

The NewsRoom

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MMS Royalty Policy Committee meets in Denver

DENVER -- Nearly 50 people were on hand Nov. 8 to hear about this season's hurricane damage in the Gulf of Mexico, progress on implementing the Energy Policy Act of 2005, and reports concerning coal, oil and gas valuation issues when the Minerals Management Service's Royalty Policy Committee conducted its regular bi-annual meeting in Denver.

The Royalty Policy Committee, which includes representatives from various states, Indian Tribes, individual Indian mineral owners, industry associations and Federal organizations, is charged with providing the Secretary of the Interior and MMS with advice on minerals policy and operational issues. The Nov. 8 meeting was chaired by Ron Cattany, representing the Western Governor's Association (WGA).

Francis Hodsoll, Deputy Director of the Minerals Management Service (MMS), was among those on hand for the day-long meeting. Hodsoll provided an overview of the impact from hurricanes in the Gulf of Mexico, progress on the offshore five-year leasing plan, and new offshore programs created by the Energy Policy Act.

Lucy Querques Denett, Associate Director of the Minerals Revenue Management program at MMS, reviewed recent MRM accomplishments, including completing the fill of the Strategic Petroleum Reserve, revenue uplifts achieved through the Royalty-in-Kind (RIK) program, and financial and compliance program updates. She also reviewed the Strategic Business Plan Initiative charting the course and direction of future MRM activities through the year 2012.

Several subcommittee reports were presented during the Nov. 8 meeting, although no formal recommendations were offered during the session.

Among those providing reports were Bill Hartzler and Bob Davidoff from the Coal Subcommittee; Dan Riemer and Mary Williams on the Oil & Gas Valuation Subcommittee; Darrell Gingerich and Debbie Gibbs Tschudy for the Oil & Gas Royalty Reporting Subcommittee; and Perry Shirley and Theresa Walsh Bayani from the Indian Oil Valuation Subcommittee. Phil Sykora with MMS provided an update on MMS's actions to implement the recommendations of the Geothermal Subcommittee Report.

The Royalty Policy Committee, chartered under the authority of the Federal Advisory Committee Act, provides advice to the Secretary of the Department of the Interior and top Department officials on minerals policy, operational issues, and the performance of discretionary functions under the laws governing the Department's management of Federal and Indian mineral leases and revenues. The committee reviews and comments on revenue management and other mineral-related policies and provides a forum to convey the views of representatives of mineral lessees, operators, revenue payors, revenue recipients, governmental agencies, and the interested public.

The next public meeting of the Royalty Policy Committee is scheduled for April 26, 2006, in Houston.

MMS, an agency of the U.S. Department of the Interior, manages offshore oil and gas exploration as well as renewable and alternative energy sources such as wind, wave, and solar on 1.76 billion acres of the Outer Continental Shelf while protecting the human, marine, and coastal environments. The OCS provides 30 percent of oil and 21 percent of natural gas produced domestically, and sand used for coastal restoration. MMS collects, accounts for, and disburses mineral revenues from Federal and American Indian lands, and contributes to the Land and Water Conservation Fund and other special use funds, with Fiscal Year 2005 disbursements of approximately \$9.9 billion and more than \$153 billion since 1982.

Relevant Web Site:
[MMS Main Website](#)

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U.S. Department of the Interior