



September 2, 1997

SENT VIA FAX NO. (713) 757-2491  
Mailed via U.S. Postal Service

Gas Industry Standards Board  
1100 Louisiana, Suite 4925  
Houston, Texas 77002

Attention: Rae McQuade  
Executive Director

Re: GISB Letter Dated August 4, 1997  
Requests for Industry Comment on Proposed Standards and Interpretations

Gentlemen:

You have requested comments relative to certain proposed standards and interpretations subject to your letter dated August 4, 1997.

Coastal Oil & Gas Corporation (Coastal) has the following comments relative to the following proposed standards/interpretations:

**C97010:** We support Amoco Production Company's (Amoco) interpretation particularly with respect to the following: *"Though there was a clear intent in the standards to get accurate and timely final statements prevalent in the industry in order to stop the practice of corrected estimates that appear for seemingly years, we need an affirmative statement herein that protects audit rights for their intended purpose."* Further, Coastal agrees with Amoco that compliance with GISB standards should not replace or override audit rights in existing contracts or mutually agreed to in subsequent contracts.

**C97011:** We concur with the following interpretation related to GISB measurement reporting standards: *"GISB invoicing standards, as well as measurement reporting standards, are not applicable for pre-GISB compliance months. Adjustments for such months would be governed by the pipeline's then applicable tariff provisions."*

**Coastal Oil & Gas Corporation**

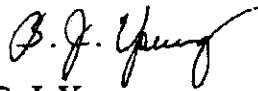
A SUBSIDIARY OF THE COASTAL CORPORATION  
COASTAL TOWER - NINE GREENWAY PI 47A - HOUSTON TX 77046-0995 - 713.077-1100 - (LX 166005)

Gas Industry Standards Board  
Attn: Rae McQuade  
September 2, 1997  
Page 2

Please call me at (713) 877-6028 if you have any questions regarding our response.

Very truly yours,

COASTAL OIL & GAS CORPORATION



B. J. Young  
Sr. Manager - Division Order/Contract Services  
E & P Land & Contract Administration

BJY  
Enclosure

cc: Don C. Nelson  
John B. Talley  
Ken Esterak  
Art Slagle  
Trudy Mitchell  
Chuck Ludwig  
Roger Sparks