



## **NEWS RELEASE**

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**FOR IMMEDIATE RELEASE**  
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### **Allred Announces New Panel to Review MMS Mineral Leasing Program**

**WASHINGTON** – Assistant Secretary of the Interior for Land and Minerals Management C. Stephen Allred today announced the formation of an independent panel to review and provide advice to the department on aspects of mineral revenue collection from federal and Indian lands.

The new panel will operate under the auspices of the Royalty Policy Committee, an independent advisory board appointed by the Interior Secretary to advise the Minerals Management Service on royalty management issues and other mineral-related policies.

“Recently there has been much interest regarding the accuracy and effectiveness of the Minerals Revenue Management program within the Minerals Management Service,” Allred wrote in a letter to incoming Royalty Policy Committee Chairman Daniel Riemer. “We have decided that a review of the procedures and processes surrounding management of mineral revenue at the Department of Interior is in order.”

Specifically, Allred asked the new panel, called the Subcommittee on Royalty Management, to review:

- The extent to which existing procedures and processes for reporting and accounting for federal and Indian mineral revenues are sufficient to ensure that the Minerals Management Service receives the correct amount.
- The audit, compliance and enforcement procedures and processes of the Minerals Management Service to determine if they are adequate to ensure that mineral companies are complying with existing statutes, lease terms, and regulations as they pertain to payment of royalties.

**(MORE)**

- The operations of the Royalty in Kind program to ensure that adequate policies, procedures and controls are in place to ensure that decisions to take federal oil and gas royalties in kind result in net benefits to the American people.

“The Department of the Interior is charged with providing the public with a fair market return on mineral resources extracted from federal and Indian lands,” Allred said. “We are committed to ensuring our processes are effective and transparent.”

The subcommittee will conduct its review over a six-month period and then provide its final findings and recommendations to the full Royalty Policy Committee and the Secretary of the Interior.

Members of the subcommittee will be announced in the near future.

-- MMS --

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