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INTERIOR SIGNS AGREEMENT WITH NAVAJO ALLOTTEES,  
SETTLING LONG STANDING LAWSUIT (#50027)

The U.S. Department of the Interior's Minerals Management Service (MMS), Bureau of Land Management (BLM) and Bureau of Indian Affairs (BIA) have reached an agreement with Navajo allottees to settle a 1984 class action suit, Interior officials announced today.

"This agreement is a landmark in Indian minerals management," said Deputy Assistant Secretary for Land and Minerals Management Sylvia Baca, "and as such, major components of the agreement will be implemented for all Indian mineral leases, not just the Navajo allottees who brought the suit. It also signals the Administration's and the Department's continued efforts to work with Indian Tribes and their members."

Assistant Secretary for Indian Affairs Ada Deer said, "This reaffirms the commitment of all Interior Department agencies to work together to fulfill federal trust responsibilities for American Indians. The advancements in the tri-bureau office in Farmington, New Mexico strengthen our ability to meet these

responsibilities."

The case alleged that the Department was not in compliance with the Federal Oil and Gas Royalty Management Act (FOGRMA) and was not properly accounting for Indian mineral resources. A 1989 consent decree settled certain general issues, but disagreements remained on specific Interior responsibilities.

The final agreement addresses all issues raised in the dispute by the Navajo allottees and provides for:

- Increased internal controls on royalty data and payments.
- Revisions to audit and valuation procedures.
- Enhancement of Interior's trust responsibility via the

tri-bureau office in Farmington.

- Establishment of procedures to distribute interest from

funds in certain Indian accounts.

- New procedures for production verification.

"The process of getting to this agreement -- working jointly among our three bureaus and with the allottees -- emphasizes the effectiveness of our improved coordination between the Department

and Indian allottees. After 11 years of often contentious litigation, we are finally putting aside past differences and charting a course for the successful future of Indian minerals management," said MMS Director Cynthia Quarterman.

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