

# **Oil and Gas Reporter Training Report of Sales and Royalty Remittance (Form 2014)**

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**OFFICE OF NATURAL RESOURCES REVENUE**



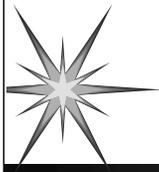
**OIL AND GAS REPORTER TRAINING**

**BOOK 1**

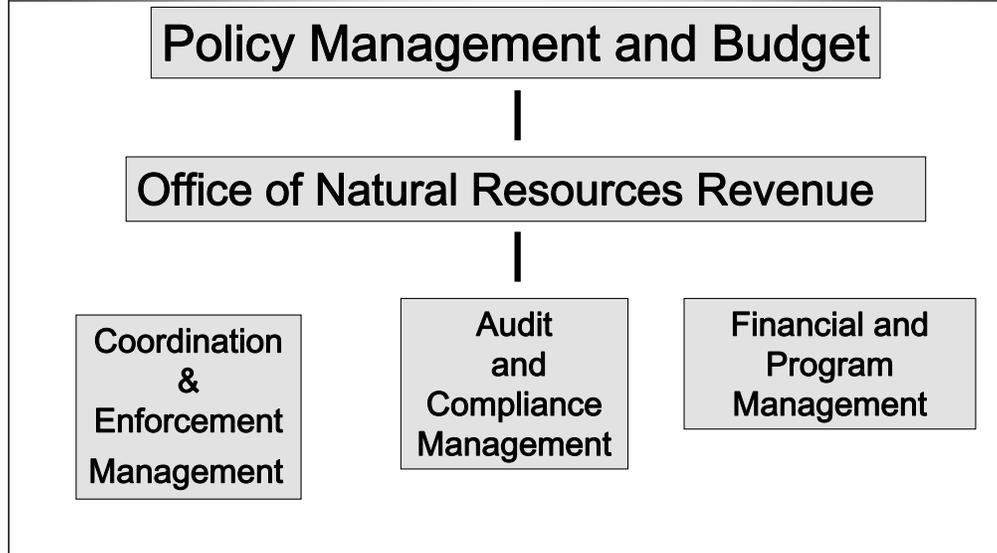


**WELCOME  
TO THE  
2012 ONRR  
REPORTER TRAINING**





# Organizational Structure

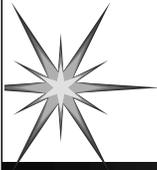


Effective October 1, 2011, ONRR was reorganized.

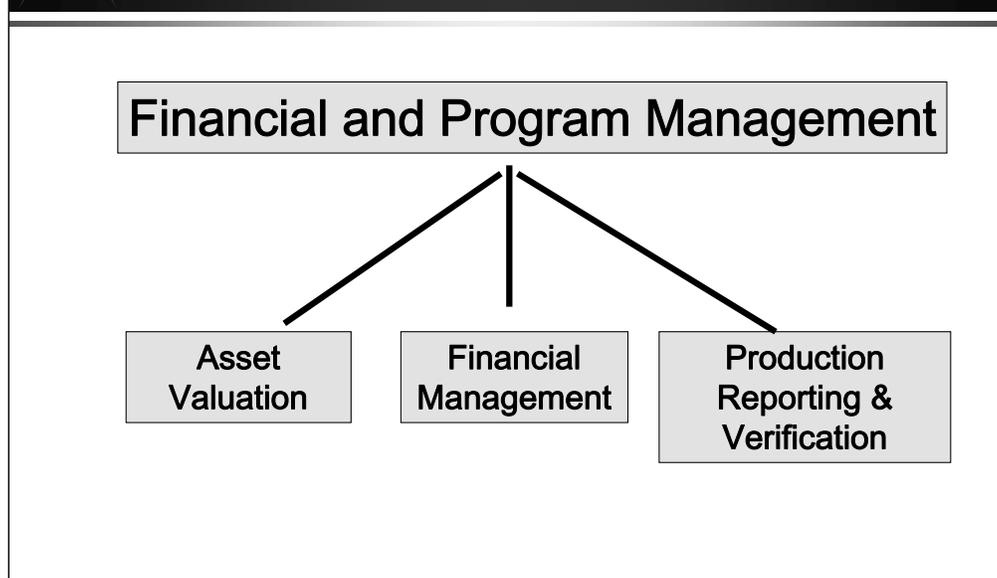
Coordination & Enforcement Management includes (1) State and Indian Coordination and (2) Office of Enforcement.

Audit and Compliance Management includes (1) Texas Audit & Compliance; (2) Central Audit & Compliance; and (3) Western Audit & Compliance.

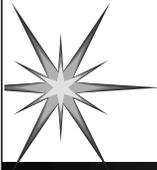
Financial and Program Management includes (1) Asset Valuation; (2) Financial Management; and (3) Production Reporting & verification.



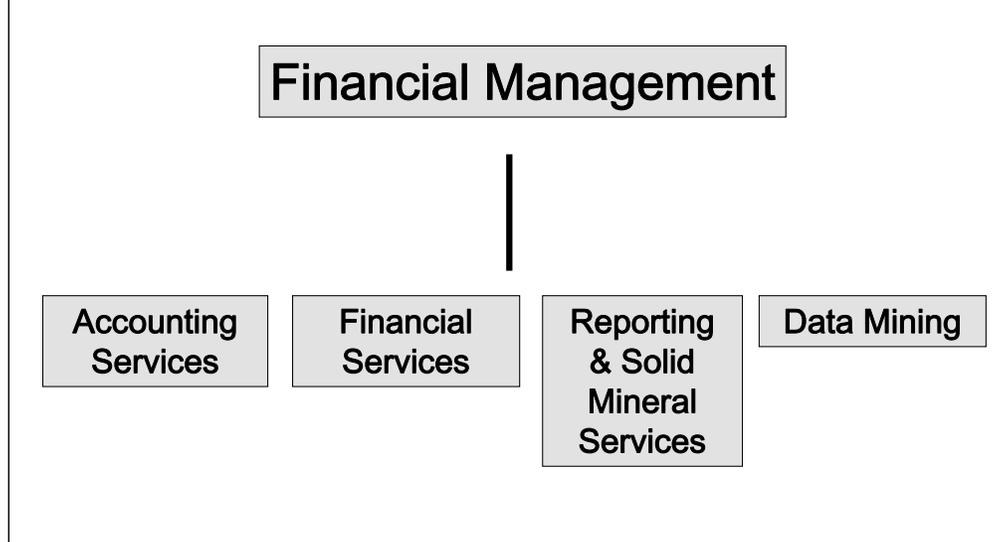
# Organizational Structure



The Financial and Program Management is broken down into the following 3 branches: Asset Valuation, Financial Management, and Production & Reporting Verification.

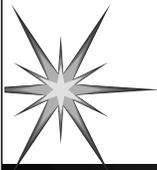


# Organizational Structure

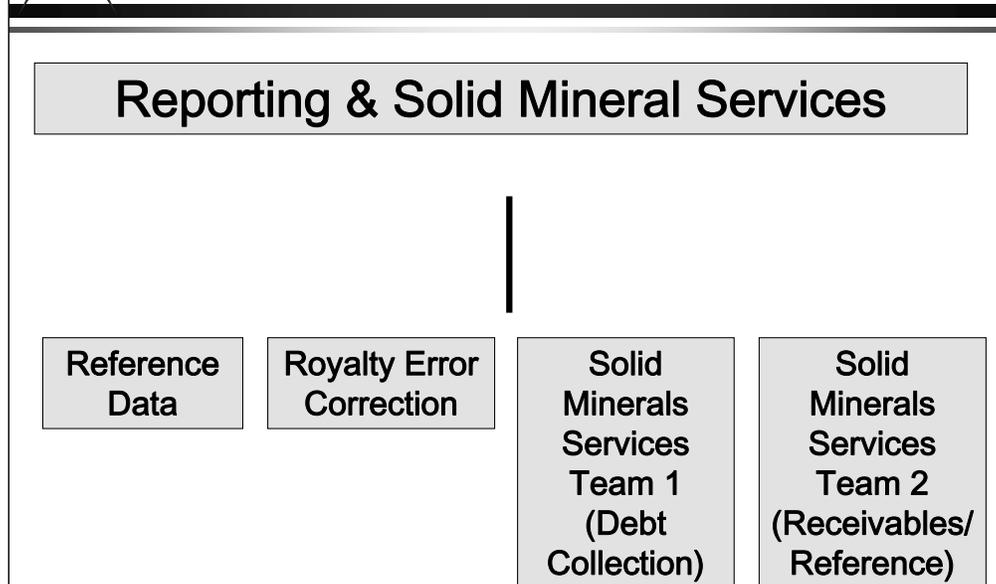


The Financial Management is further broken down into the following groups:

- Accounting Services
- Financial Services
- Reporting & Solid Mineral Services
- Data Mining



# Organizational Structure

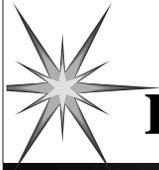


Reference data enters and maintains the well, lease, agreement information.

Royalty Error Correction – Handles receiving the reports (paper, electronic), error correction for rejected documents, training and assisting reporters in royalty reporting, oversees edits within electronic website and Financial System.

Solid Minerals Services Team 1 (Debt Collection) – Handles all debt collection activities associated with the solid mineral industry (i.e. coal, hardrock, sodium, etc..)

Solid Minerals Services Team 2 (Receivables & Reference) – Handles all receivables and reference activities associated to the solid minerals industry (i.e. coal, hardrock, sodium, etc).



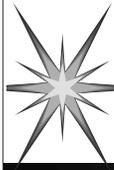
## LAWS AFFECTING ONRR

- **Federal Oil and Gas Royalty Management Act of 1982 (FOGRMA)**
- **Royalty Simplification and Fairness Act of 1996**
- **Energy Policy Act of 2005**



### Laws that affect ONRR

- FOGRMA – Established the law to ensure that all oil and gas originated on the public lands and on the Outer Continental Shelf are properly accounted for under the direction of the Secretary of the Interior, and for other purposes.
- RSFA – An act to improve the management of royalties from Federal and Outer Continental Shelf oil and gas leases, and for other purposes.
  - industry initiated adjustments – within 6 yrs. of the royalty obligation date.
  - Industry recoupments/adjustments with prior ONRR approval – 7 yrs.
  - Statute of Limitations for the federal government – 7 years.
  - Energy Policy Act of 2005 -- addresses energy production in the United States, including: (1) energy efficiency; (2) renewable energy; (3) oil and gas; (4) coal; (5) Tribal energy; (6) nuclear matters and security; (7) vehicles and motor fuels, including ethanol; (8) hydrogen; (9) electricity; (10) energy tax incentives; (11) hydropower and geothermal energy; and (12) climate change technology.



## **Code of Federal Regulations**

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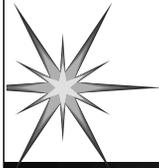
**The CFR provides a codification of the general and permanent rules published in the Federal Register by the executive agencies of the Government. The CFR is available for purchase from the GPO.**

**Copies are available in your local public library.**

The CFRs provide rules published in the Federal Register.

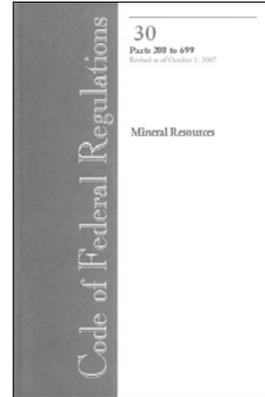
CFRs are available to the Public from the GPO offices.

Copies are also available at your local library.



# Code of Federal Regulations

- **25 CFR - Indians**
  - **Part 200 - 250: Energy and Minerals**
  
- **30 CFR - Mineral Resources**
  - **Part 1201 - 1243: Royalty Management**
  - **Part 1250 - 1282: Offshore**
  
- **43 CFR - Public Lands: Interior**
  - **Part 3100 - 3190: Oil and Gas Leasing**
  - **Part 3200: Geothermal Leasing**
  
- **Government Printing Office website [www.gpo.gov](http://www.gpo.gov)**



Regulations affecting oil and gas leasing and the collection of royalties.

**Minerals Revenue Reporter Handbook  
Oil, Gas, and Geothermal Resources  
Report of Sales and Royalty Remittance  
(Form MMS-2014)**

**MMS/MRM Release 2.0  
October 2003**

**Available Online**

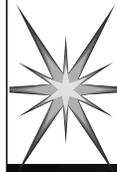
[www.onrr.gov/FM/Handbooks/default.htm](http://www.onrr.gov/FM/Handbooks/default.htm)

**Request Hardcopy**

Call Barbara Fletcher 1-800-525-0309 ext. 13605

Email requests to [Barbara.Fletcher@onrr.gov](mailto:Barbara.Fletcher@onrr.gov)

Copies of the Minerals Revenue Reporter Handbook are available on-line and hardcopies can be requested by either calling Barbara Fletcher or by emailing requests to Barbara Fletcher.



## Important Information

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- Breaks
- Lunch
- Questions





# Lease and Agreement Data



ONRR's reference database system currently contains approximately 70,000 leases.

- Interior's Office of Natural Resources Revenue is the federal agency responsible for collecting, auditing and disbursing revenues associated with mineral leases on federal and American Indian lands and the Outer Continental Shelf. Disbursements are made on a monthly basis from royalties, rents and bonuses collected by the ONRR.
- FY 2011 ONRR disbursed \$11.2 billion

ONRR is responsible for the management of revenues associated with federal offshore and federal and American Indian onshore mineral leases, as well as revenues received as a result of offshore renewable energy efforts. This revenue management effort is one of the federal government's greatest sources of non-tax revenues.

ONRR also ensures that the nation's federal and American Indian natural resources revenues are accurately reported and paid in compliance with laws, regulations and lease terms.

Each year, ONRR achieves optimal value by ensuring that all natural resources revenues are efficiently and accurately collected and disbursed to recipients in a timely manner. The ONRR collects and disburses approximately \$10 billion in annual revenues to the U.S. Treasury, five Federal agencies, 38 states, 41 American Indian Tribes, and about 30,000 individual Indian mineral owners.

## Reference Data

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- **ESTABLISH AND MAINTAIN LEASE AND AGREEMENT DATABASE FILES**
- **IDENTIFY AND RESOLVE REPORTING AND DATABASE INCONSISTENCIES**
- **SUPPORT PROMPT AND ACCURATE DISTRIBUTION OF ROYALTIES**

Reference is primarily responsible for maintaining lease and agreement information. This involves the receipt of 1st productions memos, various decision letters and agreement exhibits from the issuing agencies.

These documents allow ONRR to maintain information regarding:

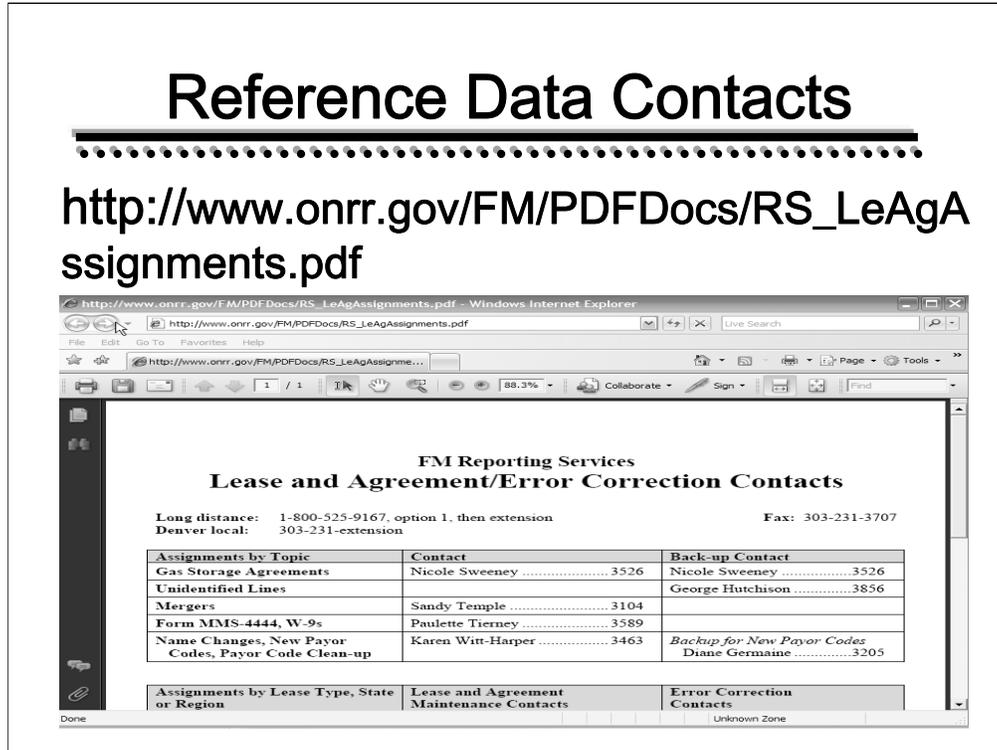
- Status of leases and agreements (terminable versus non-terminable, segregations, suspensions, etc.)
- Financial terms - royalty rates, rent, MR etc.
- Agreement allocations

Distribution information - state, county, tribal or allotted, fund codes which direct how funds will be distributed.

- For a Federal onshore lease on public lands the distribution is 50% state, 40% Land & Water Conservation Trust Fund & 10% US Treasury.
- For a Federal onshore lease on acquired lands the distribution is normally 100% to the US Treasury

# Reference Data Contacts

[http://www.onrr.gov/FM/PDFDocs/RS\\_LeAgAssignments.pdf](http://www.onrr.gov/FM/PDFDocs/RS_LeAgAssignments.pdf)



Web site address for who in Reference Data is responsible for what state.

Toll Free

1-800-525-9167

FAX

(303) 231-3707

(303) 231-3107

## LIFE OF A LEASE

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	<u>Federal Onshore</u>	<u>Federal Offshore</u>	<u>Indian</u>
• Lease Issued & Bonus Collected	BLM	BOEM	BIA
• 1st Year Rent Collected	BLM	BOEM	BIA
• Subsequent Rent Collected	ONRR	ONRR	BIA
• 1st Production Notice Issued	BLM	BOEM	BLM
• Producing Lease Royalty Reporting	ONRR	ONRR	ONRR
• Lease Expiration	BLM	BOEM	BLM

This chart details the phases leases move through during their life.

➤ Federal onshore leases

- BLM collects first year rental payment and any bonus, responsible for day-to-day operations, inspections and enforcement. They issue 1st productions, decision letters, etc.
- ONRR primarily collects, accounts for, disburses, establishes value for, and audits royalty payments.

➤ Federal Offshore leases

- BOEM performs same duties for offshore leases as the BLM does for onshore leases.
- ONRR performs same duties for offshore leases as it does for onshore leases.

➤ Indian leases

- BIA issues lease and collects all rent and administers the lease until the lease becomes producing.
- BLM issues 1st production memos
- ONRR collects rents and royalties on producing Indian leases and distributes information to the various BIA offices

- ONRR = Office of Natural Resources Revenue
- BOEM = Bureau of Ocean Energy Management

# Terminable/Nonterminable

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## ★ Terminable Leases

- not held by actual or allocated production and not located within a producing agreement.
- automatically terminate for non-payment of rentals

## ★ Nonterminable Leases

- Onshore - held by actual or allocated production or located within a producing agreement
- Indian Leases
- Offshore Leases

Terminable leases are Federal onshore leases that are not held by actual or allocated production. These leases will automatically terminate for nonpayment of rentals.

Nonterminable leases are Federal onshore leases held by actual or allocated production or leases located within a producing agreement.

In some situations, which we will discuss later nonterminable leases can also be in rental status. In those cases, rental must be paid, or the payor will be billed and charged interest.

NOTE: Leases located in an agreement, but uncommitted to the agreement, will remain in terminable rental status because they are not subject to any benefit from the agreement.

## Payor (Customer)

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- ★ The party that agrees to remit the rent or royalty payment and report the royalty due from the sale of mineral products
- ★ PAYORS MAY INCLUDE:
  - ★ LESSEES
  - ★ OPERATORS
  - ★ PURCHASERS
  - ★ INTEREST OWNERS

A payor is the party who agrees to report and remit the **rent or royalty** payment due from the sale of mineral products.

Payors may include lessees, operators, purchasers, and working interest owners, but are not restricted to just these parties.

There may be multiple interest owners for a lease or given activity on a lease.

Only one designated payor for rent and minimum royalty is established in our system. Usually the majority interest owner.

Each payor has a unique 5-digit alpha payor code established in our database identifying the company.

This payor code must be included on all reports, payments and correspondence sent to the ONRR.

