



Minerals Management Service

People Promoting Energy, the Environment, and the Economy

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MMS notifying offshore lease owners of inspection fees

New law directs MMS to collect \$10 million for inspections

DENVER – The Department of the Interior’s Minerals Management Service (MMS) is notifying offshore lease owners and operators that new fees will be collected to recover the costs of offshore inspections conducted during Fiscal Year 2010, MMS Director Liz Birnbaum announced today.

“These fees, mandated by Congress, will help MMS and taxpayers recover some of the costs associated with offshore inspections, which include safety and environmental compliance inspections of facilities and equipment,” Birnbaum said.

MMS personnel regularly inspect about 3,400 oil and gas facilities each year to ensure that all safety and environmental requirements are in place, and to make certain that meters and gauges are calibrated properly to record the amount of oil and gas produced from a particular lease.

The MMS inspection fees cover all bottom-founded structures and floating production facilities on the Outer Continental Shelf in the Gulf of Mexico, and are the result of legislation passed by Congress and signed by the President on Oct. 30, 2009. *Public Law 111-88, Department of the Interior, Environment, and Related Agencies Appropriations Act, 2010*, directs MMS to collect \$10 million for safety and environmental compliance inspections that occur on Outer Continental Shelf oil and gas facilities in the Gulf of Mexico, and a few in the Pacific Ocean off the coast of California.

The law establishes the fee for inspection activities based on the number of wells per facility. This process provides for costs to be shared on a basis that is applied fairly and equitably across the industry and supports our efforts to ensure human safety and protect the environment.

The inspection fees for 2010 include:

- \$2,000 for facilities with no wells, but with processing equipment and gathering lines;
- \$3,250 for facilities with one to 10 wells, with any combination of active or inactive wells; and
- \$6,000 for facilities with more than 10 wells, with any combination of active or inactive wells.

The NTL can be viewed at

<https://www.gomr.mms.gov/homepg/regulate/regs/ntls/2009NTLs/09-N13.pdf>.

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