



Federal District Court Addresses Conflict between Tribal Trust Responsibility and Calculation of Indian Gas Royalties

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In *Jicarilla Apache Nation v. Department of the Interior*, ___ F. Supp. 2d ___, 2009 WL 837699 (March 31, 2009 D.D.C.), the U.S. District Court for the District of Columbia determined that the Department of the Interior's (Interior) fiduciary and trust responsibility to Indian tribes did not require the Bureau of Indian Affairs (BIA) or Minerals Management Service (MMS) to adopt a royalty valuation for natural gas that was at odds with the valuation formula required under applicable MMS regulations. In a ruling that could aid companies when seeking action from the BIA or MMS that is contrary to the wishes of a particular Indian tribe, the court ruled that "Interior did not violate its fiduciary duty to [the] Jicarilla [Apache Nation] in [*Vastar Resources, Inc., et al.*, MMS-98-0131-IND (Mar. 28, 2007)]. In the final analysis, Interior's duty to follow its own regulations was, and is, an even higher obligation."

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