

**U.S. Department of the Interior
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NEWS RELEASE

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Minerals Management Service Acting Director Tom Kitsos Announces Resignation

Dr. Thomas R. Kitsos, Acting Director of the Minerals Management Service since January 2001, announced his resignation effective Nov. 13, 2001 to accept the position of Executive Director of the U.S. Commission on Ocean Policy.

Lucy Querques Denett, formerly Associate Director of Minerals Revenue Management, will serve as the Acting Director of the Minerals Management Service until further notice.

Denett was designated Acting Director by Deputy Secretary of Interior, Steven Griles.

Highlights of Dr. Kitsos' tenure with MMS include:

- Implemented highly successful reengineering to modernize automated royalty systems providing faster resolution of compliance issues, and faster distribution of revenues collected. The system also allows for flexibility in making in-kind or in-value decisions; simplified and streamlined reporting, including electronic reporting; and Internet access to information by industry and other stakeholders. The reengineering effort cost \$38.5 million, was a multi-year project, and came in on time and within budget, a significant accomplishment. The system was successfully rolled out on Nov. 1, 2001.
- Worked to meet the nation's energy needs through the annual leasing program—netting nearly \$700 million on two Gulf of Mexico sales; coordinating the first sale in the Eastern Gulf since 1988, scheduled for Dec. 5, 2001; and directing activities leading up to the first OCS production offshore Alaska, which took place Nov. 1, 2001.
- Developed initiatives to increase domestic energy production, including royalty incentives for exploring deep natural gas resources in shallower waters and for continuing to explore and develop oil and gas resources in ultra-deep waters. As a result of the continued expansion of deepwater activity, the OCS is now the leading supplier of crude oil to the U.S.
- Outstanding 2001 OCS spillage record—the 2001 spillage rate is less than 0.1 % of the OCS natural seepage rate.
- Continued trend of outstanding safety performance. The OCS injury rate is less than half that for all U.S. workers.
- Developed the foundation for the non-competitive leasing process enabling MMS to convey approximately 10 million cubic yards of OCS sand to protect the nation's shores and wetlands.
- Initiated international projects to address energy issues, safety, environmental stewardship

and revenue management in other oil producing countries including Romania, China, Hungary, India and Indonesia.

Kitsos has accepted the position with the Oceans Policy Commission, which is mandated by the President and Congress to develop recommendations for a comprehensive and coordinated national ocean policy. Kitsos will manage the Washington, DC-based commission's 18-month review of federal ocean-related laws and programs and oversee the production of the final report highlighting the commission's recommendation.

Kitsos holds M.A. and Ph.D. degrees in Political Science from the University of Illinois. He has received numerous awards for his public service and written some 30 papers on ocean, coastal and other public policy issues.

Kitsos and his wife Mary reside in Bethesda, Maryland. They have three children and one grandchild.

MMS is the federal agency in the U.S. Department of the Interior that manages the nation's oil, natural gas and other mineral resources on the outer continental shelf in federal offshore waters. The agency also collects, accounts for and disburses mineral revenues from federal and Indian leases. These revenues totaled nearly \$8 billion last year and more than \$110 billion since the agency was created in 1982. Annually, nearly \$1 billion from those revenues go into the Land and Water Conservation Fund for the acquisition and development of state and federal park and recreation lands.

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MMS Internet website address: <http://www.mms.gov>