

[4310-MR-P]

DEPARTMENT OF THE INTERIOR

Minerals Management Service

RIN 1010-AB57

Major Portion Prices and Due Dates for Additional Royalty Payments on Indian Gas Production in Designated Areas Not Associated with an Index Zone

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Notice of major portion prices.

SUMMARY: Final regulations for valuing gas produced from Indian leases, published on August 10, 1999, require MMS to determine major portion values and notify industry by publishing the values in the Federal Register. The regulations also require MMS to publish a due date for industry to pay additional royalty based on the major portion value. This notice provides the major portion values for the twelve months of 2001. The due date to pay is July 31, 2003.

ADDRESSES: See **FOR FURTHER INFORMATION CONTACT** section below.

FOR FURTHER INFORMATION CONTACT: John Barder, Indian Oil and Gas Compliance Asset Management, MMS; telephone, (303) 231-3702; FAX, (303) 231-3755; E-mail, John.Barder@mms.gov; or David Guzy, Indian Oil and Gas Compliance Asset Management, MMS; telephone, (303) 231-3432; FAX, (303) 231-3755; E-mail, David.Guzy@mms.gov; mailing address, Minerals Management Service, Minerals Revenue Management, Indian Oil and Gas Compliance Asset Management, P.O. Box 25165, MS 396B2, Denver, Colorado 80225-0165.

SUPPLEMENTARY INFORMATION: On August 10, 1999, MMS published a final rule titled “Amendments to Gas Valuation Regulations for Indian Leases,” (64 FR 43506) with an effective date of January 1, 2000. The gas regulations apply to all gas production from Indian (tribal or allotted) oil and gas leases (except leases on the Osage Indian Reservation).

The rule requires that MMS publish major portion prices for each designated area not associated with an index zone for each production month beginning January 2000 along with a due date for additional royalty payments. See 30 CFR 206.174(a)(4)(ii)(2002). If additional royalties are due based on a published major portion price, the lessee must submit an amended Form MMS-2014, Report of Sales and Royalty Remittance, to MMS by the due date. If additional royalties are not paid by the due date, late payment interest under 30 CFR 218.54 (2002) will accrue from the due date until payment is made and an amended Form MMS-2014 is received. The table below lists the major portion prices for all designated areas not associated with an Index Zone. The due date is July 31, 2003.

GAS MAJOR PORTION PRICES AND DUE DATES FOR DESIGNATED AREAS NOT ASSOCIATED WITH AN INDEX ZONE

MMS-Designated Areas	January 2001 (MMBtu)	February 2001 (MMBtu)	March 2001 (MMBtu)
Alabama-Coushatta	\$10.49	\$6.62	\$5.40
Blackfeet Reservation	8.38	6.74	4.65
Fort Belknap	5.57	5.31	4.72
Fort Berthold	4.48	3.07	2.81
Fort Peck Reservation	8.30	4.98	3.89
Navajo Allotted Leases in the Navajo Reservation	8.63	6.06	4.84
Rocky Boys Reservation	8.25	5.66	4.27
Turtle Mountain Reservation	3.24	1.94	1.52
Ute Allotted Leases in the Uintah and Ouray Reservation	9.40	6.86	5.10

MMS-Designated Areas	January 2001 (MMBtu)	February 2001 (MMBtu)	March 2001 (MMBtu)
Ute Tribal Leases in the Uintah and Ouray Reservation	9.44	6.86	4.78

MMS-Designated Areas	April 2001 (MMBtu)	May 2001 (MMBtu)	June 2001 (MMBtu)
Alabama-Coushatta	\$5.68	\$5.19	\$4.17
Blackfeet Reservation	4.54	4.31	3.28
Fort Belknap	4.71	4.66	4.49
Fort Berthold	2.61	1.94	1.70
Fort Peck Reservation	3.98	3.30	2.48
Navajo Allotted Leases in the Navajo Reservation	4.65	4.23	3.21
Rocky Boys Reservation	4.38	3.74	2.94
Turtle Mountain Reservation	1.56	1.47	1.47
Ute Allotted Leases in the Uintah and Ouray Reservation	4.49	3.92	2.45
Ute Tribal Leases in the Uintah and Ouray Reservation	4.44	4.07	2.81

MMS-Designated Areas	July 2001 (MMBtu)	August 2001 (MMBtu)	September 2001 (MMBtu)
Alabama-Coushatta	\$3.52	\$3.39	\$2.54
Blackfeet Reservation	2.51	2.02	1.84
Fort Belknap	4.36	4.34	4.32
Fort Berthold	1.17	1.27	0.79
Fort Peck Reservation	1.81	2.02	1.62
Navajo Allotted Leases in the Navajo Reservation	2.33	2.36	2.18
Rocky Boys Reservation	2.35	2.18	1.48
Turtle Mountain Reservation	1.48	1.48	1.47
Ute Allotted Leases in the Uintah and Ouray Reservation	1.71	1.93	1.77
Ute Tribal Leases in the Uintah and Ouray Reservation	2.62	2.66	2.10

MMS-Designated Areas	October 2001 (MMBtu)	November 2001 (MMBtu)	December 2001 (MMBtu)
Alabama-Coushatta	\$2.32	\$3.26	\$2.53
Blackfeet Reservation	1.27	2.11	2.94
Fort Belknap	4.34	4.34	4.34

MMS-Designated Areas	October 2001 (MMBtu)	November 2001 (MMBtu)	December 2001 (MMBtu)
Fort Berthold	0.98	1.17	0.88
Fort Peck Reservation	1.10	2.47	1.94
Navajo Allotted Leases in the Navajo Reservation	1.46	2.61	2.09
Rocky Boys Reservation	.98	2.32	1.60
Turtle Mountain Reservation	1.47	1.47	1.47
Ute Allotted Leases in the Uintah and Ouray Reservation	0.90	2.32	1.90
Ute Tribal Leases in the Uintah and Ouray Reservation	0.84	2.30	1.78

For information on how to report additional royalties due to major portion prices, please refer to our Dear Payor letter dated December 1, 1999 on the MMS Website address @ <http://www.mrm.mms.gov>.

Date

Lucy Querques Denett
Associate Director for
Minerals Revenue Management