



NEWS

U.S. DEPARTMENT OF THE INTERIOR

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OFFICE OF THE SECRETARY

Delay in New Oil Valuation Rule Costly to American Taxpayers

Interior's Assistant Secretary for Land and Minerals Management, Bob Armstrong released the following comments regarding a meeting to discuss new oil valuation rules for federal and Indian lands

"I believe today's meeting with Senators and oil industry executives was a positive one. It was a good opportunity for all parties involved to listen and to be heard. I used this opportunity to discuss the direction in which the Department is headed on the final oil valuation rule, and to convey the extensive efforts the Department has taken to address the legitimate concerns the industry has raised.

"We remain convinced that the new oil valuation rule will provide clearer guidance on the royalty obligations of oil companies that lease on federal lands. Our proposal is a fair one to the taxpayers, who deserve to receive fair value for the oil resources on public lands, and to the industry, whose shareholders benefit from the development of these resources.

"The Secretary and I remain steadfastly committed to the removal of the Senate rider and to issue this important rule by October 1, 1998."

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Note: [Minutes of today's meeting](#) will be posted on the MMS website by COB tomorrow and will be made part of the formal rulemaking record. All interested parties are encouraged to review the minutes and send any new comments to us by July 24.