For multiple interest owners, only one should make payments

# Addressee of Record Designation for Service of Official Correspondence Form MMS-4444

The screenshot displays the Office of Natural Resources Revenue (ONRR) website. At the top, there is a search bar and a navigation menu. The main content area is titled "Financial Management Forms" and includes a section for "Reporting Forms" with sub-links for "Production (Offshore & Onshore)", "Royalty", and "Solid Minerals". A specific section titled "Address/Contact Information Change Form" is highlighted with a black box. This section contains the text: "Print, fill out and mail Form MMS-4444 to change a mailing address and/or other contact information. (Changes cannot be made by telephone.)" Below this text are two links: "Form MMS-4444" and "Instructions for Form MMS-4444". A black arrow points from the title above to the highlighted section. The left sidebar contains a navigation menu with items like "About ONRR", "Program Areas", "Contacts & Offices", "Fed & Indian Prices", "FOIA", "Laws & Regulations", "Payors & Reporters", "Related Sites", and "Statistics". The right sidebar features "FM QUICK LINKS" including "New Reporter Web Site Coming", "Who We Are", "FM Contact and Information Directory", "Reporting Information", "Payment Information", "Forms", "Handbooks & Manuals", "Payor/Reporter Letters", "Data Warehouse Portal", and "Reporter Training".

<http://www.onrr.gov/FM/Forms/default.htm>

Form 4444 is now required for payor changes, new payor codes, address and phone number changes. This can be found on the ONRR website with instructions.

ONRR requires that the 4444 be mailed as we must have original signatures on file. ONRR will not accept a faxed or emailed form.

# Lease Number Conversion

## ONRR Converts the Alpha-Numeric Agency Assigned Lease Number into a 10-Digit Lease Number

BLM/OEMM Assigned Number		ONRR Converted Number
WYW0308789	➤	0483087890
WYW96584	➤	0490965840
OCS-G27591	➤	0540275910

ONR converts the Alpha Numeric Agency Assigned Lease Number into a 10-Digit Lease Number.

All ONRR lease numbers consist of 10 digits. Due to system constraints and surface management offices, we have to standardize the numbers.

- The 3 digit prefix identifies the location of the lease as well as whether it is on public or acquired land and when the lease was issued. For Indian leases it identifies the BIA office
- The next 6 digits are the agency assigned number. If the agency number is less than 6 digits, the number is right justified and left filled with zeros.
- The suffix is usually zero "0". On older leases it is often an alpha character. This was used when BLM segregated a lease. Currently BLM assigns a new lease number for segregated leases.

## Communitization Agreement Number Conversion

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OKNM75212 ➔ NM\_ \_ 75212

WYW157376 ➔ W\_ \_ 157376

MTM69248 ➔ 6910000140

ONRR also converts the agency agreement number into an ONRR number.

Some ONRR agreement numbers issued prior to December 1987 consist of 10 digits. Newer CA's (issued January 1, 1988 and later) consist of 9 digits

- 3 digit prefix is for the State BLM office issuing the CA. Nevada is N (space) (space). Oklahoma is NM (space)
- 6 digit agency assigned number is a six digit field right justified. For example 12345 would be (space) 12345.
- Communitization Agreement OKNM 75212 in our system would be NM(space)(space)75212

# Unit Agreement Number Conversion



## Bull Frog Exploratory Unit Sundance PA

WYW109444A  8910160390

## Sun Dog Unit PA "A"

WYW152954A  W\_ \_152954A

## Packsaddle Secondary Recovery Unit

WYW153461X  W\_ \_153461X

Unit agreements issued prior to December 1987 consist of 10 digits, the first 9 digits are numeric.

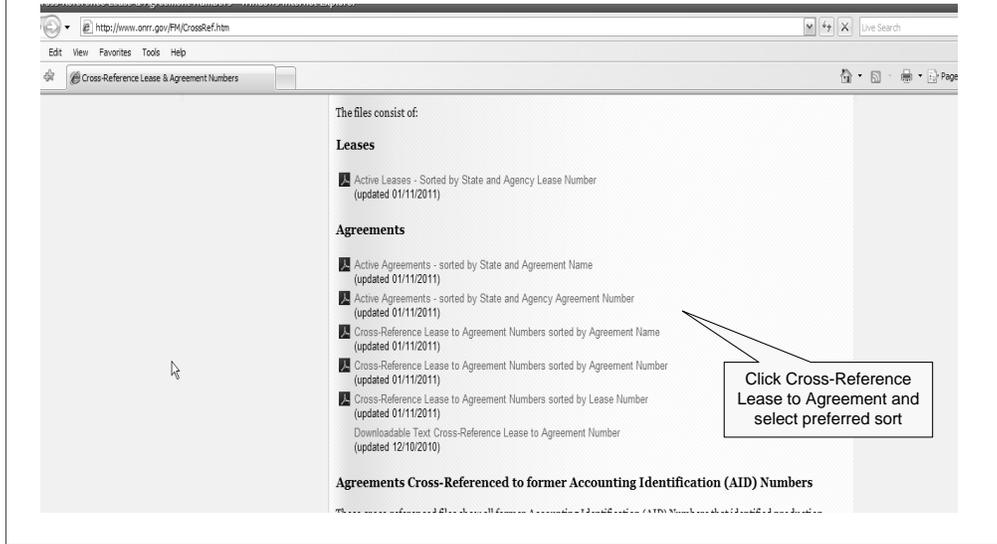
Unit Agreements issued January 1, 1988 and later normally consist of 10 digits

- 3 digit prefix is for the State BLM issuing office. Nevada is N (space) (space). Oklahoma is NM (space)
- 6 digit agency assigned number is a six digit field right justified. For example 12345 would be (space) 12345.
- 1 digit suffix (alpha character)

Suffixes used "X" is for an Exploratory or Secondary Recovery Unit. "A" through "AZ" is for Participating Areas

# Cross Reference Listings

<http://www.onrr.gov/FM/CrossRef.htm>



Here is our ONRR Cross Reference website.



# BLM Lease & Agreement Info

[www.blm.gov/lr2000](http://www.blm.gov/lr2000)

U.S. DEPARTMENT OF THE INTERIOR  
**BUREAU OF LAND MANAGEMENT**

LR2000

Search BLM Go

Print Page

Bureau of Land Management's  
Land & Mineral Legacy Rehost 2000 System - LR2000

The Bureau of Land Management's Legacy Rehost System called LR2000 provides reports on BLM land and mineral use authorizations for oil, gas, and geothermal leasing, rights-of-ways, coal and other mineral development, land and mineral title, mining claims, withdrawals, classifications, and more on federal lands or on federal mineral estate.

To retrieve a Serial Register Page, click "Reports". in LR2000:

- **Serial Register Page** - provides all online information about the authorization including status, geographic location, authorized land, customer information, acreage, dates (effective, expiration, etc), and other information.
- **Customer Information Reports** - provides all the authorizations, mining claims, etc. for a customer.
- **Geographic Reports** - provides a listing of authorizations, mining claims, title, etc. within a specific geographic area and may include serial number, acreage, authorized land, customer info, federal agency, authorization type and disposition (active, closed, pending, etc). Statistical reports for an area can also be run. More ...
- **Check out our new Report - Oil and Gas Leases Due to Expire.** This is a very simple report with only a few options but it doesn't require you to know any...

**System Requirements**

- IE 6 or higher
- Enable popups
- Enable Scripting

LR2000 Home  
About  
Run Reports  
Tutorial  
Help Guides  
Reference Codes  
Contact Us  
Message Center

BLM Open House  
Reno, Nevada  
Thursday Feb. 28th  
Learn how to use  
LR2000  
For more info

LR2000 has a new  
look and a new  
simplified report: Oil

The Bureau of Land Management's Legacy Rehost System called LR2000 provides reports on BLM land and mineral use authorizations for oil, gas, and geothermal leasing, rights-of-ways, coal and other mineral development, land and mineral title, mining claims, withdrawals, classifications, and more on federal lands or on federal mineral estate.

**Serial Register Page** - provides all online information about the authorization including status, geographic location, authorized land, customer information, acreage, dates (effective, expiration, etc), and other information.

To get to the Serial Register Page – Click on Run Reports

# LR2000 Serial Register Page

**DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
CASE RECORDATION  
(MASS) Serial Register Page**

RunDate/Time: 01/20/09 08:02 AM Page 1 of 2

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01 02-25-1920;041STAT0437;30USC181 Total Acres Serial Number  
Case Type 318310: O&G COMMUNITIZATION AGRMT 640.000 MTM--- - 069248  
Commodity 410: NATURAL GAS LC  
Case Disposition: AUTHORIZED

Serial Number: MTM--- - 069248

Name & Address		Int Rel		% Interest
BLM GREAT FALLS FS	1101 15TH ST NORTH	GREAT FALLS MT 59403	OFFICE OF RECORD	0.000000000
OMMEX CANADA LTD	2001 BEACH ST STE 810	FORT WORTH TX 761032300	OPERATOR	100.000000000

Serial Number: MTM--- - 069248

Mer Twp	Rng	Sec	S Typ	SNr	Suff	Subdivision	District/Resource Area	County	Mgmt Agency
20 0360N	0320E	017				ALIG ALL;	MALTA FIELD OFFICE	PHILLIPS	BUREAU OF LAND MGMT

Serial Number: MTM--- - 069248

Act Date	Code	Action	Action Remarks	Pending Office
08/01/1980	387	CASE ESTABLISHED		
08/01/1980	501	REFERENCE NUMBER	CA-WC144;	

Unknown Tone

This is an example of the Serial Register Page.

The following information is provided:

- Case Type
- Commodity
- Case Disposition
- Total Acres
- Serial Number
- Name & Address of Lessee(s)
- Where the lease/agreement is located
- A listing of leasing/agreement actions

# Gulf of Mexico Serial Register Page

<http://www.gomr.boemre.gov/homepg/fastfacts/serialregister/srmaster.asp>

**Bureau of Ocean Energy Management, Regulation and Enforcement**

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Offshore Energy  
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GOMESA Rev. Sharing  
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Gulf of Mexico  
Pacific

**Serial Register Page**

*Note: Leases may be searched on by submitting multiple search criteria, separated by commas.*

The Bureau of Ocean Energy Management, Regulation, and Enforcement strives to make all public data available as soon as it is releasable. If you do not find the data you are looking for, please check again the next business day since certain circumstances may delay the posting of data. We apologize for the inconvenience.

This data was last updated on 1/27/2011 8:51:09 AM (CST) and will be updated daily.

Enter a Lease Number:

Click here to [Download the Serial Register Page Database](#)  
(The database is in Access2002 format.)

Due to the complex runtime programming and relationships involved in this online query we do not provide support for the downloadable database backend. It is provided as an additional resource and suggested only for those with advanced knowledge of the data involved.

[Return to Fast Facts](#)

Hot Topics:

The Bureau of Ocean Energy Management, Regulation and Enforcement strives to make all public data available as soon as it is releasable.

# Gulf of Mexico Serial Register Page

Bureau of Ocean Energy Management, Regulation and Enforcement

Home  
Search  
Site Map

Your search returned 1 entries.  
Current page number: 1

OCS- G27591

Current Status	PRIMRY	Western Gulf of Mexico	Sale# 196	Sale Date	8/17/2005						
Bonus Bid	258888.000	Initial Acreage	5760.000000	Current Acreage	5760.000000	Per Acre Amt.	44.95	Royalty Rate	12.5000000	Rental	9.50

Original Lessee(s):  
Shell Offshore Inc.

Description:  
All of Block 594, East Breaks, as shown on OCS Official Protraction Diagram, NG15-01.

12/01/2005      Date of lease. Expiration date: 11/30/2015

This is an example of what will appear after you have entered your search criteria.

The following information is provided:

- Status
- Sale #
- Sale Date
- Bonus Bid
- Initial Acreage
- Current Acreage
- Per Acre Amt
- Royalty Rate
- Rental
- Original Lessee(s)

# **Actual -vs- Allocated Production**

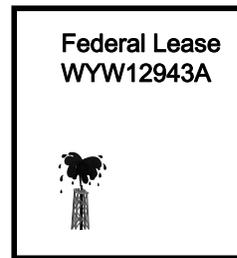
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- **Actual - Lease Basis Production**

- ◆ **Royalties based on 100% of production**

- ◆ **Includes any and all wells located on a lease that are not committed to a pooling agreement.**

- ◆ **Multiple lease basis wells on a lease with the same royalty rate can be reported together.**



Actual production is also referred to as lease basis production.

This occurs when you are reporting on production from a well physically located on the lease and the well is not committed to a pooling agreement such as a Unit or Communitization Agreement.

ONRR expects royalties based on 100% of the production from a lease basis well.

Royalties for multiple lease basis wells on a lease with the same royalty rate can be rolled together and reported on one line on the Form ONRR-2014.

# Actual -vs- Allocated Production

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- **Allocated**
  - ◆ **Royalties based on an allocated % of production**
    - ◆ **Unit Participating Areas**
    - ◆ **Communitization Agreements**
    - ◆ **Secondary Recovery Units**

This occurs when production from a well is being shared or allocated amongst other federal leases or other non-federal lands.

The ONRR expects royalties based on an allocated % of production.

The two most common types of allocated production are Unitization agreements and Communitization agreements.

# Communitization Agreement

- Onshore federal and Indian leases only
- Result of State spacing requirements
- Usually based on 1 formation
- Allocation schedule based on surface acreage
- Usually just 1 well

Communitization Agreements (CA's) allows for the development of separate tracts of land which could not be independently developed and operated because of state well-spacing requirements.

CA's are usually based on one formation. For example: The Frontier, Dakota, Minnelusa etc.

Production is allocated between leases and other lands within CA boundaries

An allocation schedule based on surface acreage is issued for each CA by BLM.

ONRR expects to receive royalties based on that allocation schedule.

## Boiler Avenue, Spindletop, 1903



This scene illustrates the densest drilling in Texas.

By 1903, more than 400 wells had been drilled on the dome.

There is still product out there, but we are unable to get it out

# Unitization Agreement

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- Allows for the sharing of costs
- Reduced risk to environment
- Efficient drilling of wells
- Allows maximum acreage exception  
§43 CFR 3101.2-1
- Yates Decision

Unit agreements are formed to provide for the exploration, development, and operation of an entire structure or area by a single operator so that drilling and production may proceed in the most efficient and economical manner possible.

Maximum acreage is 246,080 acres of Federal oil and gas leases in any one State at any one time

## Yates Decision

- The Interior Board of Land Appeals ruled that a well completed prior to the expiration date of a unitized lease that is capable of production on a lease basis extends that lease and all others indefinitely until a participating area is approved.

## Unit Participating Area (PA)

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- Producing portion of Unit agreement
- Usually based on 1 formation
- Allocation schedule based on surface acreage
- Each lease within a PA requires a separate line of reporting
- When reporting on multiple PAs for a lease, a separate line is required for each lease/PA combination

A participating area (PA) is a producing portion within the unit where production is allocated among committed tracts within the PA

PAs on onshore agreements are usually based on one formation. For example: The Frontier PA, the Bakken PA etc. PAs in offshore agreements may not specify a formation.

An allocation schedule based on surface acreage for onshore units and acre feet for offshore units.

If a lease is in multiple PA's, a separate 2014 line is required for each lease/agreement combination.

### Common Reporting errors:

- Missing Agreement number when reporting royalties on production from an agreement.
- Agreement production reported to one lease when there are several leases receiving an allocation.

## **Reporting Royalties on Lease Basis Production ?**

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**ONRR needs BLM/BOEM approval document to put the lease in a producing status.**

**Has proper notification been sent to the managing agency, i.e. BLM or BOEM?**

**Late Disbursement Interest**

For wells on Federal property, ONRR needs BLM's first production memo to make the lease producing in our system.

This is a cooperative effort between the operator, BLM and ONRR.

ONRR cannot enter a first production date into our system until we receive the first production memorandum. If you report and the line or lines reject and you have a copy of the first production memorandum – call your lease and agreement analyst, let them know that you have a copy of BLM's first production memorandum and then fax or email that memorandum to ONRR.

In the event that you do not have a copy and ONRR has not yet received a copy of the memorandum and you have reported a royalty line, you may be asked to back this line out until the correct documentation has been received by ONRR.

## **When do you start Reporting Royalties on Agreements?**

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**Wells located on federal lands should be reported on a lease basis until the CA or PA is approved by the BLM**

**ONRR needs the approved allocation schedule from BLM to establish the agreement in our system.**

When do you start reporting royalties on agreements:

➤ Royalties for wells located on Federal lands should be reported on the lease basis until the BLM approves the CA or PA.

NOTE: When the CA or PA is approved royalties will need to be adjusted.

-This is necessary because ONRR is unable to distribute royalties on an agreement without an approved allocation schedule

Royalties on fee or state land wells should not be reported to ONRR until the BLM approves either a CA or PA.

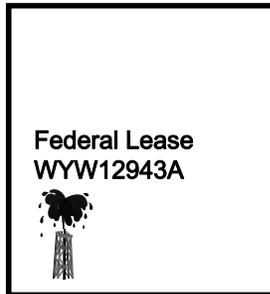
You have until the end of the month following the month of the BLM approval date to report and pay royalties to ONRR and not be charged interest.

## Reporting Royalties on Lease Basis Production

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Lease Basis well -  
100% federal interest



750 barrels oil sold in January  
2012

Sales Volume = 750

We will now cover specific examples of how to report on actual and allocated production.

This is an example of lease basis production

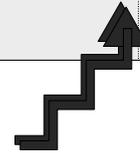
- The lease is 100% federal
- 750 barrels of oil are sold in January 2012

REMEMBER: ONRR expects royalties on products removed or sold from a lease

## Reporting Royalties on Lease Basis Production

5	6	7			10	11	12	13	14	15
LINE NUMBER	RESERVED FOR PREPARER'S USE	MMS LEASE NUMBER			PRODUCT CODE	SALES TYPE CODE	SALES MO/YR (MM/CCYY)	TRANSACTION CODE	ADJUSTMENT REASON CODE	SALES VOLUME (Mcf/bbl/gal/long ton)
	8	9								19
	API WELL NUMBER	MMS AGREEMENT NUMBER								ROYALTY VALUE PRIOR TO ALLOWANCES
1	Lease Basis Example	049	012943	A	01	ARMS	012012	01		\$ 750 00

100% x 750 bbls sold =

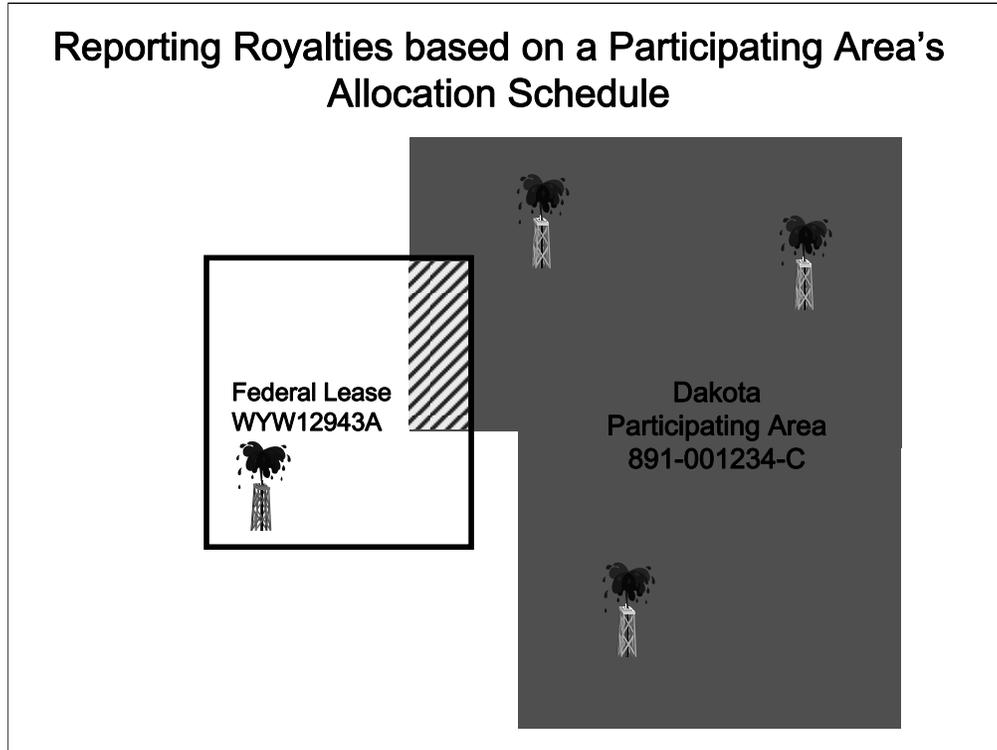


Since this is lease basis production, we expect to receive royalties based on 100% of the production removed or sold from the lease. Therefore, the sales volume on the ONRR Form-2014 will be 750.

