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By: Randy Ellis

Alva- A Woods County tax dispute was settled Thursday with Pan Gas Storage conceding that an underground storage tank it has listed with tax assessor as being worth about \$3.7 million is actually worth more than \$40.4 million, county Assessor Monica Schmidt said.

The agreement means Pan Gas Storage will pay \$376,922 in taxes for 2002 instead of \$35,925, Schmidt said. The oil-field company had earlier paid its taxes under protest. The money was held in escrow while the lawsuit was pending in Woods County District Court.

The settlement frees the money for immediate distribution, Schmidt said. The Alva School District will receive the biggest windfall — \$231,370, officials said. The Northwest Technology Center will receive \$65,503. Lesser amounts will go to two other school districts, the Woods County Health Department and Woods County governmental entities.

Thursday's settlement is the latest development in a concentrated effort by numerous Oklahoma County assessors to identify oil-field equipment that has been untaxed or under taxed.

About 20 of those assessors, including the Woods County assessor, have hired Visual Lease Services of Holdenville to help them identify and place values on oil-field equipment in their counties.

The Oklahoman reported last month the consulting Company has helped assessors identify tens of millions of dollars worth of drilling rigs, pipelines and even a \$10.4 million gas plant that weren't on the tax rolls.

Gary Mask, one of the owners of Visual Lease Services, estimated Oklahoma has between \$1 billion and \$10 billion in unreported or underreported oil and gas equipment. Some oil-field equipment officials contend the estimates are exaggerated and have accused the company of placing excessive market values on equipment.

Pan Gas storage officials could not be reached for comment Thursday.