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MINERALS MANAGEMENT SERVICE AWARDS NEW MEXICO FUNDS FOR
STATE'S
ASSISTANCE WITH AUDITS (#30044)

The Department of the Interior's Minerals Management Service (MMS) today announced that it has entered into an agreement with the State of New Mexico that will permit the State to perform audits of mineral leases on federal public lands within its boundaries.

"The agreement provides funds for a work plan under Section 205 of Federal Oil and Gas Royalty Management Act (FOGRMA) of 1982," according to MMS Director Tom Fry. Under the agreement, State officials will perform audits and other related reviews on federal onshore gas, oil, coal and other solid minerals of geothermal leases located in New Mexico.

The MMS's Cooperative and Delegated Audit Program enables participating states to supplement MMS's audit coverage of revenues from leases within the State. MMS reimburses states for the costs of audits, such as salaries and travel expenses. Other participants include California, Colorado, Louisiana, Montana, North Dakota, Oklahoma, Texas, Utah and Wyoming.

Four Indian tribes, the Navajo Nation, the Ute, the Southern Ute, and the Ute Mountain Ute, are similarly reimbursed for audit work on their respective tribal lands under Section 202 of FOGRMA.

"Last year, MMS's Royalty Management Program awarded more than \$4 million to states for auditing federal leases," Fry said.

"Working together in this cooperative audit program, we can ensure that the states, Indian tribes and the federal government continue to receive an accurate accounting of the revenues to which they are entitled."

MMS is responsible for collecting, accounting for, auditing and disbursing revenues associated with mineral leases on federal and Indian lands. The agency handles nearly \$4 billion in revenues each year.

--MMS-RMP--

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Assistance with Audits (#30044)