FOR RELEASE: March 16, 1993 CONTACT: Tom DeRocco
(202) 208-3983
or
Barney Congdon
(504) 736-2595

MMS ANNOUNCES BOUNDARY AGREEMENT WITH STATE OF ALABAMA (#30013)

The Minerals Management Service (MMS) of the Department of the Interior today announced that the Administration and the State of Alabama have officially resolved a long time Federal/State offshore boundary dispute.

The U.S. Supreme Court recently granted a joint motion of the State and the Administration for a supplemental decree which fixes Alabama's seaward boundary in the Gulf of Mexico at its 1983 location.

The agreement establishes a permanent, consistent boundary between State and Federal waters in the Gulf. The agreed-to division is the same as one in effect when the existing oil and gas leases were issued, and requires no adjustment in lease boundaries or royalties paid into the State and Federal Treasury.

"We're very pleased that this compromise resolves a disagreement which had presented continuing problems for leasing and management of oil and gas reserves offshore Alabama," Acting MMS Director Carolita Kallaur said. "This conclusion will lead to healthy and productive coordination between Federal and State agencies.

"The successful resolution of this issue has the potential to free up significant natural gas reserves by assuring a climate of legal stability," Kallaur said. "This decision will contribute to President Clinton's goal of increasing the nation's use of this clean, alternative fuel."

-MMS-

BOUNDARY AGREEMENT WITH ALABAMA(#30013)