This slide is a blow up of a portion of the manual ONRR Form-2014, Report of Royalty Remittance.

This slide and the following slides are being used to illustrate how to report volumes on actual and allocated production.

## Reporting Royalties based on a Participating Area's Allocation Schedule



This is an example of how to report royalties on production from a PA.

The dark green area is the PA.

PAs usually have multiple wells.

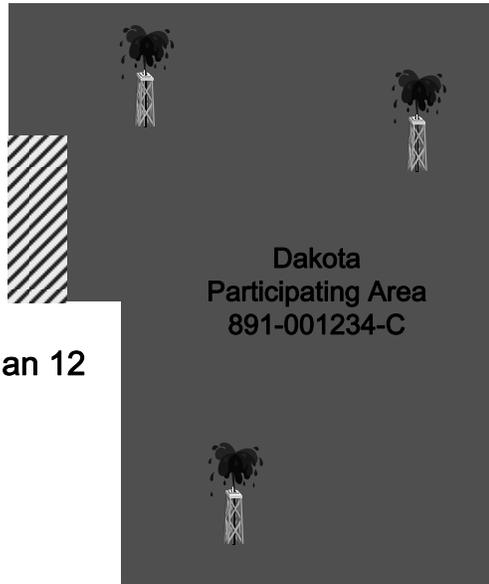
All lands committed to the PA receive an allocated % of production from those wells.

In this example, our Federal lease is receiving an allocated share of the production because the area highlighted in yellow is committed to the PA.

The % of production this lease receives from the PA is based on the acreage committed.

## Reporting Royalties based on a Participating Area's Allocation Schedule

WYW12943A  
receives a 5%  
allocation from  
the PA



2000 Barrels Oil Sold Jan 12

Sales volume =  
 $2000 \times .05 = 100$

In this example, the lease is receiving a 5% allocation from the PA.

- During the month of January, 2012 2000 barrels of oil are sold from the PA
- The lease would receive 5% of the 2000 barrels or 100 barrels.

## Reporting Royalties based on a Participating Area's Allocation Schedule

5	6	7			10	11	12	13	14	15
LINE NUMBER	RESERVED FOR PREPARER'S USE	MMS LEASE NUMBER			PRODUCT CODE	SALES TYPE CODE	SALES MOYR (MM/CCYY)	TRANSACTION CODE	ADJUSTMENT REASON CODE	SALES VOLUME (Mcf/bbl/gal/long ton)
	8	9								19
	API WELL NUMBER	MMS AGREEMENT NUMBER								ROYALTY VALUE PRIOR TO ALLOWANCES
1	<b>PA Example</b>	049	012943	A	01	ARMS	012012	01		100 00
		891	001234	C						

5% allocation x 2000 bbls sold =



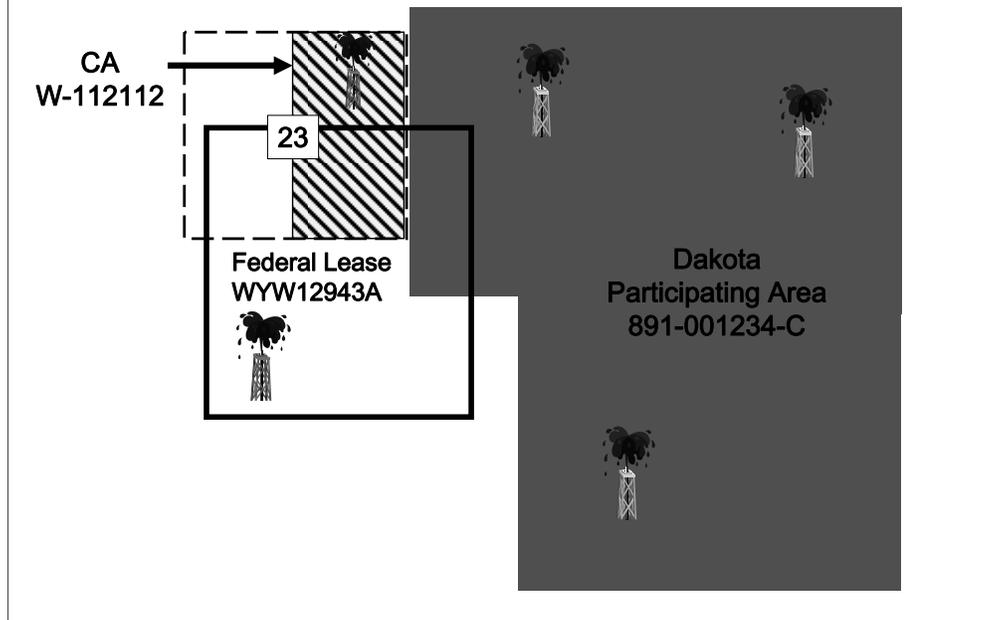
100 barrels would be reported on the 2014 as the sales volume for this lease/agreement combination.

NOTE: both the ONRR lease number and ONRR agreement number are entered on the 2014. When the agreement number is entered it tells ONRR to expect royalties based on an allocation schedule.

ONRR maintains all of the allocation schedules in our system. Therefore, when ONRR sees a specific lease/agreement combination on the 2014, we know exactly what allocated percentage to expect.

If you left off the agreement number in this example, we would expect the sales volume to be 100% of the lease basis production (2000 barrels for this example) and it would appear as if you reported an underpayment.

## Reporting Royalties based on a Communitization Agreement's Allocation Schedule



This is an example of reporting royalties on CA production

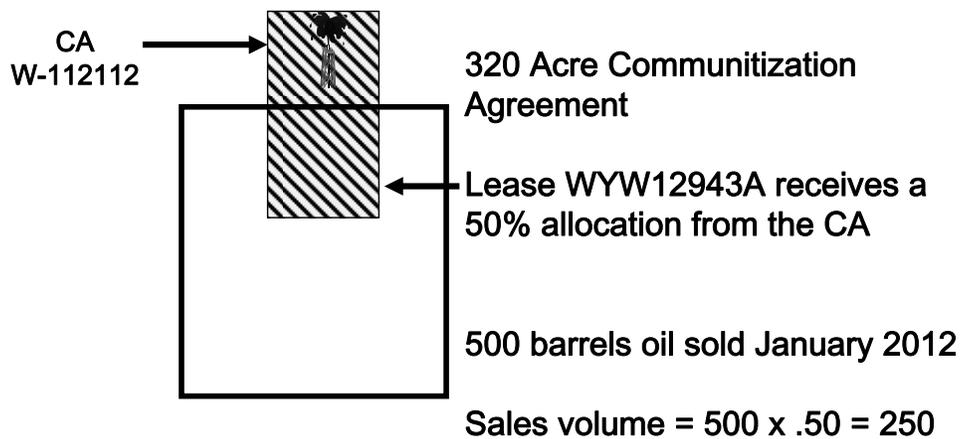
The area with the dashed lines and the number 23 in the center represents Section 23. This is to illustrate a 320 acre CA in a 640 acre section.

The area shaded in blue stripes is the CA.

Notice the well is not even located on our lease, but the lease will still receive an allocated share of production from the well.

The % of production this lease receives from the CA is based on the acreage committed.

## Reporting Royalties based on a Communitization Agreement's Allocation Schedule



In this example, the lease is receiving a 50% allocation from the CA.

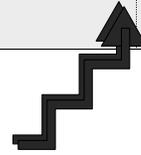
- During the month of October, 500 barrels of oil are sold from the CA
- Our lease would receive 50% of the 500 barrels or 250 barrels.
- The portion of the CA outside of our lease would receive the remaining 50%

NOTE: If the remaining 50% portion was a Federal or Indian lease, another line would need to be reported on the 2014.

## Reporting Royalties based on a Communitization Agreement's Allocation Schedule

5	6	7			10	11	12	13	14	15
LINE NUMBER	RESERVED FOR PREPARER'S USE	MMS LEASE NUMBER			PRODUCT CODE	SALES TYPE CODE	SALES MO/YR (MM/CCYY)	TRANSACTION CODE	ADJUSTMENT REASON CODE	SALES VOLUME (Mcf/bbl/gal/long ton)
	8	9								19
	API WELL NUMBER	MMS AGREEMENT NUMBER								ROYALTY VALUE PRIOR TO ALLOWANCES
1	CA Example	049	012943	A	01	ARMS	012012	01		250 00
		W	112112							

**50% allocation x 500 bbls sold**



The 250 barrels would be reported as the sales volume on the 2014.

- **Note** the CA agreement number on the 2014. This number tells ONRR to expect to receive royalties on this lease/agreement combination based on 50% of the CA production.

Note the format of the CA number.

## Reporting Royalties on Actual and Allocated Production

5	6	7	10	11	12	13	14	15
LINE NUMBER	RESERVED FOR PREPARER'S USE	MMS LEASE NUMBER	PRODUCT CODE	SALES TYPE CODE	SALES MO/YR (MM/CCYY)	TRANSACTION CODE	ADJUSTMENT REASON CODE	SALES VOLUME (Mcf/bbl/gal/long ton)
	8	9						19
	API WELL NUMBER	MMS AGREEMENT NUMBER						ROYALTY VALUE PRIOR TO ALLOWANCES
1	<b>Lease Basis Example</b>	049 012943 A	01	ARMS	012009	01		750 00
2	<b>PA Example</b>	049 012943 A	01	ARMS	012009	01		100 00
		891 001242 C						
3	<b>CA Example</b>	049 012943 A	01	ARMS	012009	01		250 00
		W 112112						

This slide illustrates how all three of the previous examples can be reported on one document

- Please note the 3 separate lines of reporting for the same lease.
- Each line of reporting is for a different source of production on the lease.
  - The 1st is for lease basis production and we would expect royalties to be paid on 100% of production.
  - The 2nd is for PA production and we would expect royalties based on an allocated 5% of production.
  - The 3rd is for CA production and we would expect royalties based on an allocated 50% of production.

# Lease Level Payments

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## ◆ Described by the terms of the lease

### ◆ INCLUDES:

- ◆ Rent
- ◆ Minimum Royalty
- ◆ Well Fees
- ◆ Gas Storage Agreement Fees

Lease level payments are defined in the lease instrument.

The most common are rent and minimum royalty.

**Rent** -- The amount of rent due is stipulated in your lease terms and is, except in some circumstances, due on or before the lease anniversary date. Approximately 3 months before the lease anniversary date, we usually send a Notice of Rent Due on Your Lease (courtesy notice) to the payor established in our database. Courtesy notices are sent for Federal leases and geothermal site licenses only. If you do not receive a courtesy notice, do not delay payment, as some leases automatically terminate for nonpayment. For those leases that do not terminate and payment is not received by the due date, we will issue an invoice for the amount due. Interest will be assessed for late payment.

**Minimum Royalty** -- Some producing Federal and Indian leases require you to pay a minimum amount of royalty each lease year. The amount of minimum royalty is usually determined by the producing acreage in the lease multiplied by a fee per acre (for example, \$2 per acre) and is in addition to any other fees required under regulation or lease terms.

**Well Fees** -- Lease and contract terms may require you to report and pay fees on wells located on certain Federal and Indian leases.

**Gas Storage Agreement Fees** -- The Federal Government may charge you to use subsurface storage

NOTE: If you have any questions about what lease level payment you are required to pay, review your lease document.

# Rent

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- ◆ Amount per Acre
- ◆ May be recoupable on Indian Leases
- ◆ Due on or before Anniversary date of Lease
- ◆ Paid on Courtesy Notice or Form MMS-2014 (designated company only)

Rent is based on an amount per acre.

Federal onshore leases are currently being issued with a rental obligation of \$1.50 an acre with the rent escalating to \$2 in the 6th year. However, rents on older leases range from \$.50 an acre up.

**NOTE: Rents can be higher than \$2 an acre on reinstated leases**

Indian leases and a few older federal leases have recoupable rental. Rents can be recouped against royalties. Recouping rents will be discussed later.

Rents are due on or before the anniversary date of the lease

Rents can be reported and paid on either a courtesy notice or 2014.

**NOTE: If you have reported your rents on Form 2014, do not remit your courtesy notice. If you have paid your rents via a courtesy notice, do not report your rents on Form 2014.**

# ONRR Courtesy Notice

United States Department of the Interior  
Minerals Management Service - Minerals Revenue Management  
Notice of Annual Rent Due on your Lease: WYW140119

Due Date: 02/01/2005  
As of 01-NOV-2004 our records indicate the following (this may not include recent changes to your lease affecting the annual rent):

Acres	400	Rental Per Acre:	\$ 2.00	Annual Rental Amount:	\$ 800.00
		Balance of Rent Due:	\$ 800.00		

(Retain this portion for your records)

KIRKWOOD WILLIAM C  
PO DRAWER 3439  
CASPER, WY 82602

Inquiries, Contact:  
MMS PHONE NUM 1-800-525-9167  
Refer to Customer Number: 01978  
MMS Lease Number: 0491401190

RNT10000105800000008000002012005R01978

United States Department of the Interior  
Minerals Management Service - Minerals Revenue Management  
Notice of Annual Rent Due on your Lease: WYW140119

Due Date: 02/01/2005  
As of 01-NOV-2004 our records indicate the following (this may not include recent changes to your lease affecting the annual rent):

Acres:	400		
Rental Per Acre: \$	2.00		
Annual Rental Amount \$	800.00	Enter Amount Paid	_____
Balance of Rent Due			
\$ 800.00			

MAKE CHECK PAYABLE AND MAIL TO:  
Department of Interior- MMS  
Box 5640  
Denver, Colorado 80217

DO NOT FOLD OR MUTILATE  
\*\*\*\*\*  
Failure to return this portion with  
your payment could result in the  
erroneous termination of this lease  
\*\*\*\*\*

RNT10000105800000008000002012005R01978

Barcode info

You can report your Federal lease rents by either the courtesy notice or by the Form ONRR-2014; use only one payment document, not both.

Retain the top portion of the courtesy notice for your records and send the bottom portion with your payment.

**NOTE: If you don't receive a courtesy notice, the payment is still due.**

If you acquire a lease and the CN is received by the prior company, you may submit the courtesy notice received by them but you should also notify ONRR of the change so future CNs will be sent correctly to you. We do receive copies of Record Title Assignments from BLM but sometimes the timing of those notices are not received prior to the Courtesy Notices being sent.

# Minimum Royalty

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- ◆ Amount per Acre
- ◆ Royalties count toward fulfilling obligation
- ◆ Due on or before last day of lease year

Minimum royalty (MR) is based on an amount per acre.

Federal leases are currently being issued with minimum royalty terms stating MR cannot be less than rent. On new leases that would be \$1.50 an acre with the rent escalating to \$2 in the 6th lease year.

NOTE: MR can be higher than \$2 an acre on reinstated leases

MR is due on or before the last day of the lease year.

Only the difference between the royalties paid during the lease year and the minimum royalty amount is actually due.

- For example: If you have a 200 acre lease with \$1.50/acre MR, the MR amount would be \$300. If you had royalties totaling \$225, the MR due would be \$75. ( $\$300 - \$225 = \$75$ ). If you had paid royalties totaling \$300 or more, MR would not be due.

## Rent and Minimum Royalty – Onshore

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- ★ Entire lease in rental status from Anniversary Date until: it receives actual or allocated production
- ★ Entire lease will be in a minimum royalty status if:
  - \* the lease contains a lease basis well
  - \* the entire lease is within a Participating Area
  - \* the lease is committed to a Sec. Rec. Unit
  - \* the lease is committed to a CA
- ★ Lease will be in a split rent/min royalty status when:
  - \* part of the acres are within a PA and the acreage outside of the PA has no production from any other source

There are the different situations which affect rent and minimum royalty status.

-Determining rent and minimum royalty status for a lease can be confusing - if you have any questions regarding the status of a lease, first contact your land department (as they may have the information you need). In the event that your land department does not have the information, contact ONRR.

## Rent and Minimum Royalty – Offshore

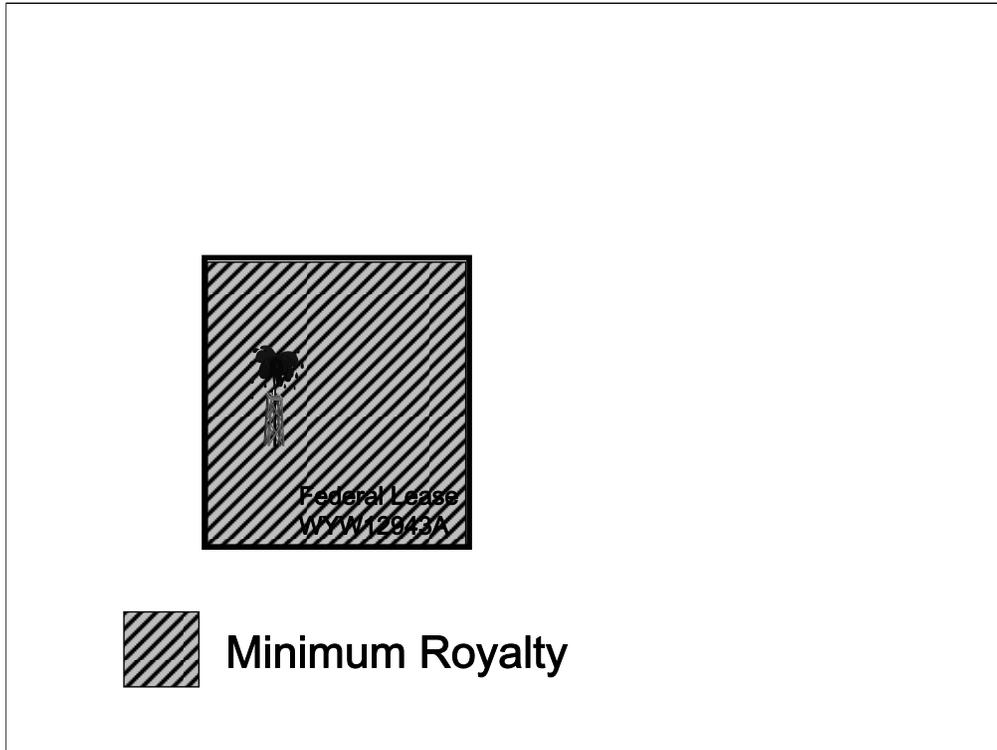
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- ★ Entire lease in rental status from Anniversary Date until: it receives actual or allocated production
  
- ★ Entire lease will be in a minimum royalty status if:
  - \* the lease contains a producing lease basis well
  - \* part of lease is within a Participating Area

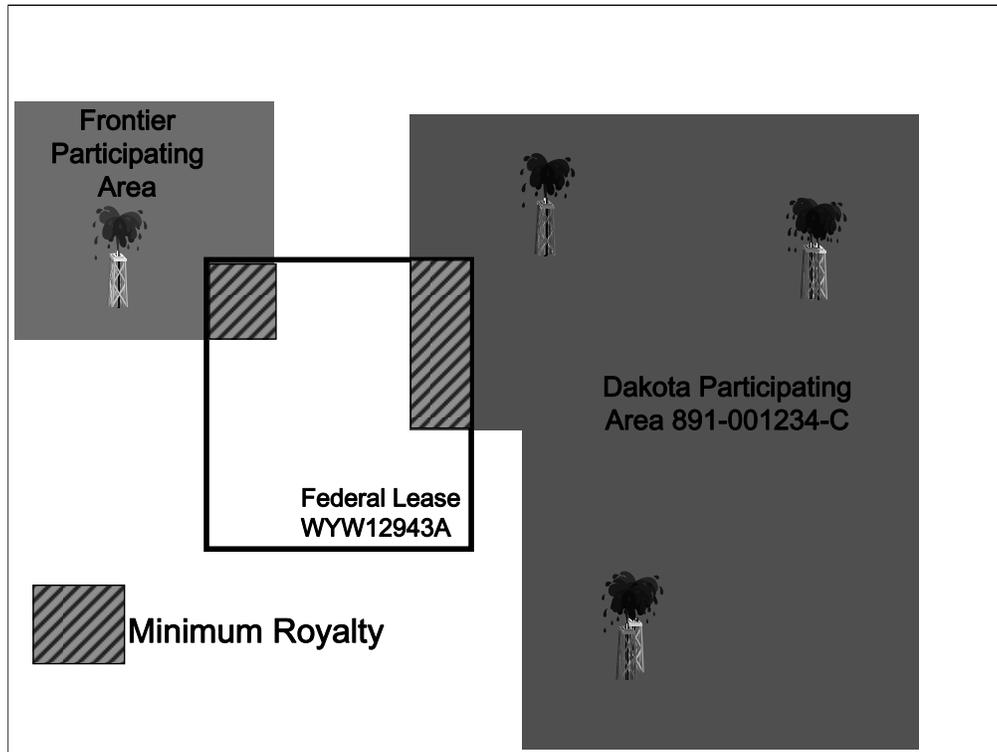
There are the different situations which affect rent and minimum royalty status.

