



United States Department of the Interior

MINERALS MANAGEMENT SERVICE

Royalty Management Program

P.O. Box 25165

Denver, Colorado 80225-0165

IN REPLY REFER TO:

MMS/RVD/OGVB
MS 3152

FEB 25 2000

Dear Reporter:

On August 10, 1999, the Minerals Management Service (MMS) published revised Indian gas valuation regulations in the *Federal Register* (64 FR 43506), effective January 1, 2000. These regulations add alternative valuation methods to the March 1, 1988, regulations to ensure that Indian lessors receive maximum revenues from their mineral resources. The revised regulations will also improve the accuracy of royalty payments at the time those royalties are due.

MMS is offering a training seminar on the revised Indian gas valuation regulations to oil and gas industry representatives and members of the public who have an interest in the valuation of gas produced from Indian lands. If you produce gas from Indian lands, the new regulations affect you, and we strongly encourage you to attend this training class. Except for your own travel and related expenses, the training is provided at no charge.

Some of the topics that will be covered include:

- How do you value gas in an index zone using the index-based formula?
- How do you value gas not in an index zone?
- How do you make a dual accounting election?
- What are the changes to transportation and processing allowances?

We invite you to attend the new Indian gas valuation regulations training seminar held in Billings, Montana, as follows:

Date: Wednesday, March 29, 2000

Location: Sheraton Billings Hotel
27 North 27th Street
Billings, Montana 59101
Phone: (406) 252-7400
Fax: (406) 252-7020

Time: 8:30 a.m. to 4:00 p.m.

Registration: Please call Ms. Anna Hooker of the Royalty Valuation Division, MMS, at (303) 275-7241. Seating is limited, and we need to know how many will attend.

Sincerely,

A handwritten signature in black ink that reads "Theresa Walsh Bayani". The signature is written in a cursive style with a large initial 'T'.

Theresa Walsh Bayani
Chief, Oil and Gas Valuation Branch