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News Release

Office of Natural Resources Revenue

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ONRR Issues \$3.4 Million Civil Penalty to High Plains Gas, Inc. *Fourth-largest penalty cites company for failure to report production*

DENVER – The Department of the Interior’s Office of Natural Resources Revenue (ONRR) announced today that it assessed a \$3,362,432 civil penalty to High Plains Gas, Inc. for failure to report production on Federal leases in Wyoming.

“Existing law mandates that ONRR ensures companies comply with regulations regarding energy production on Federal and American Indian lands,” said Paul A. Mussenden, Interior’s Deputy Assistant Secretary for Natural Resources Revenue Management. “That includes accurately reporting production on a monthly basis.”

The penalty covers 218 Federal leases and agreements in Wyoming and will be ONRR’s fourth-largest civil penalty assessment since the agency’s inception.

According to Mussenden, “Our civil penalty process seeks to encourage industry compliance with reporting requirements or face potential penalties. We will continue to issue civil penalties as appropriate to protect taxpayer assets and ensure company compliance with applicable law.”

ONRR sent High Plains Gas an Order to Report on August 14, 2012. After the company failed to comply, it received a Notice of Noncompliance (NONC) from ONRR on April 11, 2013. Despite assurances that it would provide the missing data, High Plains Gas did not submit the reports and 1,744 violations remain outstanding. The civil penalty will continue to accrue until the missing reports are provided.

High Plains Gas has offices in Sheridan, Wyo.

The Office of Natural Resources Revenue, part of the Department’s Office of Policy, Management and Budget, is responsible for collecting and disbursing revenues from energy production that occurs onshore on Federal and American Indian lands, and offshore in the Outer Continental Shelf. During Fiscal Year 2013, the agency disbursed more than \$14.2 billion to states, American Indian Tribes and individual Indian mineral owners, and to various Federal accounts, including the U.S. Treasury, the Land and Water Conservation Fund, and the Reclamation Fund.

ONRR