$87,992,858

5. The parties further stipulate that the amounts identified as "Stipulated Taxable Value" reflect the parties' reasonable approximation of the fair market value of Elk Operating's taxable property under Utah law for the property tax year at issue.

6. The Division made two separate clerical errors in the initial assessment of Elk Operating. Elk Operating provided information regarding their shrinkage of nearly 100% of their natural gas production. This shrinkage information was not used in the original value calculation by the Division. Elk Operating also provided an updated Indian Revenue Interest, which was greater than the previous year. This update was not entered in the original assessment.

7. The appraisal methods applied in this stipulation pertain to the lien dates listed above only and the use of such methods cannot be used as evidence or as an admission against any party in another lien date or matter.

8. The parties understand that this Stipulation is subject to approval by the Utah State Tax Commission and shall become final and conclusive between the parties upon approval by the Utah State Tax Commission, as evidenced by a written order executed by the Tax Commissioners.

9. Should the Tax Commission decline to approve this Stipulation, it shall be null and void and shall not be admissible as evidence against any party in any future proceedings.

10. The parties further stipulate that Elk Operating's above-captioned Utah property tax appeal shall be dismissed when the Tax Commission's Order of Approval becomes final.

STIPULATED this 3rd day of September, 2020 by:

ELK OPERATING SERVICES LLC



Damien Larson (Sep 3, 2020 12:56 CDT)

Damien Larson
Representative,
Elk Operating Services, LLC

PROPERTY TAX DIVISION



Roger Barth (Sep 3, 2020 11:49 MDT)

Roger Barth
Natural Resources Section Manager
Property Tax Division

SAN JUAN COUNTY



John David Nielson (Sep 3, 2020 13:20 MDT)

John David Nielson
Clerk/Auditor
San Juan County



Utah State Tax Commission
Property Tax Division - Centrally Assessed
2020 Revised Notice of Valuation
County Breakout Report

Taxpayer: ELK OPERATING SERVICES LLC

Taxpayer Number: 14584239-002-PCA

Appeal Number: 20-1423

Industry: Oil & Gas Production

<u>County</u>	<u>Tax Area</u>	<u>Original Valuation</u>	<u>Revised Valuation</u>	<u>Change in Valuation</u>
San Juan				
	001-0000	\$107,909,198	\$87,992,858	-\$19,916,340
San Juan County Total		\$107,909,198	\$87,992,858	-\$19,916,340
TOTAL VALUE		\$107,909,198	\$87,992,858	-\$19,916,340