

MATTHEW H. MEAD
GOVERNOR

THE STATE OF WYOMING



2323 Carey Avenue
CHEYENNE, WY 82002

Office of the Governor

April 25, 2017

Luis Aguilar, Regulatory Specialist
Office of Natural Resources Revenue
U.S. Department of the Interior
Building 53, Entrance E-20
Denver Federal Center
West 6th Ave. and Kipling St.
Denver, CO 80225

Re: Federal Oil and Gas and Federal and Indian Coal Valuation – Advanced Notice of Proposed Rulemaking – RIN 1012-AA21

Dear Mr. Aguilar,

On April 4, 2017 the Office of Natural Resources Revenue (ONRR) issued two notices through the Federal Register – one proposing to repeal the Consolidated Federal Oil and Gas and Federal and Indian Coal Valuation rule that came into effect January 1, 2017 and the other, notice requesting comment on whether changes are necessary to the original valuation rules. On May 8, 2015 I provided comments supporting a review of the original rules.

Wyoming generates the largest amount of federal mineral royalties in the nation. Wyoming has authority to audit all federal royalties generated by the mineral industry in the state. This gives us a unique perspective with how the regulations work, what works well and what could be improved. The January 2017 changes were not in line with our experience and recommendations and I support repealing those updates.

Secretary Zinke recently announced the reestablishment of the Royalty Policy Committee. This Committee will be a reasonable forum to review and discuss appropriate changes to royalty regulations. Any changes have the potential for significant implications on development of federal and private lands across the nation and in Wyoming.

Mr. Aguilar

April 25, 2017

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I support a review of federal mineral royalty regulations and an appropriate process for impacted states to provide input on any proposed changes.

Sincerely,

A handwritten signature in blue ink, appearing to read 'M. Mead', with a stylized flourish at the end.

Matthew H. Mead

Governor

MHM:cm/dp

cc: The Honorable Mike Enzi, U.S. Senate
The Honorable John Barrasso, U.S. Senate
The Honorable Liz Cheney, U.S. House of Representatives