

**U.S. Department of the Interior
Minerals Management Service
Office of Communications**

NEWS RELEASE

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RELEASE:

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MMS EXTENDS COMMENT PERIOD FOR NATURAL GAS VALUATION OPTIONS

In the June 10, 1997, edition of the Federal Register, the Department of the Interior's Minerals Management Service (MMS) will announce a 30-day extension of the comment period for supplemental options for valuing natural gas produced from Federal leases for royalty purposes. The deadline for submitting comments has been extended from June 23, 1997 to July 23, 1997.

MMS is seeking comments on alternative valuation methods that would simplify the gas valuation process without significantly impacting royalty revenues. In light of the decision to withdraw the November 6, 1995 proposed rule, the agency has solicited comments on two additional options for valuing federal gas: one, index-based and the other, patterned after Norway's royalty valuation practice for crude oil. The extension will give MMS stakeholders more time to provide comments on these valuation approaches.

Comments should be submitted to: Rules and Publications Staff, Royalty Management Program, Minerals Management Service, P.O. Box 25165, MS 3101, Building 85, Denver Federal Center, Denver, Colorado 80225-0165.

For additional information contact David Guzy, Chief, Rules and Publications Staff, at (303) 231-3432; fax, (303) 231-3385; or e-mail, David_Guzy@mms.gov.

MMS is the federal agency that manages the Nation's natural gas, oil and other mineral resources on the Outer Continental Shelf; and collects, accounts for, and disburses about \$4 billion in revenues each year from federal offshore mineral leases and from onshore mineral leases on federal and Indian lands.

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