

05-669 BP AMERICA PRODUCTION CO. V. BURTON

DECISION BELOW: 410 F3d 722

LOWER COURT CASE NUMBER: 04-5006, 04-5007

QUESTION PRESENTED:

The Mineral Leasing Act of 1920 ("MLA"), 41 Stat. 437, codified as 30 U.S.C. § 181 et. seq., provides for the payment of royalties on oil and gas from federal leases based on the "value of production removed or sold from the lease." 30 U.S.C. § 226(b)(1)(a). This case concerns the proper construction of that provision and the agency regulations promulgated thereunder. It also concerns the scope of the statute of limitations codified at 28 U.S.C. § 2415(a), which applies to "every action for money damages brought by the United States or an officer or agency thereof which is founded upon any contract * * * ." The questions presented are:

1. Whether the MLA, or the agency regulations promulgated thereunder, require lessors to pay royalties based on the value of production as determined at the leasehold location of production, or instead based on the enhanced value of production after it has been transported away from the lease and conditioned to a higher quality at off-lease treatment plants.
2. Whether -- contrary to the decision below but consistent with decisions of the Tenth and Federal Circuits -- the limitations period in 28 U.S.C. § 2415(a) applies to federal agency orders requiring the payment of money claimed under a lease or other agreement.

LIMITED TO QUESTION 2 PRESENTED BY THE PETITION. CHIEF JUSTICE ROBERTS AND JUSTICE BREYER TOOK NO PART.

CERT. GRANTED 4/17/2006