

# **Summary: Allegations of Mineral Royalty Fraud in New Mexico Unfounded**

**Report Date: October 3, 2017**

OIG investigated allegations that an oil and gas company used an incorrect royalty rate and failed to properly calculate mineral royalties associated with a Bureau of Land Management (BLM) mineral lease in New Mexico. It was also alleged the company failed to pay mineral royalties owed to the Federal Government.

Our joint investigation with the BLM Special Investigations Group did not substantiate that the company used an incorrect rate to calculate royalties as alleged. We found that mineral royalties based on oil production from the BLM lease were properly calculated, reported, and paid.

This is a summary of a report of investigation that we provided to the Acting Director of BLM and the Director of the Office of Natural Resources Revenue for any action deemed appropriate.

