



**U.S. Department of the Interior
Minerals Management Service
Office of Public Affairs**

NEWS RELEASE

FOR RELEASE:

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Proposed Rule Published in *Federal Register*

On April 23, 2003, the Minerals Management Service published in the *Federal Register* a proposed rule on pipeline rights-of-way and rights-of-use and easements.

The proposed rule would amend MMS regulations governing oil and gas operations in the outer continental shelf to require lessees to pay a rental fee when they obtain an easement and increases the amount pipeline right-of-way holders pay when they obtain use of an area for purposes associated with their pipeline. The rental charge for each of these would be on a per acre basis.

When a company requires use of an area for a platform in connection with a pipeline or requires use of an off-lease area for purposes related to the operation of the lease, the company may obtain use of the area. Under existing regulations, there is no charge for a right-of-use and easement and the charge for an area associated with a pipeline right-of-way is a flat fee. Operations in deep waters have created situations where companies may request use of several square miles for purposes related to a lease or a pipeline.

MMS is the federal agency in the U.S. Department of the Interior that manages the nation's oil, natural gas, and other mineral resources on the outer continental shelf in federal offshore waters. The agency also collects, accounts for, and disburses mineral revenues from federal and American Indian leases. These revenues totaled over \$6 billion in 2002 and nearly \$127 billion since the agency was created in 1982. Annually, nearly \$1 billion from those revenues go into the Land and Water Conservation Fund for the acquisition and development of state and federal park and recreation lands.

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MMS Internet website address: <http://www.boem.gov>