-Determining rent and minimum royalty status for a lease can be confusing - if you have any questions regarding the status of a lease, first contact your land department (as they may have the information you need). In the event that your land department does not have the information, contact ONRR.



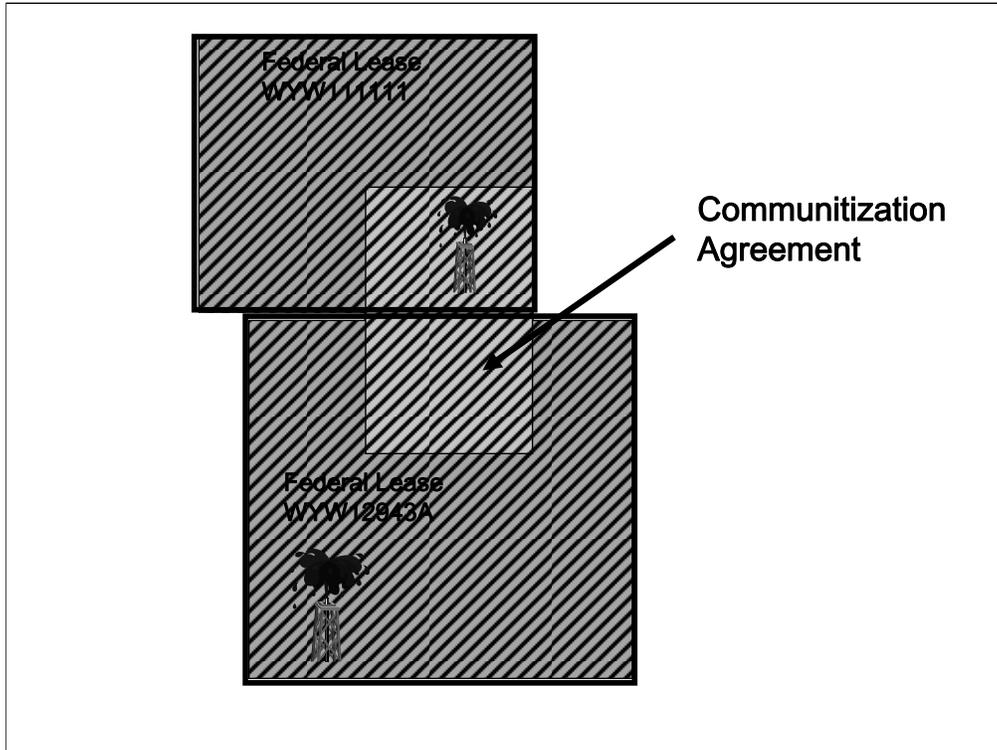
In this example we have a federal lease with a lease basis well.

- Leases containing a lease basis well (a well not committed to a pooling agreement) are entirely subject to MR.



In this example, we have a lease committed to the Frontier PA and the Dakota PA.

- The portion of the lease within the PA's is subject to MR, the portion outside of the PA is subject to rent.



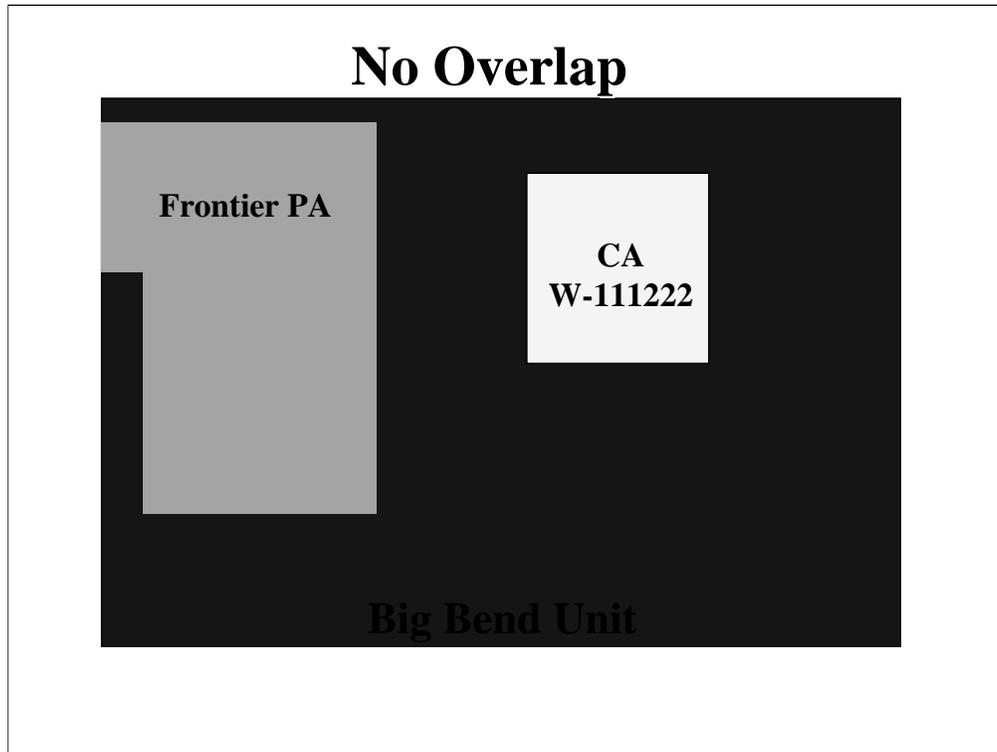
In this example we have 2 leases committed to a Communitization agreement.

- Both leases would be entirely subject to MR because the rule is that leases committed to CA's, Secondary Recovery Units or have a lease basis well are entirely subject to MR.

# Overlapping Agreements

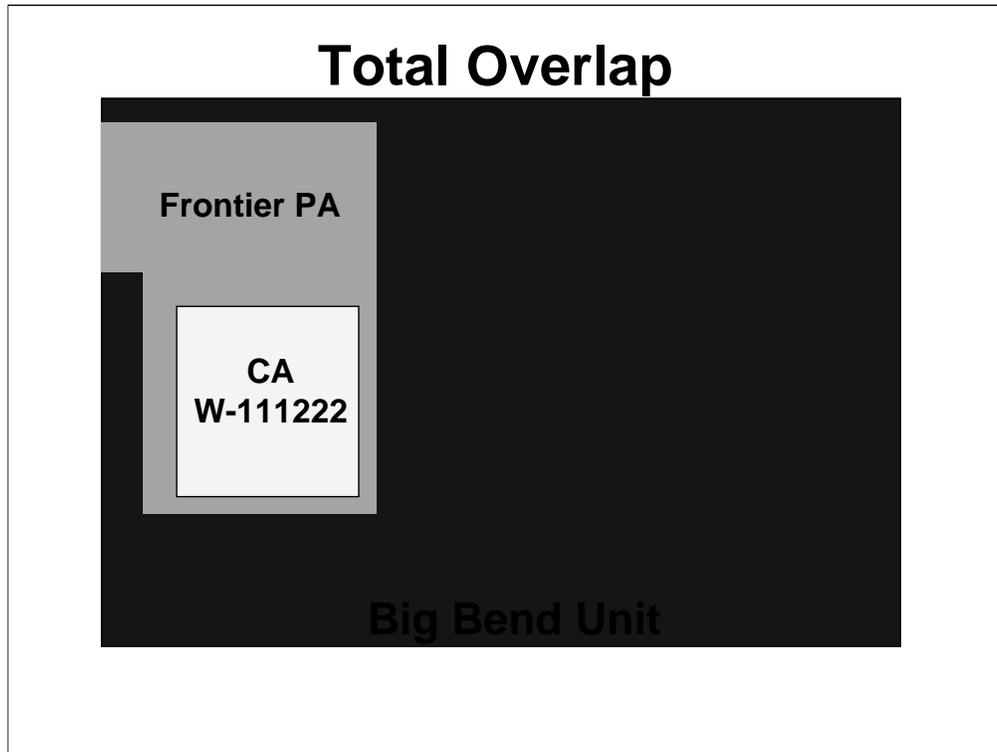


What are overlapping agreements?



CA is entirely within Unit but does not intersect a PA

- CA is considered a separate entity
- All CA royalties will be reported on CA
- All CA production will be reported on CA

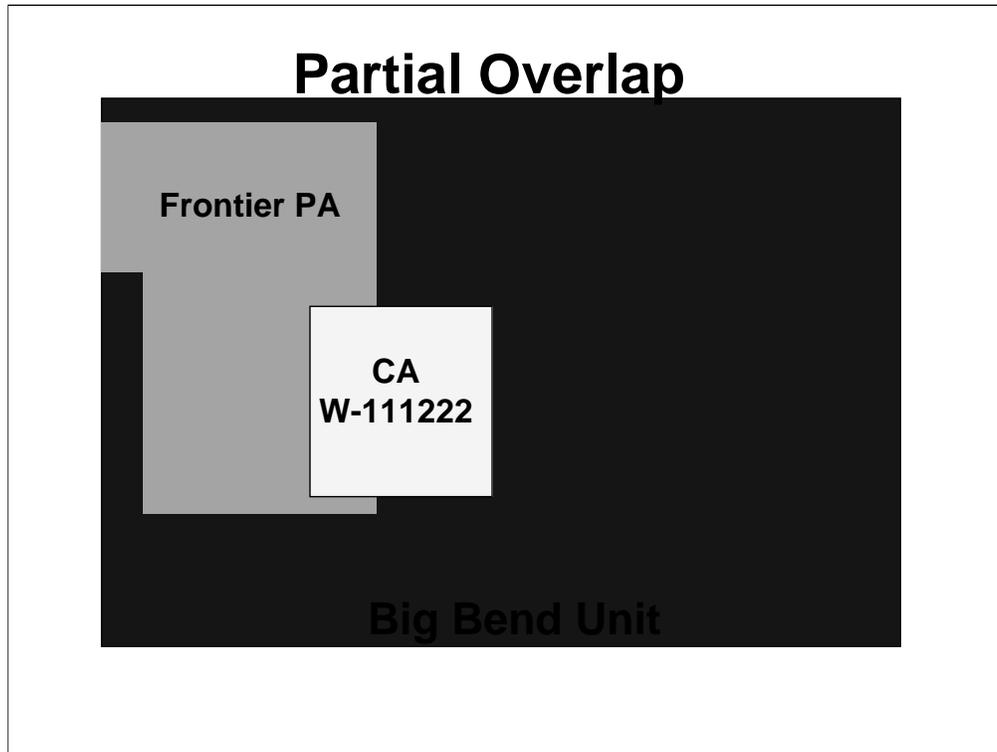


CA is entirely within a PA and all CA lands are committed to the PA.

- CA becomes “silent”
- Royalties will be reported on PA
- All CA production should be reported on the PA

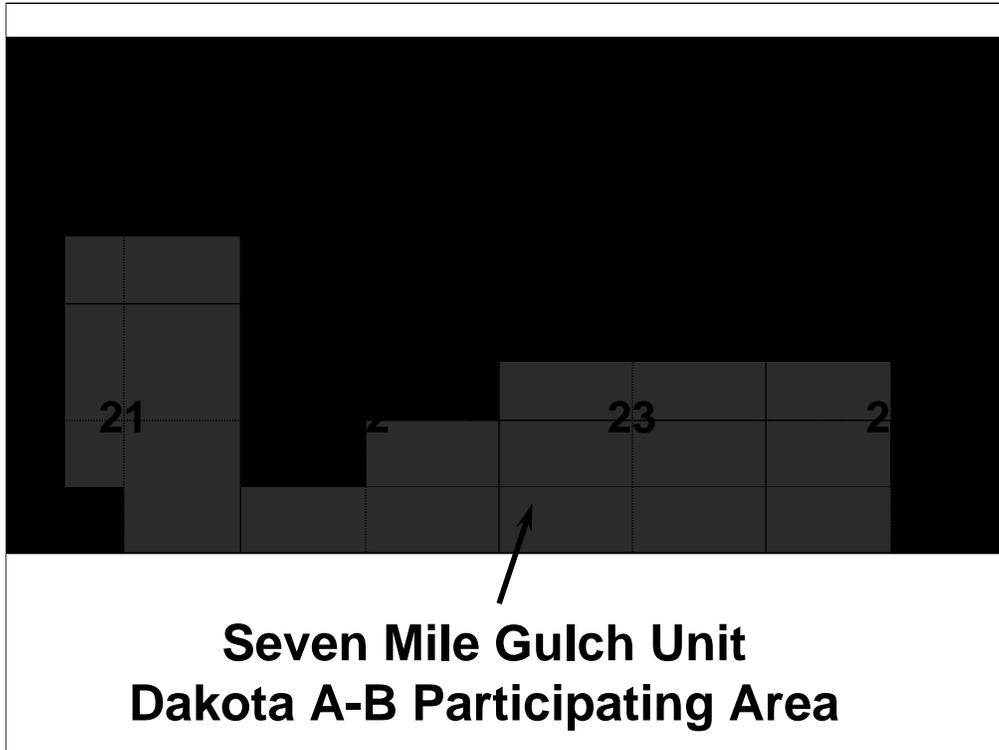
### Exceptions to the rule

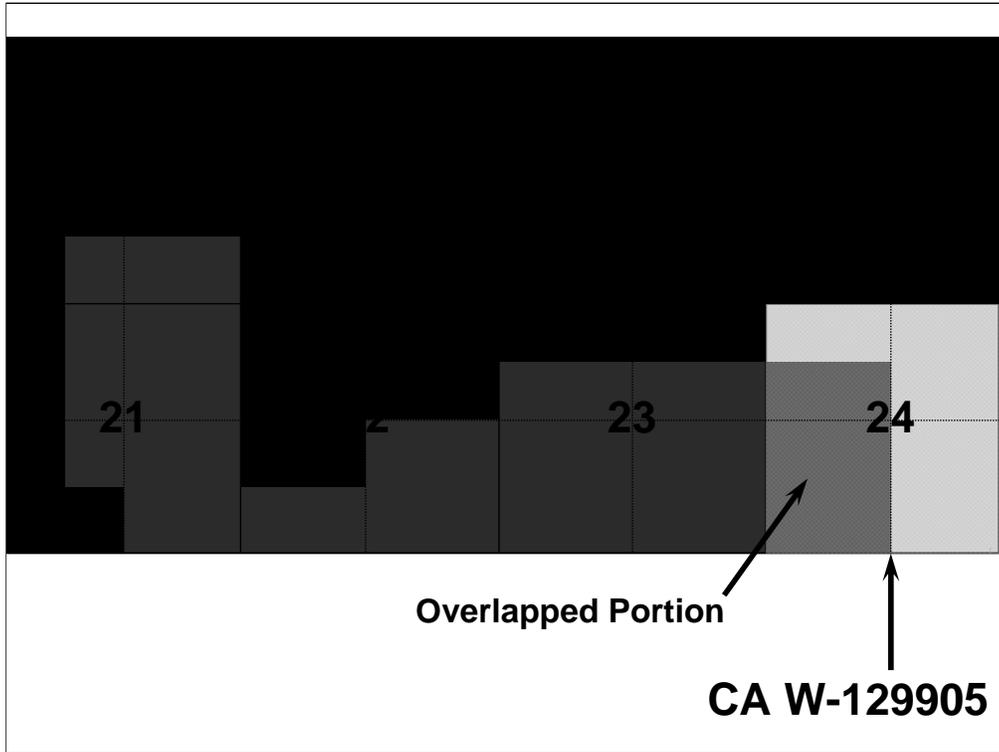
- If a tract in the CA is not committed to the unit
- If the CA and PA are for different formations or products

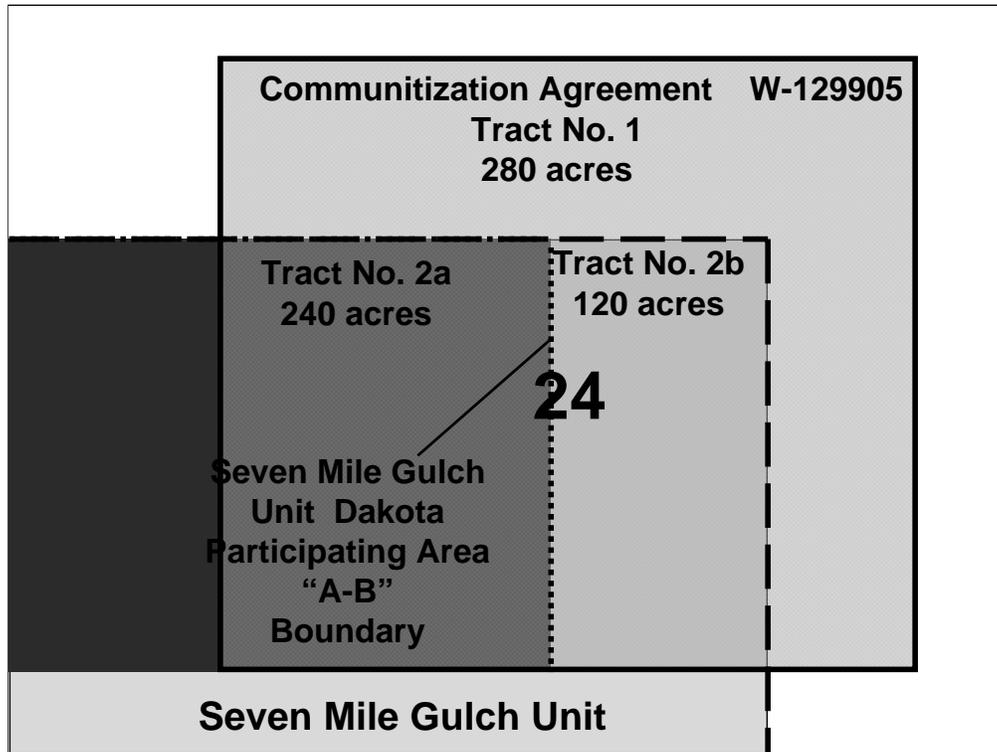


CA is partially within a PA.

- Royalties from the portion of the CA outside of the PA will be reported on CA
- Royalties from overlapped portion will be reported on PA
- All CA production should be reported on the CA.







