



United States Department of the Interior

MINERALS MANAGEMENT SERVICE
Washington, DC 20240

OCT 31 2003



The Honorable Nick J. Rahall, II
House of Representatives
Washington, D.C. 20515

Dear Mr. Rahall:

Thank you for your letters to Secretary Gale A. Norton dated September 2, 2003, and September 9, 2003, also signed by Representative Carolyn B. Maloney. The letters concerned the proposed Federal rule published August 20, 2003 (68 Federal Register 50087). The proposed rule would amend in certain respects the current Minerals Management Service (MMS) regulations governing the valuation for royalty purposes of crude oil produced from Federal leases. The Secretary has asked me to respond and a similar letter is being sent to Representative Maloney.

Your letters requested an extension of the comment period for the proposed rule. On September 26, the Department published a notice extending the comment period to November 10, 2003.

Your September 9 letter included a number of questions and asked the Department to produce documents covering a wide range of matters and issues that you believe relate to the proposed rule. Because we are now in the period that is open to the receipt of comments from the public and have not promulgated a final rule, many of your questions are not ones we can appropriately respond to at this time. Additionally some of the data you request is proprietary. The public comments we receive on the proposed rule may explain the commentors' views on any legal issues they identify. We welcome comments from all interested parties, including Members of Congress; and we expect the comments will reflect diverse views.

We have briefed members of your staff and have provided public documents which we understood were of particular interest to you. In addition, the administrative record of the rulemaking that exists so far is accessible on the MMS website and is available to everyone. You can access this website at <http://www.mrm.mms.gov/LawsRD/PubComm/50087pc.htm>. If and when the MMS promulgates a final rule, I will be available to brief you on that rule.

Again, I appreciate your close interest in the rulemaking and look forward to receiving comments from you and other interested parties.

Sincerely,

R. M. "Johnnie" Burton

Director

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