

Summary: Investigation of General Production Service of California, Inc.

Report Date: June 7, 2017

OIG investigated allegations that General Production Service (GPS) failed to report oil production and pay the proper amount of mineral royalties associated with the sale of crude oil from a Federal lease located in Lost Hills, California.

Our investigation, conducted jointly with the Bureau of Land Management, Special Investigations Group, substantiated that the company failed to properly report oil production and pay mineral royalties to the Office of Natural Resources Revenue, from October 2010 through July 2016.

GPS agreed to pay the Government \$300,000 to resolve the unpaid royalties and settle civil false claims allegations with the United States Attorney's Office for the District of Colorado.

This is a summary of a report of investigation issued to the Directors of BLM and ONRR.

