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U.S. House of Representatives
Committee on Resources
Washington, DC 20515

May 18, 1998

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Mr. M. Brian McMahon
McMahon & Speigel
355 South Grand Avenue, Suite 3290
Los Angeles, CA 90071-1591

Dear Mr. McMahon:

The Subcommittee on Energy and Mineral Resources of the House Committee on Resources invites you to testify at the second of two legislative hearings on H.R. 3334. This bill, as introduced by Congressman Mac Thornberry (R-TX), proposes to provide certainty for, reduce administrative and compliance burdens associated with, and streamline and improve the collection of royalties from Federal and OCS oil and gas leases, and for other purposes. The second hearing is scheduled for **Thursday, May 21, 1998, at 1:00 p.m. in Room 1324 Longworth HOB.**

The Subcommittee is interested in your knowledge of crude oil transfer pricing mechanisms and how that knowledge would be applied to H.R. 3334. Other witnesses expected to testify at the second hearing include representatives of integrated oil companies with transportation and processing costs expertise developed from Gulf of Mexico deepwater operations, as well as independent small refiners, producers and an Indian tribe with R-I-K experience.

Your oral testimony should not exceed five minutes and should summarize your written remarks. You may introduce into the record other supporting documentation you wish to present in accordance with the attached guidelines. All witnesses will be placed under oath. When a witness is sworn in, the witness may be accompanied by counsel to advise on the witness' rights under the Fifth Amendment to the Constitution. A copy of the Committee Rules is available upon request.

The U.S. House of Representatives adopted a rule that nongovernmental witnesses appearing before a House committee must to the greatest extent practicable include with his or her written testimony a current *curriculum vitae*. In addition, to the extent practicable, each nongovernmental witness must disclose the amount and source of Federal grants or contracts received within the current or prior two fiscal years. If the witness represents an organization, he or she must provide the same information with regard to the organization. The information

disclosed must be relevant to the subject matter of the hearing and the witness' representational capacity at the hearing. Witnesses are not required to disclose federal entitlement payments such as social security, medicare, or other income support payments (such as crop or commodity support payments). In order to assist in meeting the requirements of the rule, we have attached a form which you may complete and attach to your testimony to aid in complying with this rule. Should you wish to fulfill the disclosure requirement by submitting the information in some other form or format, you may do so.

In order to fully prepare for this hearing 75 copies of your testimony for the second hearing should be submitted to Dawn Criste, Subcommittee Clerk in Room 1626 Longworth House Office Building, no later than 3:00 p.m. on Tuesday, May 19, 1998. In addition, consistent with the Americans with Disabilities Act, if you need to have any reasonable accommodations for a disability to facilitate your appearance, please contact the Subcommittee Clerk mentioned above. Should you or your staff have any questions or need further information, please contact the Staff Director, Bill Condit at (202) 225-9297 or the Subcommittees Clerk, Dawn Criste at (202) 225-9297.

Sincerely,



Barbara Cubin
Chairman, Subcommittee on
Energy and Mineral Resources

BC/mkh
Attachments