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An increase in the "standard" royalty rate for oil and gas leases on Indian lands from 12.5 to 16-2/3 percent was announced today by the Department of the Interior.

The higher rate, Acting Commissioner of Indian Affairs John O. Crow explained, has been used for many years in the Osage area of Oklahoma and more recently in the Aneth area of the Navajo Reservation in southeastern Utah and on the Wind River Reservation in Wyoming. Experience in these areas, he added, has shown that a 16-2/3 percent royalty is justified and will be generally beneficial to the Indian landowners. He also pointed out that during the past several years there has been an upward price spiral for oil and gas leases and royalty rates have been raised on much of the non-Indian land of the country.

In a memorandum of February 21 to all area directors of the Bureau of Indian Affairs, Acting Commissioner Crow advised them that "the royalty rate in future oil and gas leases shall be fixed at 16-2/3 percent except that a higher rate should be used in areas where there is strong competition."