



**FINAL ADMINISTRATIVE DECISION  
ILLINOIS PROPERTY TAX APPEAL BOARD**

APPELLANT: Ramsey Herndon LLC  
DOCKET NO.: 12-04459.001-C-1  
PARCEL NO.: 23-29.0-701-003

The parties of record before the Property Tax Appeal Board are Ramsey Herndon LLC, the appellant; and the Sangamon County Board of Review.

Based on the facts and exhibits presented in this matter, the Property Tax Appeal Board hereby finds **No Change** in the assessment of the property as established by the **Sangamon** County Board of Review is warranted. The correct assessed valuation of the property is:

**LAND:** \$22,966  
**IMPR.:** \$0  
**TOTAL:** \$22,966

Subject only to the State multiplier as applicable.

**Statement of Jurisdiction**

The appellant timely filed the appeal from a decision of the Sangamon County Board of Review pursuant to section 16-160 of the Property Tax Code (35 ILCS 200/16-160) challenging the assessment for the 2012 tax year. The Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of the appeal.

**Findings of Fact**

The subject property consists of a 7/8<sup>th</sup> working interest in an oil well. The property is located in Rochester Township, Sangamon County.

The appellant contends overvaluation as the basis of the appeal. In support of this argument the appellant prepared a comparison of the assessment/production of the subject oil well in 2011 to that in 2012. The appellant asserted that the value of an oil well is based on the amount of oil it produces. He explained that in 2011 the subject oil well produced 1,400 barrels of oil with an average price of \$86.60 per barrel. In 2012 the subject oil well produced 1,314 barrels of oil with an average price of \$86.64 per barrel. The appellant contends the subject's production in 2012 was less than produced in 2011 by a factor of .9386 (1,314/1,400). According to the appellant, applying the factor of .9386 to the 2011 assessment of the subject property of \$19,877 results in a revised assessment of \$18,656.

The board of review submitted its "Board of Review Notes on Appeal" disclosing the total equalized assessment for the subject of \$22,996.

In support of its contention of the correct assessment the board of review submitted a narrative from Rod McKenzie, Deputy Assessor with the Sangamon County Supervisor of Assessments Office and copies of the 2011 and 2012 Oil and Gas Assessment Schedules. McKenzie explained that the working interest on oil assessments are calculated each year using the production of the well from the preceding year. He explained that the second component in calculating the value of the working interest of an oil well is from the Oil and Gas Schedule presented to the supervisor of assessments each year, which is primarily dependent on changes in oil prices in the previous year. McKenzie compared the working interest assessment for the subject oil well for 2011 and 2012. For 2012 the number of barrels per day was calculated to be 3.60 (1,314 barrels/365 days). The 7/8<sup>th</sup> working interest was calculated to be 3.15 barrels per day. Using the 2012 Oil and Gas Assessment Schedule the working interest was valued at \$21,630 which was multiplied by the adjusted barrels per day of 3.15 to arrive at a fair cash value of \$68,134 and an assessment of \$22,709. The record disclosed that for the 2012 tax year a township equalization factor of 1.0013 was applied to increase the assessment to \$22,966.

McKenzie explained that although the production of the oil well decreased from 1,400 to 1,314 barrels from 2011 to 2012, the value increased from \$17,790 to \$21,630, which was disclosed on the schedules he provided. Based on this record the board of review requested the assessment remain unchanged.

### **Conclusion of Law**

The appellant contends the market value of the subject property is not accurately reflected in its assessed valuation. When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. 86 Ill.Admin.Code §1910.63(e). Proof of market value may consist of an appraisal of the subject property, a recent sale, comparable sales or construction costs. 86 Ill.Admin.Code §1910.65(c). The Board finds the appellant did not meet this burden of proof and a reduction in the subject's assessment is not warranted.

The Board finds the best evidence of market value to be data provided by the board of review. The board of review provided copies of the 2011 and 2012 Oil and Gas Assessment Schedules used to calculate the assessment of the working interests of oil wells. The board of review provided the calculation used to determine the value and assessment for the subject oil well in 2012 using the subject's reported production and the 2012 Oil and Gas Assessment Schedule. The board of review noted that the even though the subject's production decreased from 2011 to 2012, the value of the working interest increased from 2011 to 2012 from \$17,790 to \$21,630, an increase of approximately 21.6%. The Board finds the appellant provided no evidence disputing the calculation, the subject's production or the 2012 Oil and Gas Assessment Scheduled used to calculate the subject's assessment. Based on this evidence the Board finds a reduction in the subject's assessment is not justified.

This is a final administrative decision of the Property Tax Appeal Board which is subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code. Pursuant to Section 1910.50(b) of the rules of the Property Tax Appeal Board (86 Ill.Admin.Code §1910.50(b)) the proceeding before the Property Tax Appeal Board is terminated when the decision is rendered. The Property Tax Appeal Board does not require any motion or request for reconsideration.



Chairman



Acting Member

Member



Member

Member

DISSENTING: \_\_\_\_\_

CERTIFICATION

As Clerk of the Illinois Property Tax Appeal Board and the keeper of the Records thereof, I do hereby certify that the foregoing is a true, full and complete Final Administrative Decision of the Illinois Property Tax Appeal Board issued this date in the above entitled appeal, now of record in this said office.

Date: November 21, 2017



Clerk of the Property Tax Appeal Board

**IMPORTANT NOTICE**

Section 16-185 of the Property Tax Code provides in part:

"If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel after the deadline for filing complaints with the Board of Review or after adjournment of the session of the Board of Review at which assessments for the subsequent year or years of the same general assessment period, as provided in Sections 9-125 through 9-225, are being considered, the taxpayer may, within 30 days after the date of written notice of the Property Tax Appeal Board's decision, appeal the assessment for such subsequent year or years directly to the Property Tax Appeal Board."

In order to comply with the above provision, YOU MUST FILE A PETITION AND EVIDENCE WITH THE PROPERTY TAX APPEAL BOARD WITHIN 30 DAYS OF THE DATE OF THE ENCLOSED DECISION IN ORDER TO APPEAL THE ASSESSMENT OF THE PROPERTY FOR THE SUBSEQUENT YEAR OR YEARS. A separate petition and evidence must be filed for each of the remaining years of the general assessment period.

Based upon the issuance of a lowered assessment by the Property Tax Appeal Board, the refund of paid property taxes is the responsibility of your County Treasurer. Please contact that office with any questions you may have regarding the refund of paid property taxes.

PARTIES OF RECORD

AGENCY

State of Illinois  
Property Tax Appeal Board  
William G. Stratton Building, Room 402  
401 South Spring Street  
Springfield, IL 62706-4001

APPELLANT

Ramsey Herndon LLC  
475 17th Street, Suite 510  
Denver, CO 80202

COUNTY

Sangamon County Board of Review  
Sangamon County Complex  
200 South 9th Street, Room 210  
Springfield, IL 62701