



United States Department of the Interior

OFFICE OF NATURAL RESOURCES REVENUE

Washington, DC 20240

AUG 26 2013

Honorable Richard Ellis
Treasurer of the State of Utah
Post Office Box 142315
Salt Lake City, Utah 84114

Dear Mr. Ellis:

As you know, the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA) is the law which determines the terms by which sequester reductions are implemented. Because this Act was amended since the last time a sequester of funds occurred, a legal review regarding the availability of sequestered funds in subsequent years requires careful consideration of the relevant provisions in light of the current statutory framework. The Department of the Interior understands the importance of payments made under the Mineral Leasing Act (MLA, 30 U.S.C. 191) and prioritized this account for review.

I am pleased to inform you of the determination that fiscal year (FY) 2013 payments sequestered under the MLA will be available for disbursement in FY 2014. Interior payments made under other legal authorities are pending final determination based upon completion of the review process. We will notify you of the remaining determinations as they become available.

As of July 31, 2013, the amount sequestered from your State's MLA payments totals \$6,173,420.21 and is subject to change based on final determinations. The Office of Natural Resources Revenue (ONRR) will continue to withhold 5.1 percent of your MLA payments through the remainder of FY 2013, which ends on September 30, 2013. However, assuming no further legislative changes affecting these payments are enacted, we will work expeditiously to disburse the sequestered FY 2013 payments in FY 2014.

The ONRR accounting staff is prepared to answer any questions that you may have concerning payment processing. Please contact Mr. Robert Prael at (303) 231-3217 or Mr. Paul Knueven at (303) 231-3316 for assistance.

Sincerely,

Gregory J. Gould
Director