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(Special Information)

**MMS CLARIFIES PROCESS FOR RECOUPMENTS OF OVERPAYMENTS  
BY OUTER CONTINENTAL SHELF OPERATORS (#30003)**

WASHINGTON -- Minerals Management Service Director Scott Sewell today added two sets of circumstances to a list of six outlined in 1991 in which Outer Continental Shelf (OCS) payors can recoup overpaid royalties without undergoing lengthy procedures.

The move is aimed at providing guidance for the domestic natural gas and oil industry and to make sure the spirit and letter of the law are met.

Today's action spells out situations in which operators can recover overpaid royalties which are not subject to Section 10 of the OCS Lands Act of 1953. That section imposes several requirements on the Interior Department and on those seeking refunds or desiring credits to recoup previous overpayments. Those requirements include written requests by the payor giving the reasons for the refund or credit, notification of the request by the Secretary of the Interior to both Houses of Congress and strict deadlines for the payors to request repayments. The Solicitor of the Interior Department recently issued guidance confirming the Section 10 does not apply to the situations cited today, nor to those announced previously.

Today's announcement, Sewell said, is in line with policies MMS has followed consistently. The agency has aimed to help the U.S. energy industry comply fully with the law and remain as productive as it can at the lowest possible cost, while assuring that the environment is protected and enhanced.

-MMS-

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