Communitization Agreement W-129905

<u>LEASE NO.</u>	<u>TRACT</u>	<u>ACRES IN CA</u>	<u>% OF INTEREST</u>
W-24152	1	280	43.75%
W-24152	2A	240	37.5%
W-24152	2B	<u>120</u>	<u>18.75%</u>
		640	100.00%

\*\*Tract 2A is overlapped by the Dakota Participating Area, Seven Mile Gulch Unit

## Royalty Reporting on Communitization Agreement W-129905

<u>Lease Number</u>	<u>Tract Nos.</u>	<u>Total Tract Portion</u>	<u>Total Tract Acreage</u>
<b>049-024152-0</b>	<b>1 &amp; 2B</b>	<b>.625000</b>	<b>400.00</b>
<b>Overlapped - Report on 891-014332-E</b>	<b>2A</b>	<b><u>.375000</u></b>	<b><u>240.00</u></b>
		<b>1.000000</b>	<b>640.00</b>

Formula for reporting on tracts that are NOT overlapped:

$$\begin{array}{l} \text{Total} \\ \text{Volume} \\ \text{Sold} \end{array} \times \begin{array}{l} \text{CA} \\ \text{Tract} \\ \% \end{array} \times \begin{array}{l} \text{Ownership} \\ \% \end{array} = \text{Sales Volume}$$

Formula for reporting on overlapped tracts:

$$\begin{array}{l} \text{Total} \\ \text{Volume} \\ \text{Sold} \end{array} \times \begin{array}{l} \text{CA} \\ \text{Tract} \\ \% \end{array} \times \begin{array}{l} \text{Ownership} \\ \% \end{array} \times \begin{array}{l} \text{PA} \\ \text{Tract} \\ \% \end{array} = \text{Sales Volume}$$

**Royalty Reporting on 891-014332-E  
Seven Mile Gulch Unit  
Dakota "A-B" PA**

<u>Lease Number</u>	<u>Tract Nos.</u>	<u>Tract Portion</u>	<u>Acreage</u>
<b>049-024152-0</b>	<b>009</b>	<b>.176471</b>	<b>240.00</b>
<b>049-029907-0</b>	<b>012</b>	<b>.058823</b>	<b>80.00</b>
<b>State &amp; Fee lands</b>		<u><b>.764706</b></u>	<u><b>1040.00</b></u>
		<b>1.000000</b>	<b>1360.00</b>

REMEMBER:

Royalties are reported on the lease

Production is reported on the agreement

## Reporting Royalties on CA WYW 129905

5	6	7	10	11	12	13	14	15		
LINE NUMBER	RESERVED FOR PREPARER'S USE	MMS LEASE NUMBER			PRODUCT CODE	SALES TYPE CODE	SALES MO/YR (MM/CCYY)	TRANSACTION CODE	ADJUSTMENT REASON CODE	SALES VOLUME (Mcf/bbl/gal/long ton)
	8	9								19
	API WELL NUMBER	MMS AGREEMENT NUMBER								ROYALTY VALUE PRIOR TO ALLOWANCES
										\$
1	CA	049	024152	0	01	ARMS	012012	01		62 50
2	PA	049	024152	0	01	ARMS	012012	01		6 62
		891	014332	E						
3	PA	049	029907	0	01	ARMS	012012	01		2 21
		W	112112							

### CA Reporting

$$100 \times .625 = 62.5 \text{ barrels}$$

### PA Reporting (100 x .375 = 37.5 barrels)

$$37.5 \times .176471 = 6.6176625$$

$$37.5 \times .058823 = 2.2058625$$

All production would be reported to CA WYW129905

## Reporting Royalties on the PA

5	6	7	10	11	12	13	14	15
LINE NUMBER	RESERVED FOR PREPARER'S USE	MMS LEASE NUMBER	PRODUCT CODE	SALES TYPE CODE	SALES MO/YR (MM/CCYY)	TRANSACTION CODE	ADJUSTMENT REASON CODE	SALES VOLUME (Mcf/bbl/gal/long ton)
	8	9						19
	API WELL NUMBER	MMS AGREEMENT NUMBER						ROYALTY VALUE PRIOR TO ALLOWANCES \$
1		049 024152 0	01	ARMS	012012	01		44 12
		891 014332 E						
2		049 029907 0	01	ARMS	012012	01		14 71
		891 014332 E						
3								

250 barrels of oil produced and sold in 01/2012

$$250 \times .176471 = 44.11775$$

$$250 \times .058823 = 14.70575$$

## Combining CA & PA Royalties

5	6	7	10	11	12	13	14	15
LINE NUMBER	RESERVED FOR PREPARER'S USE	MMS LEASE NUMBER	PRODUCT CODE	SALES TYPE CODE	SALES MO/YR (MM/CCYY)	TRANSACTION CODE	ADJUSTMENT REASON CODE	SALES VOLUME (Mcf/bbl/gal/long ton)
	8	9						19
	API WELL NUMBER	MMS AGREEMENT NUMBER						ROYALTY VALUE PRIOR TO ALLOWANCES \$
1	CA	049 024152 0	01	ARMS	012012	01		62 50
2	PA	049 024152 0	01	ARMS	012012	01		50 74
		891 014332 E						
3	PA	049 029907 0	01	ARMS	012012	01		16 92
		W 112112						

You can consolidate your CA & PA Royalty Reporting

CA Reporting

$$100 \times .625 = 62.5 \text{ barrels}$$

CA & PA Reporting

$$049-024152-0 \quad \text{CA } (37.5 \times .176471 = 6.62)$$

$$\text{PA } (250 \times .176471 = 44.12)$$

$$049-029907-0 \quad \text{CA } (37.5 \times .058823 = 2.21)$$

$$\text{PA } (250 \times .058823 = 14.71)$$







**Report of Sales And Royalty  
Remittance  
ONRR 2014 Report**

**BASIC REPORTING  
PRINCIPLES AND  
FORM  
PREPARATION**

This section will cover basic reporting information and instructions for ONRR royalty reporters. You should carefully follow these reporting instructions to avoid delays in acceptance of reports and payments.



## Leases Reported and Paid To ONRR

### Federal Leases (Onshore)

- Royalty (Producing)
- Minimum Royalty
- Rent – 2014 Report
- Minimum royalty

### Indian Leases (Tribal & Allotted)

- Royalty (Producing)
- Advance rent  
(Producing)
- Rent (Non-producing  
leases that committed  
to producing  
agreements)

Submit a Form 2014 if you assume responsibility for reporting and paying the following:

- Royalties on production from Federal or Indian leases and agreements
- Rent or minimum royalty
- Royalties on the sale of test production from the initial lease well before the lease is classified as capable of producing
- Fees on a gas storage agreement
- Royalties on compensatory royalty agreements or assessments against
- Federal or Indian lands
- Well fees if stated in the lease terms

***Do not** combine Federal and Indian leases on the same report. A separate report is required for each.*



U.S. Department of the Interior  
**Office of Natural Resources Revenue**

**Reporter  
Training  
2012**

## **Contact Information**

Toll Free

1-800-525-0309 Royalty Team

1-800-525-9167 Reference Team

303-231-3650 Local Denver

FAX

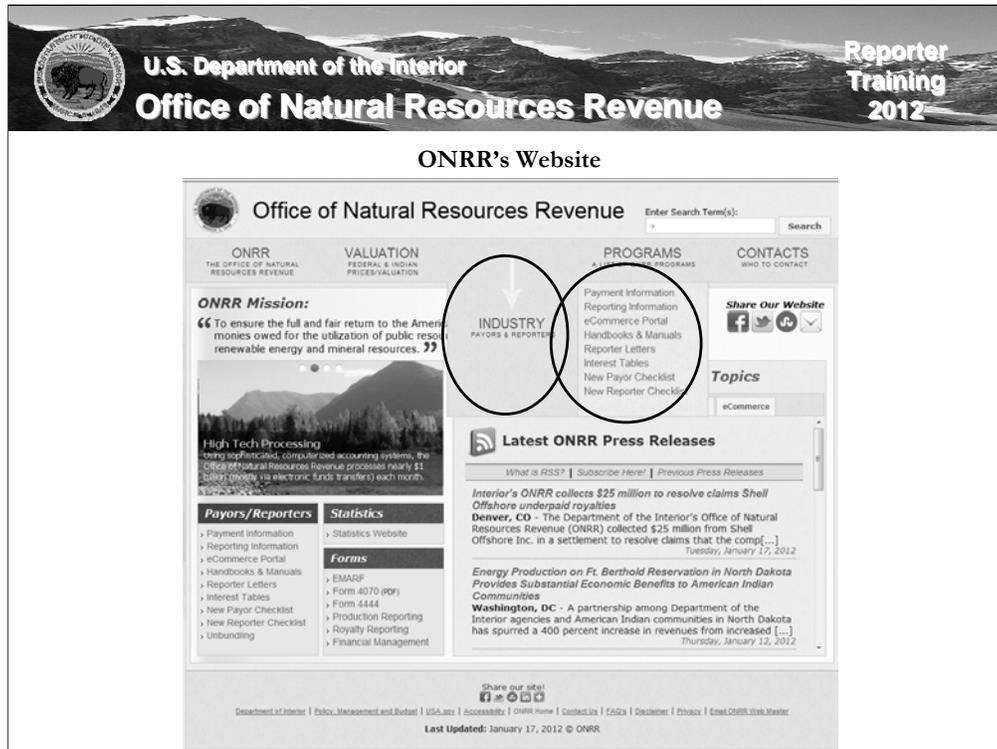
(303) 231-3700 or (303) 231-3608

## **Electronic Commerce Contacts**

For assistance with E-commerce, contact the Error Correction Analyst assigned to your company. The contact list can be found at:

<http://www.onrr.gov/FM/FPDFDocs/coassign.pdf>

If you have a problem with reporting or reference actions, please call a member of the Reporting Services team. We are here to help whether it relates to reference actions or with reporting.



The ONRR Website provides a vast array of information for reporters and payors. By clicking on the Industry heading – it will provide a drop down box that will direct you to Payment Information, Reporting Information, e-Commerce Portal, Handbooks & Manuals, Reporter Letters, Interest Tables, New Payor Checklist, and New Reporter Checklist.

The e-commerce Portal tab will be covered later in a separate, more-detailed presentation.

The screenshot shows the website for the Office of Natural Resources Revenue. At the top, there is a banner with the U.S. Department of the Interior logo on the left, the text "U.S. Department of the Interior Office of Natural Resources Revenue" in the center, and "Reporter Training 2012" on the right. Below the banner is a navigation bar with links for ONRR, VALUATION, INDUSTRY, PROGRAMS, and CONTACTS. A search bar is located on the right side of the navigation bar. The main content area is titled "Payment Information" and contains several sections: "If you pay by check, please read this." with instructions for mail payments; "Interest Calculation Tables" with a link to late payment interest tables; "Electronic Payment Information" which is highlighted with a red box and includes links for pay.gov, ACH, and Treasury Direct; "Payment for Indian Leases" with links to instructions and codes; "New Payor Checklist" with a link to the checklist; and "Payment Information Contacts" listing Linda Hutchings and Kathy Amos. A sidebar on the right titled "FM QUICK LINKS" contains links to the FM Directory, Reporting Information, Payment Information, Forms, Handbooks & Manuals, Reporter Letters, Data Warehouse Portal, and Reporter Training.

Clicking on the Payment Information subheading will bring you to this page. This webpage is a dedicated to payment information –where to send your check, interest calculation tables, electronic payment information, payment for Indian leases, New Payor checklist, and payment information contacts. The next slide will cover the section Electronic Payment Information.



## Electronic Payment Methods

- **Pay.Gov – Fast! Easy! Free!**
  - Pay.gov is a free, secure, web-based electronic option to make royalty and invoice payments to ONRR. Pay.gov is available 24 hours a day, 7 days a week (holidays included) for customers to submit payments.
- **U.S. Treasury Fedwire Deposit System**
  - The U.S. Treasury Fedwire Deposit System (Fedwire) allows you to submit electronic payments to the Office of Natural Resources Revenue (ONRR) for same-day processing.
  - You must provide specific information to your bank so that a Fedwire message can be transmitted to the ONRR U.S. Treasury account. Your bank may require additional information that is not required by the ONRR. *Required* fields for the transfer message to ONRR, and a description of each item on the funds transfer message, are contained within the instructions.
- **Automated Clearing House (ACH)**
  - You have the ability to remit your payments to ONRR through the Automated Clearing House (ACH) network. Your bank will prepare the ACH payment based on your instructions, and then transfer the funds to ONRR's bank account. ACH payments require overnight batch processing by the banking industry, which will delay the receipt of funds by ONRR. Check with your bank to understand how long it will take for ONRR to receive an ACH payment, and make sure to time your transfers to meet payment deadlines.

Payments are authorized by 30 CFR 1218.50. ONRR does not accept cash payments.

**NOTE:** *Include your five-digit, ONRR-assigned payor code and an eight-digit,*

*PAD number on all payments and reports. Assign a unique PAD number to each separate Form 2014. Your payor code and PAD number must match on your report and corresponding payment.*

**Electronic payments.** Our regulations require the use of electronic funds transfer (EFT), such as Automated Clearing House (ACH) or FEDWIRE or Pay.gov, to the extent it is cost-effective and practice for payment of any royalty liability.

**If you pay by check, please read this.**

As of January 1, 2012, you should prepare and send any payments made by check—regardless of different instructions on bills or correspondence—to this address:

***Office of Natural Resources Revenue  
PO Box 25627  
Denver CO 80225-0627***

The old ONRR PO boxes—**5640, 5760, 5810, 5860, 17110 and 173702**—are now closed. All mail sent to those boxes is being forwarded to our new PO Box, which can add days to its delivery. Please read and follow all instructions regarding payments by mail, as well as general correspondence, in the letter sent to all reporters on *August 29, 2011*, at

<http://www.onrr.gov/FM/PDFDocs/20110829.pdf>

The screenshot shows the 'Reporting Information' page of the Office of Natural Resources Revenue. The page is organized into several sections:

- Attention All Reporters - Please Read**
  - OFRR eCommerce Reporting web site information (#09)
- New Operator Checklist**
  - New Operator Checklist
- Contacts**
  - Production Reporting**
    - Production Reporting Contacts (as of 02/09/2012) (#09)
    - BLM AFMS Contacts (as of 1/27/2012) (#09)
    - BLM Inspection Offices by APL County (as of 11/23/2010) (#09)
    - BOEM BSEE Gulf of Mexico TMS Contacts (as of 2/13/2012) (#09)
    - BOEM BSEE Pacific TMS Contacts (as of 2/13/2012) (#09)
  - Royalty Reporting**
    - Royalty Reporting Contacts (#09)
  - Lease and Agreement Maintenance**
    - Lease and Agreement Maintenance Contacts (#09)
  - Electronic Reporting**
    - Electronic Reporting Contacts and Information
    - Electronic Reporting Forms
    - Electronic Royalty Reporting presentation re 2014s (dated 2011) (#09)
    - "What is the Data Warehouse Portal?" presentation re 2014s (dated 2011) (#09)
    - eCommerce Electronic OGOR Reporting presentation (dated 2011) (#09)
    - Data Warehouse Portal presentation re OGORs (dated 2011) (#09)
    - Production Reporting Information
    - Production Reporting References
    - Royalty Reporting Information
    - Solid Minerals Reporting Information
  - Cross-Referenced Lease and Agreement Number Lists**
    - Cross-Referenced Lease and Agreement Number Lists

The right sidebar, titled 'FM QUICK LINKS', includes: FM Directory, Reporting Information, Payment Information, Forms, Handbooks & Manuals, Reporter Letters, Data Warehouse Portal, and Reporter Training.

The Reporting Information page is where you will find:

1. Checklists
2. Contacts – Production Reporting, Royalty Reporting and Lease and Agreement Maintenance
3. Electronic Reporting Information
4. Cross Referenced Lease and Agreement Lists

The screenshot shows the website header for the U.S. Department of the Interior, Office of Natural Resources Revenue, with a 'Reporter Training 2012' banner. The main heading is 'Handbooks & Manuals'. Below this, there is a navigation menu with categories: ONRR, VALUATION, INDUSTRY, PROGRAMS, and CONTACTS. The 'Handbooks and Manuals' section lists several handbooks with their release dates and contact information for questions. A sidebar on the right contains 'FM QUICK LINKS' such as FM Directory, Reporting Information, and Payment Information. The footer includes social media icons and a 'Last Updated' date of February 16, 2012.

The Handbooks and Manual Page lists all handbooks and manuals available for reporters and operators to reference. This page includes:

- The Minerals Revenue Reporter Handbook -- This handbook provides instructions and examples to assist reporters in preparing the Report of Sales and Royalty Remittance (Form 2014), which is required by the Office of Natural Resources Revenue (ONRR) for reporting and paying revenues due on Federal and Indian oil, gas, and geothermal leases. ONRR, a bureau within the Department of the Interior (DOI), is responsible for collecting, accounting for, and disbursing revenues on minerals produced from Federal and Indian lands. ONRR receives and processes these payments through our financial accounting system, using the information reported on the Form 2014.
- The Minerals Production Reporter Handbook – provides detailed instructions on completing an Oil & Gas Operations Report (OGOR).
- The Oil and Gas Payor Handbook, Volume III—Product Valuation provides detailed royalty valuation procedures for Federal and Indian oil and gas leases and information on reporting processing and transportation allowances.

The screenshot shows the 'Reporter Letters' page on the ONRR website. At the top, there is a banner with the U.S. Department of the Interior logo and the text 'U.S. Department of the Interior Office of Natural Resources Revenue' and 'Reporter Training 2012'. Below the banner, the page title 'Dear Reporter Letters' is centered. The main content area includes a search bar, navigation tabs for 'ONRR', 'VALUATION', 'INDUSTRY', 'PROGRAMS', and 'CONTACTS', and a breadcrumb trail 'Home > Reporter Letters'. The 'Reporter Letters' section has a heading 'Reporter Letters' and a sub-heading 'Please select a payor letter then click on the submit button.' Below this, there are two filter sections: 'Arranged by Date' with a dropdown menu showing 'February 2, 2012' and 'Annual Notification of Compliance Reviews - Solid Minerals', and 'Arranged Alphabetically by Subject' with a dropdown menu showing 'Web Electronic Reporting Format Effective June 1, 2001 - October 06, 2009'. Each filter section has 'Submit' and 'Reset' buttons. To the right of the filter sections is a sidebar titled 'FM QUICK LINKS' with a list of links: 'FM Directory', 'Reporting Information', 'Payment Information Forms', 'Handbooks & Manuals', 'Reporter Letters', 'Data Warehouse Portal', and 'Reporter Training'. At the bottom of the page, there is a footer with social media icons, a 'Share our site!' link, and a list of site links including 'Department of Interior', 'Policy, Management and Budget', 'USA.gov', 'Accessibility', 'ONRR Home', 'Contact Us', 'FAQs', 'Disclaimer', 'Privacy', and 'Email ONRR Web Master'. The footer also includes the text 'Last Updated: February 7, 2012 © ONRR'.

The Reporter Letter page lists all letters to payors and reporters sent by FM, organized by date and by subject.

U.S. Department of the Interior  
Office of Natural Resources Revenue

Reporter Training 2012

# Interest Tables

**Office of Natural Resources Revenue**

Enter Search Term(s):  Search

ONRR THE OFFICE OF NATURAL RESOURCES REVENUE VALUATION FEDERAL & INDIAN PRICES/VALUATION INDUSTRY PAYORS & REPORTERS PROGRAMS A LIST OF ONRR PROGRAMS CONTACTS WHO TO CONTACT

Home Financial Management **Late Payment & Overpayment Interest Tables '10-Current**

**Late Payment & Overpayment Interest Tables**

Years 2010 through Current Year

The Federal Oil and Gas Royalty Simplification and Fairness Act of 1996 (RSFA), requires ONRR to pay interest on federal oil and gas royalty overpayments. The RSFA also allows royalty reporters to calculate interest on royalties and to report this interest on the Report of Sales and Royalty Remittance, (Form MMS-2014).

This reporting option applies solely to federal oil and gas leases and to reports for sales months January 1997 and later. Reporters may begin reporting interest on overpayments and underpayments on Form MMS-2014 for the October 1997 report month.

Underpayment interest on solid mineral and geothermal leases is calculated as simple interest using the United States Treasury Current Value of Funds Rate. Underpayment interest on oil and gas leases is calculated as compound interest using the Internal Revenue Service underpayment rate for corporate tax payers.

Overpayment interest on oil and gas leases is calculated as compound interest using the Internal Revenue Service overpayment rate for corporate tax payers.

The following table contains the interest rates used to calculate underpayment and overpayment interest.

Interest Calculator [Click Here for a Sample Interest Calculator](#)

Interest Table for Years 1997 through 1999  
Interest Table for Years 2000 through 2004  
Interest Table for Years 2005 through 2009

Rates Used to Calculate Interest				
Period	Late Payments and Underpayments		Overpayments	
	Indian Leases	Solid Mineral and Geothermal Leases *	Federal Oil and Gas Leases	Federal Oil and Gas Leases
03-03-2010 thru 03-31-2010	4.0%	1.0%	4.0%	3.0%
04-01-2010 thru 06-30-2010	4.0%	1.0%	4.0%	3.0%
07-01-2010 thru 09-30-2010	4.0%	1.0%	4.0%	3.0%
10-01-2010 thru 12-31-2010	4.0%	1.0%	4.0%	3.0%
01-01-2011 thru 03-31-2011	3.0%	1.0%	3.0%	2.0%
04-01-2011 thru 06-30-2011	4.0%	1.0%	4.0%	3.0%
07-01-2011 thru	4.0%	1.0%	4.0%	3.0%

The Federal Oil and Gas Royalty Simplification and Fairness Act of 1996 (RSFA), requires ONRR to pay interest on federal oil and gas royalty overpayments. The RSFA also allows royalty reporters to calculate interest on royalties and to report this interest on the Report of Sales and Royalty Remittance, (Form 2014).

This reporting option applies solely to federal oil and gas leases and to reports for sales months January 1997 and later. Reporters may begin reporting interest on overpayments and underpayments on Form 2014 for the October 1997 report month.

Underpayment interest on solid mineral and geothermal leases is calculated as simple interest using the United States Treasury Current Value of Funds Rate. Underpayment interest on oil and gas leases is calculated as compound interest using the Internal Revenue Service underpayment rate for corporate tax payers. Overpayment interest on oil and gas leases is calculated as compound interest using the Internal Revenue Service overpayment rate for corporate tax payers.

This page contains the interest rates used to calculate underpayment and overpayment interest.

