

VIA ELECTRONIC FILING

Sui Lang Panoke
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Dear Ms. Panoke:

I am writing in response to the Request for Additional Information your office sent to Weatherford US LP PAC dated June 29, 2007 concerning the political committee's name. You asked why the PAC did not use the name of its connected organization in its name.

To determine its name, the PAC relied on guidance directly on point from an FEC advisory opinion addressing identical facts. In AO 2004-42, the Commission addressed a situation in which an entity that was wholly owned by a domestic corporation and "disregarded" for tax purposes was establishing a PAC. The Commission permitted the disregarded entity to pay the associated costs of the PAC. However, the Commission reasoned that the financial support would ultimately come from the corporation, and therefore required the corporation to be listed as the PAC's "connected organization." Most important, because the PAC's relationship with the corporation/connected organization would be disclosed on the public record, the Commission permitted the PAC to be named after the disregarded entity rather than the corporation/connected organization. In fact, the Commission expressed the view that using the disregarded entity's name rather than that of the connected organization would "provide the public with a more accurate understanding of the PAC's funding and purpose."

Weatherford US LP PAC was faced with identical facts when choosing a name, and so relied on this advisory opinion for guidance. Weatherford US, LP is a "disregarded entity" for tax purposes. Through two other disregarded entities, WEUS Holding, Inc. owns Weatherford US, LP in its entirety. Weatherford US, LP pays the costs of Weatherford US LP PAC, but, pursuant to AO 2004-42, lists WEUS Holding, Inc. as the PAC's connected organization. To give the public an accurate view of the PAC's funding and purpose, and in direct reliance on AO 2004-42, the PAC chose a name that incorporates the name of the disregarded entity that provides its funding.
