

# PUBLIC SUBMISSION

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**Docket:** ONRR-2014-0001  
Indian Oil Valuation Amendments

**Comment On:** ONRR-2014-0001-0001  
Indian Oil Valuation Amendments

**Document:** ONRR-2014-0001-0011  
Comment from Carol Juneau,

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## Submitter Information

**Name:** Carol Juneau  
**Address:** 59404  
**Email:** csjuneau@3rivers.net

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## General Comment

Comments on the Indian Oil Valuation Amendments, 1012-AA15:

Thank you for allowing comments on this. I am a landowner and mineral rights owner of the Fort Berthold Reservation in North Dakota. I support the effort to insure adequate royalty payments for oil and gas to the individual Indian property owners. The Department of Interior and the Bureau of Indian Affairs has the legal responsibility to protect the individual Indian property owner and to implement policy that is in the best interest of these individual Indians in accordance with [25 FR 3124, Apr. 12, 1960, as amended at 40 FR 20625, May 12, 1975; 48 FR 13414, Mar. 31, 1983] Insuring that these individual Indians are receiving the highest royalty possible is in the best interests of the individual Indian.

One policy that needs to be added to the oil valuation amendments to protect the Individual Indian landowner is to not allow for the deduction of transportation costs for oil and gas by the oil companies. This recommendation is based on the idea that transportation costs are a taking, and are prohibited by the 5th amendment of the US Constitution. The BIA and ONNR now allow transportation costs to be deducted, which alters the lease by taking part of our royalties. Our Leases established a fixed royalty rate and did not allow for other costs or expenses. By allowing transportation costs, this lowers our royalty

rate. This practice which is allowed by the BIA is not based on any statute, only some vague rules and regulations that the BIA and ONNR uses to justify this policy. If this was intended in the lease it should have been made clear to the landowner and the BIA should have protected our best interests by requiring the lease to specify transportation costs as an allowable deduction from our royalties.

Also, the Cobell Case clearly highlighted the need for accountability and transparency in all transactions for individual allottees by the BIA. To insure this accountability and transparency there is a need for improved access to data (both electronically and hard copy) through the BIA, ONNR, or OST for individual Indian property owners that allow them to adequately monitor their wells on a monthly basis both electronically and via hard copy. The only official document that provides information on this is the BIA Explanation of Payment Report that comes with the royalty payment and this is not sufficient to provide a clear picture of an individuals oil and gas production and sales. I would like to reference the North Dakota Oil and Gas Commission website that has individual well information available that can be accessed by individuals to learn more about their well and all the documentation filed by the oil company that holds the lease. A similar site for individual landowners/allottees by the BIA, ONNR, or OST would be helpful.