The screenshot shows the 'New Payor Checklist' page on the ONRR website. The page header includes the U.S. Department of the Interior logo and the text 'U.S. Department of the Interior Office of Natural Resources Revenue' and 'Reporter Training 2012'. The main content area is titled 'New Payor Checklist' and contains the following tasks:

- **Perform the following tasks** to assure your company is set up to report and remit royalty payments for Federal and Indian leases correctly and timely.
- **Have a Payor Code** assigned to your company (required for reports and payments)—contact Ms. Karen Witt-Harper at (303) 231-3463 or karen.witt-harper@onrr.gov.
- **Set up electronic reporting** on the Report of Sales and Royalty Remittance Form, MMS-2014: Electronic Reporting Options.
- **Set up electronic payment** for royalties and invoices (NOT for Courtesy Notice or tribal lockbox payments—see below) via electronic funds transfer (EFT):
  - Pay.gov FAQ, Instructions and Examples.pdf
  - Automated Clearing House (ACH) Instructions.pdf
  - U.S. Treasury Fedwire Deposit System Instructions.pdf
- **Courtesy Notice payments, including Rent**, are currently exempt from the electronic payment requirement. Be sure to time payments to meet the due date in your lease(s).
- **Tribal lockbox payments** must be reported and sent timely to the tribes listed on the Payment Instructions for Indian Leases page.
- **You must complete, sign and mail an External MRMSS Application Request Form (EMARF)** for access to the ONRR Data Warehouse Portal so you will be able to view your archived Royalty (2014), OIGRI and PASIR reports, and your Statement of Account.
  - External MRM Application Request Form.pdf (EMARF) (as of 12/2010)
  - EMARF Instructions.pdf (as of 12/2010)
- **You must complete, sign, and mail at least one original Form ONRR-4444, Addressee of Record Designation for Service of Official Correspondence to ONRR.** Be sure to print and follow the instructions.
  - Form ONRR-4444.pdf
  - Instructions for Form ONRR-4444.pdf (for payors and operators)
- **You must complete, sign and mail a Request for Taxpayer ID, Form W-9,** to establish your account with ONRR. Please read the instructions carefully.
  - Form W-9.pdf (Request for Taxpayer ID)
  - Form W-9 Instructions to Payors and Operators.pdf

The New Payor Checklist page takes you step by step in ensuring that you have requested or submitted the required forms in order to start reporting and paying on Federal/Indian leases and agreements.

It provides answers to the following questions:

- How do I get a payor code?
- How do I get set up for electronic payments and electronic reporting?
- What forms do I need to fill out for reporting?
- What form do I need to fill out to ensure I receive correspondence from ONRR?
- Do I need to submit a W-9?

It also provides information and contacts to support and assist payors.



**U.S. Department of the Interior**  
**Office of Natural Resources Revenue**

**Reporter Training 2012**

## New Payor Checklist (continued)

**Information and contacts to support and assist Payors**

**Handbooks** – Payors can access PDF versions of the current handbooks via the links below. FM will provide one hard copy of these handbooks to current Federal or Indian lease reporters/payors *only* if they cannot access the PDF version on line. To receive a copy, contact Barbara Fletcher at 303-231-3605 or [barbara.fletcher@onrr.gov](mailto:barbara.fletcher@onrr.gov).

[Minerals Revenue Report Handbook \(PDF\)](#)  
[Oil and Gas Payor Handbook, Volume III – Product Valuation \(PDF\)](#)

**Accounts receivable and billing assistance is available from analysts, assigned by company name:**

[Financial Services Federal Company Assignments \(PDF\)](#)  
[Financial Services Indian Company Assignments \(PDF\)](#)

**Lease and agreement maintenance and error correction assistance is available from analysts who are assigned by topic or state:**

[Lease and Agreement Maintenance Contacts \(PDF\)](#)

**Royalty report analysis and error correction assistance is available from analysts who are assigned by company:**

[Royalty Reporting Contacts \(PDF\)](#)

Late Payment and Overpayment Interest Tables, from 1997 to the present, are available at [Late Payment & Overpayment Interest Tables](#)

Reporter Training information and schedules are posted as soon as they are available at [Reporter Training](#)

*Prepared by the Financial Management Division of FPM, Office of Natural Resources Revenue. Please forward changes or questions to [Barbara.Fletcher@onrr.gov](mailto:Barbara.Fletcher@onrr.gov).*

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Last Updated: February 15, 2012 © ONRR

The Financial Services branch ensures that industry reporters follow Federal laws, regulations and lease terms in their financial reporting to ONRR. Financial Services bills for late payment interest and insufficient estimates on Federal, Indian and Geothermal leases, bills for over-recoupments on Indian leases, and bills for rental, minimum royalty, rights-of-way and other financial term exceptions. Financial Services is the customer service focal point to resolve any financial issues, including billing, database and payment questions.

Accounts receivable and billing assistance is available from analysts, assigned by company name.

**U.S. Department of the Interior**  
**Office of Natural Resources Revenue**

Reporter Training 2012

# New Operator Checklist

Office of Natural Resources Revenue

ONRR THE OFFICE OF NATURAL RESOURCES REVENUE | VALUATION FEDERAL & INDIAN PRICES/VALUATION | INDUSTRY PAYORS & REPORTERS | PROGRAMS A LIST OF ONRR PROGRAMS | CONTACTS WHO TO CONTACT

Home > Financial Management > **New Operator Checklist**

## New Operator Checklist

**Perform the following tasks** to assure your company is set up correctly to report production for offshore leases/agreements or for onshore Federal and Indian leases/agreements.

- Have an Operator Number assigned to your company.
  - **OFFSHORE operators:** To become an operator on the OCS and have an Operator Number assigned, file qualification documents with the Adjudication Office of the desired Region. Examples of qualifying documents are at Oil and Gas Leasing Procedure Guidelines (pdf).
  - For further information, contact:
    - Fred King, re Alaska OCS Region, (907) 334-5273
    - Ann Glazner, re Gulf of Mexico OCS Region, (504) 736-1710
    - Elverlene Williams, re Pacific OCS Region, (805) 389-7837
  - **ONSHORE operators:** Contact Denise McGee at (303) 231-3627 or Denise.McGee@onrr.gov. She will assign your Operator Number, then transfer you to an analyst who will help you set up electronic reporting and explain MRM reporting requirements.
- You must complete, sign and mail an External MRMS Application Request Form (EMARF) for access to the ONRR Data Warehouse Portal so you will be able to view your archived Royalty (2014), OGOR and PASR reports, and your Statement of Account, on line
  - External MRM Application Request Form (pdf) (EMARF) (as of 12/2010)
  - EMARF Instructions (pdf) (as of 12/2010)
- You must complete, sign, and mail at least one original Form ONRR-4444, Addressee of Record Designation for Service of Official Correspondence to ONRR. Be sure to print and follow the instructions.
  - Form ONRR-4444 (pdf)
  - Instructions for Form ONRR-4444 (pdf) (for payors and operators)

**Information and contacts to support and assist Operators**

**Operator Handbook:** The Minerals Production Reporter Handbook is on the Handbooks and Manuals page.  
**Notes:** For production reporting purposes, print Chapter 5 and Appendices H and I.

**Production analysts** – assigned by company – who help reporters with Oil & Gas Operations Reports (OGORS) and Production Allocation Schedule Reports (PASRs) are available from the Production Reporting Contacts page.

**Reporter Training** information and schedules are posted as soon as they become available at Reporter Training.

Prepared by the Financial Management Division of FPM, Office of Natural Resources Revenue. Please forward changes or questions to [Business.Planet@onrr.gov](mailto:Business.Planet@onrr.gov).

The New Operator Checklist page takes you step by step to assure your company is set up correctly to report production for offshore leases/agreements or for onshore Federal and Indian leases/agreements.

It provides answers to the following questions:

- How do I get an operator code?
- What forms do I need to fill out for reporting?
- What form do I need to fill out to ensure I receive correspondence from ONRR?

It also provides information and contacts to support and assist operators.



## Reports and Payments

- Include your five-digit, ONRR-assigned payor code and an eight-digit PAD number on all payments and reports.
- Your payor code and PAD number must match on your report and corresponding payment.
- The payment total and the 2014 report total must match.

Include your five-digit, ONRR-assigned payor code and an eight-digit PA number on all payments and reports. Your payor code and PAD number must match on your report and corresponding payment.



**Due Dates**

- **Royalties are due the last day of the month following the month the product was sold or removed from the lease.**
  - If the last day of the month falls on a weekend or Federal holiday, the royalties are due the next business day.
  - Payments are due by 4 p.m. Mountain Time and are credited when received; postmark does not apply.
- **Minimum royalties Payments** – Reports and payments for minimum royalties are due to ONRR by 4:00 p.m. mountain time on or before the last day of the month and year of the lease year, regardless of whether or not there is an estimate established on the lease.
- **Rental Payments** – Reports and payments for rents are due to ONRR by 4 p.m. mountain time on or before the lease anniversary date.
- **Reports are due by 6 pm Mountain Time if reporting electronically; received by 4 pm Mountain Time if reporting on paper.**

**Royalties.** Forms 2014 and related payments are due to ONRR by 4 p.m. mountain time on or before the last day of the month following the month the product was sold or removed from the lease unless lease terms state that royalties are due otherwise

**Rentals.** Reports and payments for rents are due to ONRR by 4 p.m. mountain time on or before the lease anniversary date.

**Minimum royalties.** Reports and payments for minimum royalties are due to ONRR by 4:00 p.m. mountain time on or before the last day of the month and year of the lease year, regardless of whether or not there is an estimate established on the lease.

#### **NOTE**

If the last day of the month falls on a weekend or Federal holiday, send us the report and payment by 4 p.m. mountain time the next business day.

#### **NOTE**

We credit Form 2014 reports and payments when we actually receive. The receipt date is the date we receive the document; the postmark does not apply.



## Authorized Reporting Forms

- Paper Form 2014
  - Only to be used if you are not required to report electronically
  - Photocopies must be 8 1/2 inches long by 14 inches wide.
- Electronic Form (e-Commerce)
  - ONRR now requires most reporters to submit data electronically

We now require most reporters to submit data electronically. (See Electronic Reporting, Final Rule, 64 FR 38116, July 15, 1999.)

If you are not required to report electronically, you can print copies of Form 2014 from our website. Photocopies must be 8 1/2 inches long by 14 inches wide.

# Form MMS-2014

Form MMS-2014 ( Effective 10/01/2001 )  
 OMB 1010-0140  
 Expires 08/31/2003

U.S. DEPARTMENT OF THE INTERIOR  
 Minerals Management Service - Minerals Revenue Management

REPORT OF SALES AND ROYALTY REMITTANCE  
 FORM MMS-2014

1 PAYOR NAME: \_\_\_\_\_

2 PAYOR CODE: \_\_\_\_\_

3 FEDERAL/INDIAN REPORT INDICATOR  (F or I)

4 PAYOR-ASSIGNED DOCUMENT NUMBER \_\_\_\_\_

PAGE \_\_\_\_\_ OF \_\_\_\_\_

5 LINE NUMBER	6 RESERVED FOR PREPARER'S USE	7 MMS LEASE NUMBER	10 PRODUCT CODE	11 SALES TYPE CODE	12 SALES MOYR (MMCCYY)	13 TRANSACTION CODE	14 ADJUSTMENT REASON CODE	15 SALES VOLUME (Mct/bbl/gal/long ton)	16 GAS MMBtu	17 SALES VALUE \$	18 INTENTIONALLY LEFT BLANK	23 PAYMENT METHOD CODE
8 API WELL NUMBER	9 MMS AGREEMENT NUMBER						19 ROYALTY VALUE PRIOR TO ALLOWANCES \$	20 TRANSPORTATION ALLOWANCE DEDUCTION \$	21 PROCESSING ALLOWANCE DEDUCTION \$	22 ROYALTY VALUE LESS ALLOWANCES \$		
1												
2												
3												
4												

I have read and examined the statements in this report and agree they are accurate and complete.

Authorized Name (print) and Signature \_\_\_\_\_ Date \_\_\_\_\_

If company contact information has changed, please indicate below: (Please print)

Contact Name \_\_\_\_\_ Phone Number \_\_\_\_\_

Street \_\_\_\_\_ P.O. Box \_\_\_\_\_ Suite or Other Identifier \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Fax Number \_\_\_\_\_ Email Address \_\_\_\_\_

Form MMS-2014 ( Rev. 3/8/2001 )

PAYMENT INFORMATION

Checks To MMS (PM1) \_\_\_\_\_

\*Indian Direct Pay (PM2) \_\_\_\_\_

EFT Payments (PM3) \_\_\_\_\_

\*Royalty-In-Kind (PM4) \_\_\_\_\_

Checks To MMS For BIA (PM5) \_\_\_\_\_

Other (For Future Use ) (PM6) \_\_\_\_\_

\*Indian Lockbox (PM7) \_\_\_\_\_

Total All Payments: \_\_\_\_\_

Less Available Credits: (\*Credits may not be applied to PM2, PM4, PM7 )

Doc. ID: \_\_\_\_\_

Doc. ID: \_\_\_\_\_

Doc. ID: \_\_\_\_\_

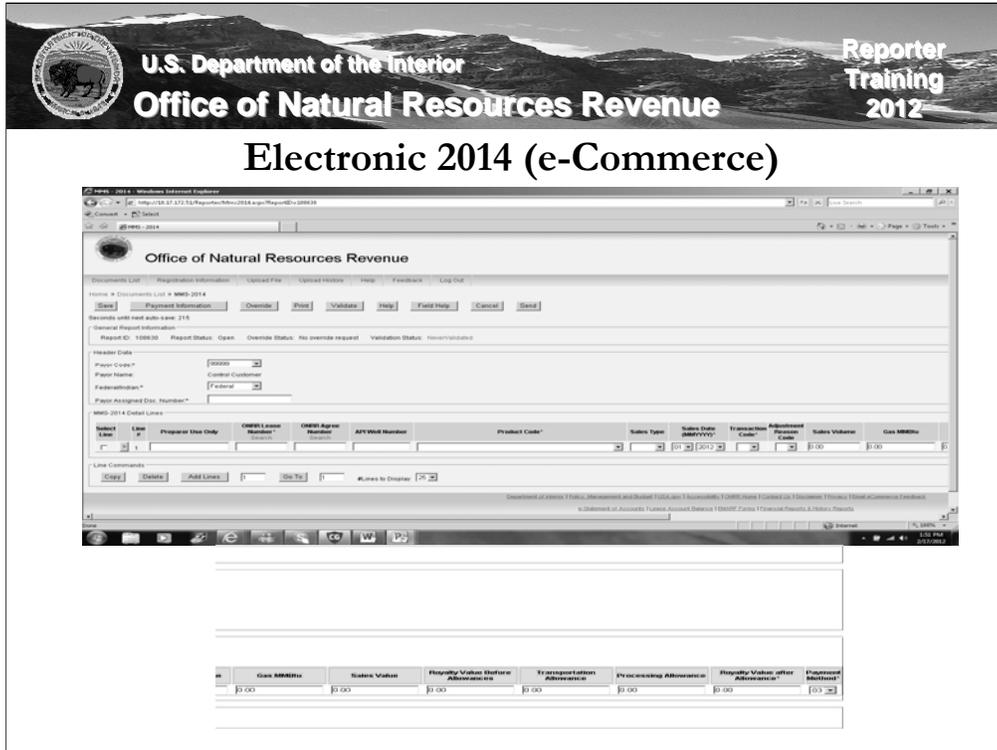
Net Payment for this Report: \_\_\_\_\_

PAGE TOTAL REPORT TOTAL \_\_\_\_\_

The information reported on the Form 2014 are:

- Royalties on Federal and Indian leases.
- Minimum royalty on producing leases.
- Rents on producing Indian leases.
- Rents on Federal leases

We will go through each field of the Form 2014. The slides are presented in electronic reporting format so you are able to visually see the separate fields and correct reporting. However, the paper and electronic forms require the same information; the difference between paper and electronic reporting is the way information is input.



This is an example of what the Electronic 2014 (e-Commerce) form looks like.



The 2014 is divided into 3 sections:

The Header, the Detail and the Trailer.

The following screens will provide detailed information on these 3 sections.

 **U.S. Department of the Interior**  
**Office of Natural Resources Revenue**

**Reporter Training 2012**

## HEADER SECTION

Header Data	
Payor Code:*	<input type="text" value="99999"/>
Payor Name:	Control Customer
Federal/Indian:*	<input type="text" value="Federal"/>
Payor Assigned Doc. Number:*	<input type="text"/>

**Payor Code identifies the company – Pull down list will show all of the codes that you are authorized to use.**

**Five digits (numeric) assigned by ONRR**

We will begin with the Header Section which identifies the report and the company reporting the data.

The Payor Code field identifies the company who is reporting. The payor code is five digits and is assigned by ONRR. A pull down list will show you all the codes that you are authorized to use.

U.S. Department of the Interior  
Office of Natural Resources Revenue

Reporter Training 2012

Header Data

Payor Code:\* 99999

Payor Name: Control Customer

Federal/Indian:\* Federal

**Payor name is now pre-populated**

**Payor Code.** (you will click on the down arrow)

If there is more than one code listed, select the payor code that you will be reporting on.

The payor code is a five-digit number assigned by ONRR and identifies the company. We do have edits that will reject the entire report if an invalid payor code is used.

It is vital that your payor code must be on all payments and reports as already stated in the previous section.

Once you have selected the payor code, the Payor Name Field will automatically populate.

Remember: If you report using more than one payor code, you need to prepare a separate report and matching payment for each payor code.



Header Data

Payor Code:*	<input type="text" value="99999"/>
Payor Name:	Control Customer
Federal/Indian:*	<input type="text" value="Federal"/>
Payor Assigned Doc. Number:*	<input type="text"/>

The Payor Assigned Doc. Number must be entered.

- **Payor-Assigned Document Number or PAD #:**
- **Assigned by the payor**
- **Eight digit field (numeric, alpha or combination)**
- **Required on all payments and reports**
- **Unique for each payment/report combination**

The Payor Assigned Doc. Number is an eight-number identifier chosen by the payor. This number must be unique. Note: If you are reporting an audit finding, you must use the UFI (Unique Finding Identifier) as the Payor Assigned Doc Number. The UFI is provided in the Issue Letter or Order that you received from ONRR.

This is required on all payments and reports. The same PAD number must be included on the accompanying payment document, including payments made to lockboxes.



Header Data

Payor Code:\*  ▼

Payor Name:

Federal/Indian:\*  ▼

Payor Assigned Doc. Number:\*

- **Report Indicator: Select Federal or Indian from drop down**
- **Separate reports for Federal and Indian leases.**

Your report must indicate whether it is for Federal or Indian reporting.

Please remember: You must remit separate reports for Federal and Indian leases. You **cannot** report Federal and Indian on the same report.

# Detail Section

## Contains the lease information

5	6	7	10	11	12	13	14	15	16	17	18	23
LINE NUMBER	RESERVED FOR PREPARER'S USE	MMS LEASE NUMBER	PRODUCT CODE	SALES TYPE CODE	SALES MO/YR (MMCCYY)	TRANSACTION CODE	ADJUSTMENT REASON CODE	SALES VOLUME (mcf/bbls/gal/long tons)	GAS MMBtu	SALES VALUE \$	INTENTIONALLY LEFT BLANK	PAYMENT METHOD CODE
8	9							19	20	21	22	
API WELL NUMBER	MMS AGREEMENT NUMBER							ROYALTY VALUE PRIOR TO ALLOWANCES \$	TRANSPORTATION ALLOWANCE DEDUCTION \$	PROCESSING ALLOWANCE DEDUCTION \$	ROYALTY VALUE LESS ALLOWANCES \$	
1												
2												

MMS-2014 Detail Lines

• The Payor Assigned Doc. Number must be entered.

Select Line	Line #	Preparer Use Only	MMS Lease Number*	MMS Agree Number	API Well Number	Product Code*	Sales Type	Sales Date (MM/YYYY)*	Transaction Code*	Assignment Reason Code	Sales Volume
	1							01	2012		0.00

Gas MMBtu	Sales Value	Royalty Value Before Allowances	Transportation Allowance	Processing Allowance	Royalty Value after Allowance*	Payment Method*
0.00	0.00	0.00	0.00	0.00	0.00	03

The Detail Section is the area where you will input your lease information.

You notice how there are fields that are stacked on the paper version. When filing electronically, you'll find it all contained in one very long line which you have to scroll through. Because electronic reporting is required, we will be showing the fields as they appear on the website.



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**Preparer Use Only**

**Use this space to communicate  
with ONRR  
Identify property: property name,  
company lease number – Up to 20  
characters**

In the Preparer Use Only field, a payor is able to communicate with ONRR. This field is restricted to 20 characters.



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**ONRR Lease Number\***  
Search

0490102700

**Valid ONRR converted lease number**

**Cross Reference table on our website at:**  
<http://www.onrr.gov/FM/CrossRef.htm>

Must be completed with a valid ONRR-converted lease number consisting of 10 digits (a 3-digit prefix, 6-digit body, and 1-digit suffix).

