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INTERIOR DEPARTMENT ESTABLISHES INDIAN GAS VALUATION NEGOTIATED RULEMAKING COMMITTEE

The U.S. Department of the Interior established a committee to advise the Minerals Management Service (MMS) on revising and simplifying regulations regarding valuation of natural gas produced on Indian lands.

Designated as the Indian Gas Valuation Negotiated Rulemaking Committee, it succeeds by official transformation, an earlier, informal MMS study group which gathered information on the current gas market and identified challenges facing royalty valuation of gas from Indian leases.

The Committee will meet February 22 and 23 in Denver to discuss a variety of complex valuation issues including major portion analysis, dual accounting, and percentage of proceeds contracts. MMS will publish the Committee's recommendations in the proposed rule.

The Committee has representatives from the Navajo Nation, the Jicarilla Apache Tribe, the Native American Rights Fund, the Shoshone and Arapaho Tribes of the Wind River Reservation, the Northern Ute, the Southern Ute Tribe, the Council of Energy Resources Tribes, the Bureau of Indian Affairs, and the Minerals Management Service -- all members of the earlier study group. New to the committee are representatives from industry, including Conoco, Inc. and Meridian Oil, Inc.

The Department has tried to establish a committee membership that will effectively represent the needs of all stakeholders. However, additional parties are invited to submit applications for representation to the MMS by February 17. For information, contact Don Sant at (303) 231-3899.

"MMS will continue to create better service for our constituents by involving our customers in those issues which directly affect them," said MMS Acting Director Cynthia Quarterman, "This partnership should result in simpler rules and better decisions, which is something we all want."

MMS is the federal agency that manages and regulates the nation's natural gas, oil and other mineral resources on the Outer Continental Shelf, and collects and disburses revenues from offshore federal mineral leases and from onshore mineral leases on federal and Indian lands.

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