U.S. Department of the Interior Minerals Management Service Office of Communications

FOR RELEASE: May 17, 1996 CONTACT: Michael L. Baugher

(303) 231-3162 Tom DeRocco (202) 208-3983

Minerals Management Service Presents Annual Stewardship Awards to Top Mineral Resource Companies

The U.S. Department of the Interior's Minerals Management Service (MMS) today honored four mineral resource companies for their superior records in royalty reporting and production reporting during 1995.

El Paso Natural Gas Company, of El Paso, Texas; Western Production Company of Rapid City, South Dakota; Dugan Production Company of Farmington, New Mexico; and Hallador Production Company of Denver, Colorado, were presented the Secretary of the Interior's Mineral Revenues Stewardship Awards at the 1996 North American Petroleum Accounting Conference in Dallas, Texas.

"We applaud these four companies for their achievements," said MMS Director Cynthia Quarterman. "Their professionalism has not only contributed to a continuing, successful partnership between the federal government and industry, but has enhanced our Nation's energy program, which benefits all Americans."

In presenting the awards, MMS Acting Associate Director for Royalty Management Robert Brown said, "While many companies maintain especially good records to meet their responsibilities for payment and reporting, these four were the best in the business last year. In fact, both Western Production Company and Dugan Production Company are each receiving this award for a second time, and El Paso Natural Gas is here for a third time. They are genuine examples of performance excellence.

"Their continued dedication to perfection saves taxpayers' money and assists us in meeting our obligation to responsibly manage the revenues from the mineral resources of our Nation's public lands," he said.

Since 1987, the Interior Department has been commending exceptional performances by companies that report production and pay royalties for federal and Indian minerals leases to MMS. More than 1,600 companies submit reports of mineral sales and production and pay royalties for minerals that are sold or removed from these leases.

The awards are given to one large and one small company in each of two categories: royalty reporting and production reporting. Selections are based on the accuracy and timeliness of submissions to MMS, as well as cooperation in problem resolution and other actions to improve the process.

During Fiscal Year 1995, El Paso Natural Gas Company and Western Production Company, recorded the lowest error rates among royalty reporters in their size categories.

Among production reporters, Dugan Production Company and Hallador Production Company had the lowest error rates.

MMS is the federal agency that manages and regulates the Nation's natural gas, oil and other mineral resources on the Outer Continental Shelf, and collects, accounts for, and disburses about \$4 billion yearly in revenues from offshore federal mineral leases and from onshore mineral leases on federal and Indian lands.