If you do not know the ONRR converted lease number, go to <http://www.onrr.gov/FM/CrossRef.htm>.



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**ONRR Agree  
Number  
Search**

**Valid ONRR converted agreement  
number  
Cross Reference table on our website  
at:**  
<http://www.onrr.gov/FM/CrossRef.htm>

When reporting royalties based on production allocated from an agreement, the ONRR converted agreement number should be reported) in addition to the lease number in block 7. The agreement number consists of three parts:

Prefix = 3 characters, left justified

Serial No. = 6 characters, right justified

Suffix = 2 characters, left justified



**API Well Number**

90080012300S01

### **API Well Number For Future Use**

Complete or leave blank.

Report this number only if required by ONRR on certain Indian properties and offshore deep water wells under royalty relief. If you are required to report this number, enter a 15-character set that consists of the 12-digit API-assigned well number and the 3-character producing interval indicator; for example, 90080012300S01.



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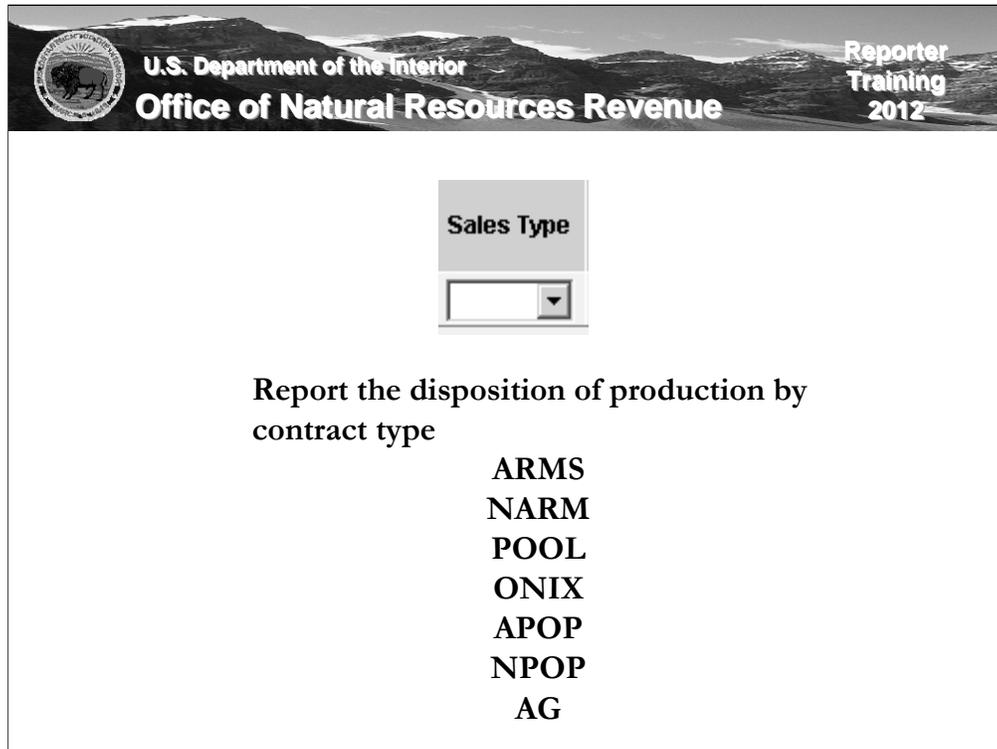
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Product Code\*

Report the product sold or removed from the lease.

*Report the product sold or removed from the lease. Below we have listed some of the product codes associated to Oil and Gas. For a complete list of product codes, please visit Minerals Revenue Handbook Appendix C.*

Code	Description
01	Oil
02	Condensate
03	Processed (residue) gas
04	Unprocessed (wet) gas
05	Pipeline condensate, retrograde condensate, drip condensate, drip
06	Plant inlet scrubber
07	Gas plant products
09	Nitrogen
12	Flash gas
13	Fuel oil
14	Oil lost



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**Sales Type**

**Report the disposition of production by contract type**

**ARMS**  
**NARM**  
**POOL**  
**ONIX**  
**APOP**  
**NPOP**  
**AG**

ARMS -- sold under an Arms Length Contract

NARM -- sold under a Non Arms Length Contract

POOL -- Some companies aggregate their volumes in pools and then sell or exchange their product under multiple contracts. In a pooling situation, you will determine value by computing a weighted average of the prices for all ARMS and NARMS sales at all downstream sales outlets.

ONIX -- Use OINX to report Federal lease oil production that is valued based on index. Use OINX to report Indian lease gas production that is valued based on index regardless of contract type (POP, NARM etc.).

APOP -- POP contracts are defined as sales of gas prior to processing in which the value of the wet, unprocessed gas is based on a percentage of the proceeds the purchaser receives for the sale of residue gas and gas plant products attributable to processing the lessee's gas. (Use for arm's length)

NPOP -- POP contracts are defined as sales of gas prior to processing in which the value of the wet, unprocessed gas is based on a percentage of the proceeds the purchaser receives for the sale of residue gas and gas plant products attributable to processing the lessee's gas. (Use for non- arm's length)

AG -- only used when audit indicates to use this code.

These will be explained further during the valuation training.

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**Sales Date  
(MMYYYY)\***

01 ▼ 2012 ▼

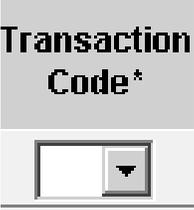
**Month and year product  
sold or removed from  
the lease**

This indicates the month and year the product was sold or removed from the lease.

- For Royalties: Use the month the product was sold or removed from the lease.
- For Minimum Royalty: Use the last month/year of the lease year that your minimum royalty obligation is due.
- For Rent: Use the first month/year of the lease year that your rent is due.



**Transaction Code\***



**Reason for reporting the line.  
Determines which fields on the  
line must be completed**

It identifies the reason for reporting the line. Report the appropriate transaction code listed in the Minerals Revenue Handbook Appendix E. Our edits are transaction code specific.

Transaction Code Examples:

Code	Description
01	Royalty Due
02	Minimum Royalty Payment
03	Estimated Royalty Payment
04	Rental Payment
05	Advance Rental Payment
11	Transportation Allowance
15	Processing Allowance
25	Recoup Advance Rental Payment



**Adjustment Reason Code**

Use to identify the reason for an adjustment to a previously accepted line or a special reporting situation

Use a valid ARC: **10, 15, 16, 17, 25, 32, 35, 49, (71, 72 for interest)**

This code tells us why you are adjusting a previously reported line or a special reporting situation.

- Adjustments are a two-line entry; report the ARC on both lines.
- Unless instructed otherwise by ONRR, industry can report volume, value, and royalty rate adjustments using ARC 10 - Adjustment.

Here are the codes and descriptions:

Code	Description
10	Adjustment
15	Marginal Property True UP
16	Major Portion/dual accounting
17	ONRR Initiated Compliance Adjustment
32	Estimate Adjustment
35	Unit participating/communitization agreement adjustment
49	Index zone/dual accounting price adjustment
71	Estimate underpayment/overpayment interest
72	Audit underpayment/overpayment interest



**Sales Volume**

15000.00

**Report the volume for which you will  
need to pay royalty**

Enter the volume of the product sold or removed from the lease or from the lease-agreement combination that you are reporting and paying royalties.



Gas MMBtu

0.00

**Gas MMBtu is required  
for product codes 03,  
04, 12, 15, 16, or 39.**

Report a Gas MMBtu for the following gas products: 03, 04, 12, 15, 16, or 39; Otherwise leave the field blank. And you need to adjust the gas volume and btu heating value to: the standard pressure base of 14.73 psia, standard temperature of 60 degrees F and the same degree of water saturation.

- To calculate: example:  $500 \text{ Mcf} \times 1.100 \text{ MMBtu/Mcf} = 550 \text{ MMBtu}$ ; in other words, sales volume x Btu factor= Gas MMBtu).
- The Btu and/or MMBtu should be available to you on your gas plant statement.
- We expect reporters to determine and report the correct Gas MMBtu information on all lines.



**Sales Value**

45787.50

For product codes 03, 04, 12, 15, 16, or 39, use MMBtu price:

**Sales Value = gas MMBtu x MMBtu price**

For other product codes, use bbl, gal, Mcf, or long ton price:

**Sales Value = sales volume x unit price**

- For gas products 03, 04, 12, 15, 16, or 39, report gas MMBtu x MMBtu price.
- For all other products, report sales volume times the unit price



**Royalty Value Before  
Allowances**

5723.44

**Royalty Value Before Allowances is now a  
mandatory field.**

**Calculation: sales value x royalty rate**

Calculation: Sales value x royalty rate.

It is critical to use the correct royalty rate when calculating your payment to ONRR. The **lease royalty rate** is specified in your lease terms. However, your royalty rate may be modified by various royalty relief programs.

**Don't confuse your royalty rate with your division order percentage. The royalty rate is a component of the DOP.**



## Transportation Allowance

-750.00

**A transportation allowance is a deduction  
from royalty due.**

Transportation allowance is a deduction from royalty due for the reasonable, actual costs of transporting your production. Make sure you report the allowance with a **negative sign**.

Your transportation allowance may not exceed 50 percent of the “royalty value prior to allowances” of the product without prior ONRR approval



Processing Allowance

-50.00

**A processing allowance is a deduction from royalty due.**

Processing allowance is a deduction from royalty due for the reasonable, actual costs of extracting and recovering gas plant products from a gas stream (product code 07). You should report the allowance with a **negative sign**.

Your processing allowance may not exceed  $66 \frac{2}{3}$  percent of the “royalty value prior to allowances” of individual gas plant products without prior ONRR approval. All NGL’s recovered at a processing plant are considered a single gas plant product for ONRR reporting purposes and is product code 07.



**Royalty Value after  
Allowance\***

4972.94

**Royalty Value After Allowances is the royalty value after you deduct transportation and/or processing allowances.**

Royalty Value After Allowance is the royalty value after you deduct your transportation and processing allowance deductions.

Calculation:  $RVPA - TA - PA = RVLA$

A screenshot of a software interface showing a dropdown menu for "Payment Method\*". The menu is open, displaying the value "03" and a downward-pointing arrow.

**The payment method code identifies how  
and to whom payment is made**

Report a payment method on all lines, even if your line is negative or no payment is made.

- Your payment method identifies how and to whom the payment is made.
- Use Payment Method 03 for all electronic payments. This includes Pay.gov



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## PAYMENT SECTION

Report Control Block:			
Check to ONRR (PM1):	0.00	Indian Direct Pay (PM2):	0.00
EFT Payments (PM3):	0.00	Royalty-in-Kind (PM4):	0.00
Check to ONRR for BIA (PM5):	0.00	Other (PM6):	0.00
Indian Lockbox (PM7):	0.00		

---

Totals	
Total All Payments:	0.00
Number of Detail Lines:	3

---

**Credits**  
 Less Available Credits: The Sum of all amounts cannot exceed the sum of (Payment Methods) PM1, PM3, and PM5. Credit amounts cannot reduce or be applied to PM2, PM4, or PM7.

Doc ID1:	<input type="text"/>	Amount 1:	<input type="text" value="0.00"/>
Doc ID2:	<input type="text"/>	Amount 2:	<input type="text" value="0.00"/>
Doc ID3:	<input type="text"/>	Amount 3:	<input type="text" value="0.00"/>

Net Payment For Report: 0.00

---

**Authorization**

Authorized Payor: Dietrick, Mary

Date (MM/DD/YYYY):

Note the calculate button, the authorizer signature space, and the credit id lines.



## CONFIRMATION REPORTS

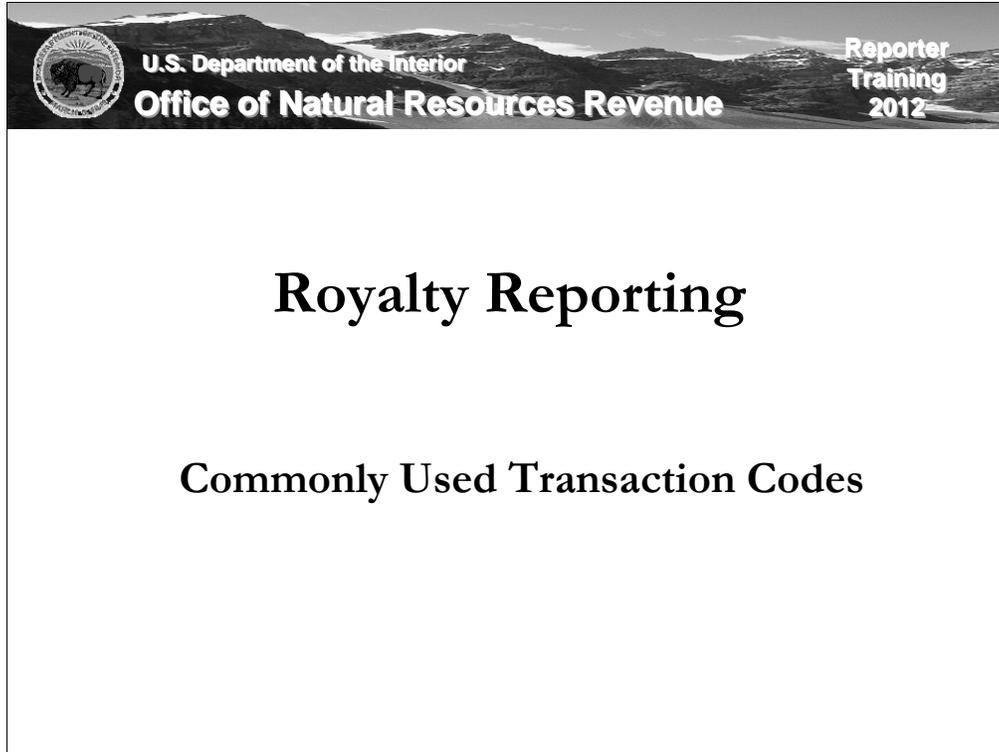
- Available once all rejected lines are corrected
- Report will display line as reported by payor and as corrected by ONRR
- Companies should use information to make corrections to their history and update any formatting issues for future reporting
- Confirmation reports will be posted in the company folders in the Data Warehouse which is accessed through the internet at <https://dwportal.mms.gov/>
- ONRR employees can view rejected lines in the Data Warehouse under Financial Reports, Royalty, ZR2014ER. Input Document ID and click Run

The confirmation report is used to verify corrections made to your report by ONRR.

- This report will show your line as originally reported **AND** how it was corrected by ONRR.
- It will be helpful to use this report to make correct adjustments.
- ONRR used to mail these reports in the past, now you can now access your payor confirmation reports through your payor folder in the Data Warehouse at [https://dwportal.mms.gov.](https://dwportal.mms.gov/)







**This module contains detailed reporting instructions and examples of how to report by transaction code on Form MMS-2014. The commonly used transaction codes are organized by function.**

**In addition, ONRR is providing a separate handout that outlines fields that must be completed on your 2014 Report for each different Transaction Code.**



## 2014 Commonly Used Transaction Codes



- Royalty Due 01
- Minimum Royalty 02
- Rent (non-recoupable) 04
- Rent (recoupable) 05
- Rent Recoupment 25
- Estimate Reporting 03

Transaction codes are two-digit codes that describe each payment and recoupment activity. These transaction code activities include, but are not limited to:

- Royalty due from sales,
- Minimum Royalty
- Rent (non-recoupable & recoupable)
- Rent Recoupment
- Estimate Reporting

A transaction code (TC) is required on all lines, and determines which fields must be completed.



## Transaction Code 01 Royalty Due

- Due Monthly on every lease or lease-agreement combination with sales
- Separate line for each lease or lease agreement combination, sales type code, product code, and sales month
- Double entry adjustments

Lease terms and Federal regulations require lessees to pay royalties on producing Federal and Indian leases. The lessee must pay its royalty obligation as specified by the lease or designated by ONRR.

Do not combine Federal and Indian leases on the same report. A separate report is required for each.

Transaction Code 01 is used to report royalty on both Federal and Indian Leases. In addition to the transaction code field, please refer to the separate handout that outlines fields that must be completed on your 2014 Report for each different Transaction Code.



## Transaction Code 01

Detail Line

Line Number	1
API Well Number	xx
MMS Lease Number	0490129432
MMS Agreement Number	xx
Product Code	01
Sales Type Code	
ARMS	
Sales MO/YR	072011
Transaction Code	01
Adjustment Reason Code	xx
Sales Volume	1280.00
Gas MMBtu	00
Sales Value	704.00
Royalty Value Prior to Allowances	88.00
Transportation Allowance	0.00
Processing Allowance	0.00
Royalty Value Less Allowances	88.00
Payment Method Code	3



## Implied Relationships

$$\frac{\text{Royalty Value PA}}{\text{Sales Value}} = \text{Royalty Rate} \quad \frac{2747.00}{21975.00} = .125$$

Monitored for royalty rate verification

$$\frac{\text{Sales Value}}{\text{Sales Volume}} = \text{Price Per Unit} \quad \frac{21975.00}{439.50} = \$50.00$$

Monitored for reasonable pricing

ONRR uses system edits to determine the validity of the data reported on the Form 2014.

Edits for Transaction code 01 will compare the sales volumes and sales values to determine if the royalty rate and pricing are within established guidelines.

You can determine the royalty rate by dividing your royalty value prior to allowances by sales value.

Be sure that the royalty rate calculated matches the lease terms. If unsure what royalty rate is in the ONRR system, contact the Minerals Revenue Specialist to verify. The current listing of Royalty Error Correction Specialists can be found on the internet at:

<http://www.onrr.gov/FM/PDFDocs/royassign.pdf>

Be sure to use the correct Royalty Rate and not the Division Order percentage.

*The Royalty Rate error is now fatal in the eCommerce system and will not allow submission of the 2014 if the royalty rate is not calculated correctly.*



## **Lease Level Payments**

TC 02	Minimum Royalty (MR)
TC 04	Rent (non-recoupable)
TC 05	Rent (recoupable)
TC 25	Recoup Advance Rent

- **Payments are based on lease terms**
- **Do not report the agreement number, product code, or sales type code**
- **Do not report the sales volume or sales value since they are not associated with the payment**



## Transaction Code 02 Minimum Royalty (MR)

- Due on producing Federal and Indian leases
- Obligation may be fulfilled by production
- Report and payment must be received on or before the last day of the lease year, regardless of an estimate
- Automatically invoiced if not paid or reported incorrectly with the wrong sales month/year

Some producing Federal and Indian leases require you to pay a minimum amount of royalty each lease year. The amount of minimum royalty is usually determined by the producing acreage in the lease multiplied by a fee per acre and is in addition to any other fees required under regulation or lease terms.

You must submit minimum royalty payments for Federal or Indian leases on Form 2014 on or before the last day of the month of the lease year regardless of whether you established an estimated payment on the lease.

All the acres in a Federal lease are in a minimum royalty status if any one of the following applies:

- All the acres are within Participating Agreement (PA)
- The lease is committed to a secondary recovery unit
- The lease is committed to a Communitization Agreement (CA)
- The lease contains a producing well or a well capable of production

**NOTE:** If you are reporting on Southern Ute Leases, you must include the agreement numbers from October 2008 forward per the recent edits in the eCommerce system.

In addition, for electronic reporting, you must complete both the Royalty Value Prior to Allowances field and the Royalty Value Less Allowances field when entering TC 02.



**Transaction Code 02**  
(Minimum Royalty)

**Detail Line**

Line Number	1
API Well Number	xx
ONRR Lease Number	0490129432
ONRR Agreement Number	xx
Product Code	xx
Sales Type Code	xx
Sales MO/YR	072011
Transaction Code	02
Adjustment Reason Code	xx
Sales Volume	xx
Gas MMBtu	00
Sales Value	xx
Royalty Value Prior to Allowances	88.00
Transportation Allowance	xx
Processing Allowance	xx
Royalty Value Less Allowances	88.00
Payment Method Code	03

It is important to make sure you are using the correct sales month when reporting minimum royalty

The following fields must be completed to report Transaction Code 02:

1. ONRR converted 10 digit lease number
2. Sales month/year
3. Transaction code – 02
4. Adjustment reason code – leave this field blank for normal monthly reporting. You must complete this field only when adjusting previous reporting.
5. Royalty value prior to allowances
6. Royalty value less allowances
7. Payment method code

**Helpful Tips:**

- Track royalties throughout the lease year. If royalties meet or exceed the minimum royalty requirement, the payment is **NOT** due. Otherwise, report and pay the difference or the full amount due.
- Check within the reporting company or with the operator if there is uncertainty whether minimum royalty is due.
- Minimum royalty payments are due **ON** or **BEFORE** the last day of the lease year.
- Be careful to use the correct sales month. The system uses the sales month to post to the lease year.
- If the system checks and finds that the minimum royalty has not been paid, and invoice will be sent by ONRR.



