

# **Summary: Investigation of the Slawson Exploration Company**

**Report Date: April 20, 2015**

OIG initiated this investigation after receiving allegations from the Office of Natural Resources Revenue (ONRR) that Slawson Exploration Company (Slawson) failed to properly adjust natural gas mineral royalties for Indian leases associated with the Fort Berthold and Fort Peck Indian Reservations. This failure allegedly resulted in royalty underpayments for production year 2011.

In response to these allegations, we conducted interviews, reviewed records, and consulted with the U.S. Attorney's Office. Our investigation disclosed that Slawson failed to correct production year 2011 royalties, which resulted in an underpayment of royalties to individual Indian mineral owners and the Three Affiliated Tribes of Fort Berthold and Fort Peck. In addition, our investigation revealed that Slawson had a history of failing to correct major accounting liabilities for previous production years.

On May 29, 2014, Slawson agreed to settle the matter for \$66,000 plus interest. The agreement was fully executed on April 8, 2015.

*This is a summary of an investigative report that was issued internally to the U.S. Department of the Interior. This summary was posted to the web on October 28, 2015.*

