

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

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***NEWS RELEASE***

**CONTACT:** [Anne-Berry Wade](#)

(202) 208-3985

Ken Mireles

202-208-3985

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**MMS PUBLISHES APPEALS RULE**

Today, the Department of the Interior's Minerals Management Service (MMS), and the Office of Hearings and Appeals, announced they have amended certain parts of the rule governing the appeal of orders from MMS Royalty Management and Offshore Energy and Minerals Management programs. The amended rule does not finalize all sections of the proposed rule addressing the appeals process.

MMS issued a proposed appeals rule on January 12, 1999. At this time, however, MMS is finalizing only those portions of the proposed rule that are necessary to meet the statutory deadlines of the Royalty Simplification and Fairness Act (RSFA). "MMS has not had adequate time to review and consider all the comments received concerning the changes to the appeals process, which were presented in the proposed rule in January. We will continue to work on this important area and hope to have a final rule published later in the year," said Tom Kitsos, Acting Director of MMS.

With this amended rule, the Department's internal appeals process will ensure that appeals are acted on within 33-months, as stipulated in RSFA.

Other provisions of the amended rule being made final in today's Federal Register will:

- Establish new, streamlined regulations for appeals involving actions of the MMS Offshore Energy and Minerals Management Program, which will be appealable directly to the Interior Board of Land Appeals (IBLA).
- Allow lessees to demonstrate financial solvency in lieu of posting a bond or other insuring instrument pending an administrative or judicial proceeding;
- Revise procedures regarding the regulations for royalty civil penalties, making them easier to understand and more consistent with the language used in the Federal Oil and Gas Royalty Management Act;
- Revise the appeals procedure for purchasers of RIK oil and gas

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 last year disbursed about \$6 billion in revenues from Federal offshore mineral leases and from onshore mineral leases on Federal and Indian lands.

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