



SEC Office of the Chief Accountant Releases Staff Accounting Bulletin

FOR IMMEDIATE RELEASE
2009-228

Washington, D.C., Oct. 30, 2009 — The Office of the Chief Accountant of the U.S. Securities and Exchange Commission today issued updated guidance on how the agency's staff interprets accounting rules related to the oil and gas industry.

Additional Materials

► [Staff Accounting Bulletin 113](#)

These updates correspond with rulemaking that the [SEC approved in December 2008](#) to modernize its oil and gas company reporting requirements to help investors evaluate the value of their investments in these companies.

The principal revisions of the guidance, known as Staff Accounting Bulletin No. 113, include:

- changing the price used in determining quantities of oil and gas reserves;
- eliminating the option to use post-quarter-end prices to evaluate write-offs of excess capitalized costs under the full cost method of accounting;
- removing the exclusion of unconventional methods used in extracting oil and gas from oil sands or shale as an oil and gas producing activity; and,
- removing certain questions and interpretative guidance which are no longer necessary.

The guidance updates Topic 12 of the codification of staff accounting bulletins in order to make it consistent with the Commission's Final Rule Release, *Modernization of Oil and Gas Reporting*, issued Dec. 31, 2008.

The statements in a staff accounting bulletin, or SAB, are not rules or interpretations of the Commission, nor are they published as bearing the Commission's official approval. They represent interpretations and practices followed by the Division of Corporation Finance and the Office of the Chief Accountant in administering the disclosure requirements of the Federal securities laws.

#

<http://www.sec.gov/news/press/2009/2009-228.htm>