December 17, 2008

(By online submission)

International Accounting Standards Board
1st Floor 30 Cannon Street
London EC4M 6XH
United Kingdom

Dear Sir

RESPONSE TO EXPOSURE DRAFT OF ADDITIONAL EXEMPTIONS FOR FIRST-TIME ADOPTERS (PROPOSED AMENDMENTS TO IFRS 1)

As representatives of certain publicly traded U.S. oil and gas exploration and production companies currently following the Securities and Exchange Commission's full cost accounting rules as set forth in Rule 4-10(c) of Regulation S-X, we appreciate the opportunity to comment on the Exposure Draft (ED) of *Additional Exemptions for First-time Adopters (Proposed amendments to IFRS 1)* issued by the International Accounting Standards Board (IASB) in September 2008.

On question 1, we agree with the proposed deemed cost option for entities using full cost accounting under previous GAAP. Because the adoption of IFRS will require us to discontinue the application of the full cost accounting method beyond the exploration and evaluation phase, a transition to IFRS through retroactive restatement of prior period financial statements would require historical cost information for individual fields in the development or production phases that, in many cases, is no longer available. Recreating or deriving such information from alternative sources would not only be timely and costly, but would undoubtedly result in inconsistent approaches and assumptions that would call into question the reliability and accuracy of the result. An approach that allows allocation of existing balances based on reserve volumes or values provides for an alternative that can be implemented at a reasonable cost, while still providing relevant and useful information to the users of our financial statements. Further, we believe that the requirement to test exploration and evaluation assets and assets in the development and production phases for impairment at the date of transition to IFRS in accordance with IFRS 6, *Exploration for and Evaluation of Mineral Resources* or IAS 36, *Impairment of Assets* appropriately ensures that the opening balances recorded under the deemed cost option are not in excess of the fair value of the underlying assets.

On question 2, we agree with the proposed requirement to disclose the use of the deemed cost option for oil and gas assets as well as the basis on which carrying amounts determined under previous GAAP were allocated, particularly given the alternative to allocate such amounts based on reserve volumes or values. We believe such information is relevant to financial statement users anytime alternative approaches are available.

Yours sincerely,

Roger B. Plank
Executive Vice President and
Chief Financial Officer
Apache Corporation

David H. Keyte
Executive Vice President and
Chief Financial Officer
Forest Oil Corporation

Terry Rathert
Senior Vice President and
Chief Financial Officer
Newfield Exploration Company

Mark Mize
EVP - Chief Financial Officer and
Treasurer
Petrohawk Energy Corporation

Michael J. Rosinski
Executive Vice President,
Chief Financial Officer, and Treasurer
Rosetta Resources Inc.

Greg D. Kerley
Excutive Vice President &
Chief Financial Officer
Southwestern Energy Company

Marshall D. (Mark) Smith
Chief Financial Officer
Ultra Petroleum Corp.