

U.S. Department of Interior
Office of Natural Resources Revenue

Tribal/Interior Budget Council National Budget Meeting

Presented by: Richard Adamski
Office of Natural Resources Revenue

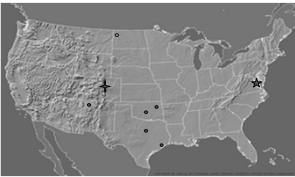
May 20, 2015

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Who We Are

- ◆ Established within the Office of the Secretary of the Interior under the Assistant Secretary for Policy, Management and Budget on October 1, 2010.
- ◆ ONRR serves a leadership role in Department-wide collaboration and implementation of key natural resource revenue related initiatives such as the Extractive Industries Transparency Initiative.
- ◆ **Mission:** To collect, disburse and verify Federal and Indian energy and other natural resource revenues on behalf of all Americans.

Dallas
Denver
Farmington
Ft. Berthold



Houston
Oklahoma City
Tulsa
Washington, DC

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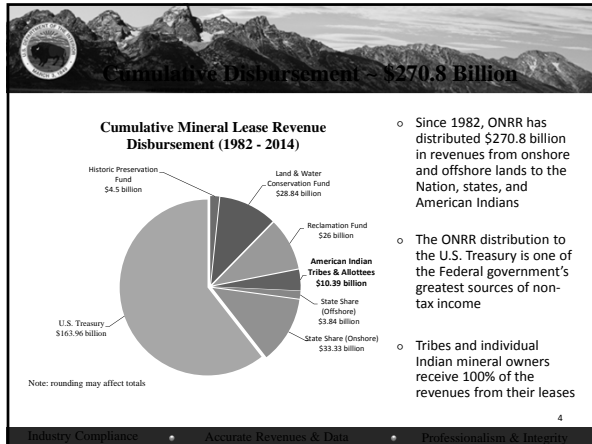
FY 2014 Disbursements

FY 2014 Disbursements -- \$13.4 Billion

- \$ 7.3 Billion to the U.S. Treasury
- \$ 895.3 Million to the Land & Water Conservation Fund
- \$ 150 Million to the Historic Preservation Fund
- \$ 1.77 Billion to the Reclamation Fund
- \$ 2.2 Billion to 35 States
- **\$ 1.1 Billion on behalf of 34 Indian tribes and approximately 30,000 individual Indians**

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- 2014 Accomplishments**
- Disbursed 99.5% of Federal and Indian revenues on time, exceeding our 98% target
 - Transferred 100 % of American Indian revenues received and identified to OST within one business day of receipt
 - Provided lease distribution data to BIA for 99.7% of royalties by the first semi-monthly distribution, exceeding the 97% target
 - Spearheaded the development and approval of Standard Operating Procedures (SOP) for DOI agencies involved in onshore mineral leasing and revenue management
 - Conducted 129 outreach meetings
 - Resolved 14,490 inquiries

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- State and Tribal Support**
- Compliance-related Cooperative Agreements:
 - 10 States (AK, CA, MT, UT, WY, CO, NM, ND, OK, TX)
 - 6 Tribes (Blackfeet, Ute, Shoshone & Arapaho, Navajo, Southern Ute, Ute Mountain Ute)
 - States receive a portion of the Federal mineral revenues in their state
 - Tribes receive 100 percent of the mineral revenues from their leases
 - On May 6, 2015, ONRR presented the Navajo Nation with the prestigious Joan Kilgore Award for their superior work performed under their cooperative agreement
 - Next State and Tribal Royalty Audit Committee meeting scheduled for November 2015

Federal Indian Minerals Office

- o “One-Stop Shop” for ONRR services co-located with DOI employees from the:
 - Bureau of Indian Affairs
 - Bureau of Land Management
 - Office of the Special Trustee (scheduled visits)
- o Provides coordinated service to Navajo mineral owners in Farmington, New Mexico
- o Conducts outreach, inquiry resolution and compliance activities (audits and reviews)
- o Virtual office servicing the Fort Berthold, North Dakota area

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Indian Oil Regulations

- o The final rule published in the *Federal Register* on May 1, 2015, and becomes effective July 1, 2015
- o The Negotiated Rulemaking Committee was formed in late 2011 and charged with bringing clarity and consistency to oil valuation regulations governing production on American Indian lands
- o The Committee included representatives from American Indian Tribes, individual Indian mineral owner associations, the oil and gas industry, ONRR and BIA
- o The Committee reached agreement on a proposal to base royalties on the higher of gross proceeds or an index-based formula
- o Regulations capture a unique provision of Indian leases – the ‘major portion price’ – which refers to the highest price paid for the oil produced from a field or area
- o ONRR estimates that Indian lessors could experience significant increases in royalty returns as a result of the new rule

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Additional Resources

General ONRR Information:
<http://www.onrr.gov>

Allottee Assistance:
<http://www.onrr.gov/IndianServices/default.htm>

Cooperative Agreements:
<http://www.onrr.gov/About/cooperative-agreements.htm>

Statistics:
<http://statistics.onrr.gov/>

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