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## Rental

**Transaction Code 04 (non-recoupable)**  
**Transaction Code 05 (recoupable against production)**

- **Annual Payment**
- **Payment is due on or before lease anniversary date**
- **For non-terminable leases, ONRR automatically invoices if not paid**

There are two types of rental – recoupable and non-recoupable. Use transaction code 04 to report and pay rent payments that are not recoupable against production. Use transaction code 05 to report and pay rent payments that are recoupable. The amount of rent due is stipulated in the lease terms and is, except in some circumstances, due on or before the lease anniversary date.

Approximately 3 months before the lease anniversary date, ONRR usually sends a Notice of Rent Due on the lease (Courtesy Notice) to the payor established in our database. Courtesy Notices are sent for Federal leases and geothermal site licenses only. If the Courtesy Notice is not received, do not delay payment, as some leases automatically terminate for nonpayment. For those leases that do not terminate and payment is not received by the due date, ONRR will issue an invoice for the amount due. Interest will be assessed for late payment.

Report the rent for Federal leases and geothermal site licenses by submitting the 2014 report and the payment or by returning the bottom portion of the courtesy notice with the payment. Do not report a 2014 and pay on your courtesy notice.



**Transaction Code 04**  
(Non-recoupable Rent)

Detail Line

Line Number		1
API Well Number		xx
ONRR Lease Number	0490129432	
ONRR Agreement Number		xx
Product Code		xx
Sales Type Code		xx
Sales MO/YR	012012	
Transaction Code		04
Adjustment Reason Code		xx
Sales Volume		xx
Gas MMBtu		xx
Sales Value		xx
Royalty Value Prior to Allowances	345.00	
Transportation Allowance		xx
Processing Allowance		xx
Royalty Value Less Allowances	345.00	
Payment Method Code		3

Example – How to enter a line in your electronic 2014 for non-recoupable rent.

The required fields for non-recoupable rent include

1. ONRR lease number
2. Sales month/year – very important!
3. Adjustment reason code – if adjusting prior reporting
4. Royalty value prior to allowances
5. Royalty value less allowances
6. Payment method code

**Helpful Tip:**

Check the “Data Elements by Transaction Code” handout to verify the fields that must be completed.



**Transaction Code 05**  
(Recoupable Rent)

**Detail Line**

• Line Number	1
• API Well Number	xx
• ONRR Lease Number	0490129432
• ONRR Agreement Number	xx
• Product Code	xx
• Sales Type Code	xx
• Sales MO/YR	012012
• Transaction Code	05
• Adjustment Reason Code	xx
• Sales Volume	xx
• Gas MMBtu	xx
• Sales Value	xx
• Royalty Value Prior to Allowances	345.00
• Transportation Allowance	xx
• Processing Allowance	xx
• Royalty Value Less Allowances	345.00
• Payment Method Code	3

The required fields for recoupable rent include

1. ONRR lease number
2. Sales month/year – very important!
3. Adjustment reason code – if adjusting prior reporting
4. Royalty value prior to allowances
5. Royalty value less allowances
6. Payment method code

**Helpful Tip:**

Check the “Data Elements by Transaction Code” handout to verify the fields that must be completed.



## Transaction Code 25 (Recouping Advance Rental Credits)

- Use in conjunction with TC 05
- Recoup against current revenue
- Rent can be recouped up to 100% of current revenue within the current lease year regardless of whether the lease is allotted or tribal (rent must be reported and paid)

Most Indian lease terms and some Federal lease terms require a rent payment on producing leases at the beginning of the lease year. When reporting and paying monthly royalties, recoup these rent payments against net royalties reported and paid for the lease in the same year. One hundred percent of the current month's net royalties reported may be offset against the rent payment within the same lease year, subject to no more than the rent payment.

If the payor fails to recoup prior year rents on Indian leases, these rents are considered an overpayment requiring the use of transaction codes 25, 50, and 51.

Do not recoup on an Indian lease when any portion of the royalties are taken in kind by the tribe. For this situation, only recoup previous rent payments by requesting a refund directly from the tribe. This requirement also applies to any prior un-recouped rents from a period when royalties were taken in value.

Report the advance rental credit to ONRR by using transaction code 05. Frequently, payors make their rent payments several months in advance of the actual due date. Remember that rental payments cannot be recouped until royalties are reported and paid within the lease year that the rent applies.



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### Transaction Code 25 (Rent Recoupment)

Detail Line

• Line Number	1	2
• API Well Number	xx	xx
• ONRR Lease Number	0490129432	0490129432
• ONRR Agreement Number	xx	xx
• Product Code	01	xx
• Sales Type Code	ARMS	xx
• Sales MO/YR	012012	012012
• Transaction Code	01	xx
• Adjustment Reason Code	xx	xx
• Sales Volume	1280	xx
• Gas MMBtu	xx	xx
• Sales Value	704.00	xx
• Royalty Value Prior to Allowances	88.00	-88.00
• Transportation Allowance	xx	xx
• Processing Allowance	xx	xx
• Royalty Value Less Allowances	88.00	-88.00
• Payment Method Code	3	3

Example – How to enter a line for transaction code 25 on your 2014 report in eCommerce.

The following fields are required for reporting transaction code 25:

1. ONRR converted lease number
2. Sales month/year
3. Adjustment reason code – if needed
4. Royalty value prior to allowances
5. Royalty Value Less Allowances
6. Payment Method Code

Helpful Tip:

Check the “Data Elements by Transaction Code” handout to verify the fields that must be completed.



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## Estimate Reporting

- What is an estimate?

**An estimate is a one-time payment in lieu of  
an actual royalty payment**

**An estimate is a one-time payment in lieu of an actual royalty payment.**

**Royalty payments are normally required by the end of the month following the month the company sold or removed the product from the lease; however, if the payor cannot meet this deadline, the company may establish an estimated royalty payment (estimate) to give them an additional month to report and pay actual royalties and possibly avoid late payment interest charges. An estimate is a one-time payment in lieu of an actual royalty payment for that month; then in subsequent months you report and pay the actual royalties. Royalties are then due the last day of the second month following the month you sold or removed the product from the lease. If that day falls on a weekend or holiday, the due date is extended to the next business day.**

**Report an estimated payment at the lease level. The sales month must be 1 month prior to the report month shown on the 2014 report. *Establishing retroactive estimate balances is not permitted.* The 2014 report reflects the estimate sales month for all products on the lease; therefore, you must change the sales month for any product not requiring an estimate.**



## **Estimate Reporting (cont.)**

### **Why establish an estimate?**

- Gives an additional month to report and pay actual royalties
- May help reduce late payment interest charges

### **Is an estimate cost beneficial?**

- Estimate reporting may be helpful if sales data is not received timely to report to **ONRR**

**An estimate gives the payor an additional month to report and pay actual royalties, and it may help reduce late payment interest charges.**



## How an Estimate Works

### First report month:

- Report and pay the one-time estimate payment in lieu of a royalty payment for that month

### Then in subsequent months:

- Report and pay the actual royalties
- Royalties are now due on or before the last day of the second month following the month the product was sold or removed from the lease

### How an estimate works:

For the first report month, report and pay a one-time estimate payment in lieu of a royalty payment for that month.

In subsequent months, report and pay your actual royalties

Royalties are now due the second month following the month the product was sold or removed from the lease.

If that day falls on a weekend or a holiday, it is due the next business day.



## **How To Determine The Amount Of an Initial Estimate Payment**

- **Companies should establish their estimate in an amount which equals or exceeds the average monthly royalty liability for the LEASE and PRODUCT**
- **Adjust the estimate balance up or down as the lease royalty liability changes**

To determine the amount of an initial estimate payment, establish the estimate in an amount equal to or exceeding the average monthly royalty liability for the lease and product.

Adjust the estimate balance up or down as the lease royalty liability changes. This is critical for the reason that interest may be due if estimates are too low, however, if an estimate is too high for an extended period of time, ONRR will not pay interest.

For a given lease and sales month, ONRR compares the lease estimate balance to the actual royalty paid. Interest is due on the amount that the royalty payment exceeds the estimate balance. Interest is also due on amounts paid after the due date for estimate reporting.

It is beneficial maintain a record of all estimate payments and adjustments for each lease to possibly prevent an over-recoupment of an estimate balance.

Average monthly royalty payments over the past 6 months to 1 year.



## Transaction Code 03

(Establishing a First-Time Estimate)

Detail Line

Line Number	1
API Well Number	XX
ONRR Lease Number	0490129432
ONRR Agreement Number	XX
Product Code	XX
Sales Type Code	XX
Sales MO/YR	072011
Transaction Code	03
Adjustment Reason Code	XX
Sales Volume	XX
Gas MMBtu	XX
Sales Value	XX
Royalty Value Prior to Allowances	88.00
Transportation Allowance	XX
Processing Allowance	XX
Royalty Value Less Allowances	88.00
Payment Method Code	3

- Sales month on the estimate line must be one month prior to the report month (in lieu of royalties)
- An adjustment reason code is not required when establishing an estimate for the first-time.

When you establish a new estimate for the first time, use transaction code 03 and no adjustment reason code. Thereafter, use transaction code 03 and adjustment reason code 32 to adjust your estimate balance (even if your estimate is reduced to zero and then you increase the balance at a later date). Use a single line entry on the Form 2014 to increase or decrease the amount of an estimate. The estimate payments are disbursed to the entitled recipient; therefore, you must follow the proper procedures in accordance with Federal and Indian recoupments and refunds.



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## How to Change the Amount of an Estimate

- Use a single line entry in the 2014 report to increase or decrease the amount of an estimate
- Use transaction code 03 with adjustment reason code 32

To change the amount of an estimate:

Use a single line entry to increase an estimate using transaction code (TC)03 and adjustment reason code (ARC)32

To adjust an estimate use ARC 32 (even with a balance of zero, it is still considered to be a balance).

The system looks at the payor code and lease to identify whether or not there is an estimate balance.

Do not adjust the estimate every month as this is unnecessary if there is no increase or decrease of production.

Once the estimate is established, only increase or decrease if the production changes.

*If you need to move estimates from lease to lease or payor code to payor code, you must contact ONRR. The reporter is not allowed to perform this function*



## Transaction Code 03

(Increasing/Decreasing an Estimate)

Detail Line

• Line Number	1
• API Well Number	xx
• ONRR Lease Number	0490129432
• ONRR Agreement Number	xx
• Product Code	xx
• Sales Type Code	xx
• Sales MO/YR	072011
• Transaction Code	03
• Adjustment Reason Code	32
• Sales Volume	xx
• Gas MMBtu	xx
• Sales Value	xx
• Royalty Value Prior to Allowances	-88.00
• Transportation Allowance	xx
• Processing Allowance	xx
• Royalty Value Less Allowances	-88.00
• Payment Method Code	1

Once an estimate is established, any increase or decrease requires an adjustment reason code 32

Increase the amount of the estimate by entering a positive value in the royalty value prior to allowances (RVPA) and the royalty value less allowances (RVLA) fields.

Decrease the amount of the estimate by entering a negative value in the royalty value prior to allowances (RVPA) and the royalty value less allowances (RVLA) fields.

Be sure to use the adjustment reason code (ARC) 32 when making the adjustment.



## **How to Recoup an Estimate**

- **Recoup Federal estimates anytime**
- **Recoup Indian estimates according to Indian recoupment limitations (estimate payments are overpayments, not required by terms)**
- **Estimate payments are disbursed by ONRR to the entitled recipients**

**How to recoup an estimate:**

**Follow the proper procedures in accordance with Federal and Indian recoupments and refunds.**

**Recoup Federal estimates at any time against any lease.**

**Estimates for Indian leases are lease specific and are subject to recoupment limitations.**

**Recoup tribal leases at 100% and allotted leases at 50% against current revenue.**

**Reminder: The estimate payments are disbursed to the entitled recipient.**



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**An estimate is NOT needed for all products**

- **The estimate sales month will reflect all products on the lease (rolled-up to the lease level)**
- **Companies need to use the correct sales month for any product not requiring an estimate**

**Establish an estimate balance at lease level, not for a specific product.**

**Report the correct sales month depending on which product on the 2104 report will have an established estimate.**

**Once the estimate is established, report the sales month as 2 months prior to the report month for actual production reporting.**



**Line Number**  
**API Well Number**  
**U.S. Department of the Interior**  
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**Transaction Code 03**  
**(Multiple Products and Establishing an Estimate)**

Detail Line

• Line Number	1	2
• API Well Number	xx	xx
• ONRR Lease Number	0490129432	0490129432
• ONRR Agreement Number	xx	xx
• Product Code	01	??
• Sales Type Code	ARMS	??
• Sales MO/YR	012012	??????
• Transaction Code	01	03
• Adjustment Reason Code	xx	xx
• Sales Volume	1280	xx
• Gas MMBtu	xx	xx
• Sales Value	704.00	xx
• Royalty Value Prior to Allowances	88.00	??
• Transportation Allowance	xx	xx
• Processing Allowance	xx	xx
• Royalty Value Less Allowances	88.00	??
• Payment Method Code	03	03

Situation: Lease has oil and gas sold for the month of March. Payor only receives the sales data for oil by the report due date

**Scenario: Company receives oil run tickets timely, gas plant statements are received late. What fields must be completed on your monthly report for each product? (You are setting up the estimate for Line 2 for \$1000.00)**

**Line 1.**

**Line 2.**

**Transaction Code 03**  
(Multiple Products and Establishing an Estimate)

Detail Line

• Line Number	1	2
• API Well Number	xx	xx
• ONRR Lease Number	0490129432	0490129432
• ONRR Agreement Number	xx	xx
• Product Code	01	04
• Sales Type Code	ARMS	ARMS
• Sales MO/YR	012012	012012
• Transaction Code	01	03
• Adjustment Reason Code	xx	xx
• Sales Volume	1280	xx
• Gas MMBtu	xx	??
• Sales Value	704.00	??
• Royalty Value Prior to Allowances	88.00	1,000.00
• Transportation Allowance	xx	xx
• Processing Allowance	xx	xx
• Royalty Value Less Allowances	88.00	1,000.00
• Payment Method Code	03	03

**Solution:**

Product Code	04
Sales Type Code	ARMS
Transaction Code	01
RVPA	1000.00
RVLA	1000.00
Payment Method	3

**Solution Hint:** If reporting after the 10<sup>th</sup> of the month, note that the report month changes. If you set up estimates for a particular sales date, you may want to send them in on a separate report if you are having difficulty with corrections and overrides, and you may not be finished by the 10<sup>th</sup> of the month.



**Transaction Code 03**  
(Multiple Products and Establishing Estimate cont.)

Detail Line

• Line Number	1	2	3
• API Well Number	xx	xx	xx
• ONRR Lease Number	0540077770	0540077770	0540077770
• ONRR Agreement Number	xx	xx	xx
• Product Code	01	04	xx
• Sales Type Code	ARMS	ARMS	xx
• Sales MO/YR	022012	??????	??????
• Transaction Code	01	01	03
• Adjustment Reason Code	xx	xx	32
• Sales Volume	1280	xx	xx
• Gas MMBtu	xx	??	xx
• Sales Value	704.00	??	xx
• Royalty Value Prior to Allowances	88.00	??	??
• Transportation Allowance	xx	xx	xx
• Processing Allowance	xx	xx	xx
• Royalty Value Less Allowances	88.00	??	??
• Payment Method Code	03	03	03

Once a payor has established an estimate for a lease, they need to make sure they report the correct sales month and adjust their estimate accordingly

**Scenario: Company established estimate last month. This is production month February. How would you report oil & gas on your Form 2014 if you have that estimate established and you want to increase your estimate for increased production by \$500.00?**

**Line 1:**

**Line 2: Your Sales Value is \$12,000. The Royalty Rate is 12.5%, and the price is \$5.00. The Btu factor is 1.51.**

**Line 3:**



## Transaction Code 03

(Multiple Products and Establishing Estimate cont.)

Detail Line

• Line Number	1	2	3
• API Well Number	xx	xx	xx
• ONRR Lease Number	0540077770	0540077770	0540077770
• ONRR Agreement Number	xx	xx	xx
• Product Code	01	04	xx
• Sales Type Code	ARMS	ARMS	xx
• Sales MO/YR	022012	012012	022012
• Transaction Code	01	01	03
• Adjustment Reason Code	xx	xx	32
• Sales Volume	1280	1589.40	xx
• Gas MMBtu	xx	2,400.00	xx
• Sales Value	704.00	12,000.00	xx
• Royalty Value Prior to Allowances	88.00	1,500.00	500.00
• Transportation Allowance	xx	xx	xx
• Processing Allowance	xx	xx	xx
• Royalty Value Less Allowances	88.00	1,500.00	500.00
• Payment Method Code	3	3	3

Once a payor has established an estimate for a lease, they need to make sure they report the correct sales month and adjust their estimate accordingly

### Solution:

Line 2:

Sales Month	012012
Sales Volume	1,589.40
Gas MMBtu	2,400.00
Sales Value	12,000.00
RVPA	1,500.00
RVLA	1,500.00

Line 3:

Sales Month	022012
RVPA	\$500.00
RVLA	\$500.00



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## **The ONRR Financial System uses estimate balances in late payment interest calculations**

- The ONRR financial system tracks estimate balances
- For a given lease and sales month, the ONRR financial system compares the lease estimate balance to the actual royalty paid under the estimate
- Interest is due on the amount that the royalty payment exceeds the estimate balance
- Interest is also due on amounts paid after the due date for estimate reporting.

The rationale for ONRR's tracking of estimate balances is that interest may be due if estimates are too low, however, if an estimate is too high for an extended period of time, ONRR will not pay interest.

For a given lease and sales month, ONRR compares the lease estimate balance to the actual royalty paid. Interest is due on the amount that the royalty payment exceeds the estimate balance. Interest is also due on amounts paid after the due date for estimate reporting. Therefore, it is to your benefit to maintain a record of all estimate payments and adjustments for each lease to possibly prevent an overrecoupment of an estimate balance.



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## Maintain Estimate Balance Records

- The 2014 estimate balance report summarizes ONRR's records of estimate transactions.
- Companies can access this monthly report in their company folder through the internet (Data Portal) at <https://dwportal.mms.gov/>
- Companies should keep a record of their estimate payments by lease and reconcile balances at least yearly

**Keep track of estimate balance payments and adjustments for each lease.**

**Access the estimate balance detail and summary reports through the company specific payor folder in the Data Warehouse Portal.**

**Check the payor folders weekly for new information**

**Reconcile estimate balances yearly against the estimate balance detail.**

**\*\*ONRR will attempt to provide data when requested, but adequate staff is not available to respond to frequent and numerous requests for data.**



## Reporting Exercise

- Rocky Mountain Oil & Gas sold unprocessed gas (product code 04) from lease 049-012345-0 for sales month January 2012 to an unaffiliated company
- Lease participates in the Laramie Unit 891-001234-0
- Total agreement production volume is 3000 mcf
- Lease receives a 20 percent allocation from the unit
- Btu content is 1.150
- Price per MMBTU is \$5.00
- Lease royalty rate is 12 ½ Percent
- Payment by EFT

**Reporting Exercise for classroom experience**



## Reporting Exercise Answer

Total agreement production volume x tract percentage x  
Federal mineral ownership interest = sales volume

$$3000 \text{ mcf} \times 0.20 \times 0.5 = 300 \text{ mcf}$$

Sales volume x Btu content = Gas MMBtu

$$300 \text{ mcf} \times 1.150 \text{ MMBtu/mcf} = 345 \text{ Gas MMBtu}$$

GAS MMBtu x price per unit = sales value

$$345 \text{ MMBtu} \times \$5.00/\text{MMBtu} = \$1,725.00 \text{ Sales Value}$$

Sales value x lease royalty rate = royalty value

$$\$1,725.00 \times 0.125 = \$215.63 \text{ Royalty Value}$$

### Solution to the Reporting Exercise Scenario

If reporting gas product codes (PC 03 or PC 04), the sales value is the sales volume in MCF times the MCF price or the MMBtu times the MMBtu price.



Questions?????



# **Oil and Gas Reporter Training Report of Sales and Royalty Remittance (Form 2014)**

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**OFFICE OF NATURAL RESOURCES REVENUE**



**OIL AND GAS REPORTER TRAINING**

**BOOK 2**



# ADJUSTMENTS, RECOUPMENTS & REFUNDS



Whenever you submit incorrect data on Form 2014, you must make subsequent adjustments to correct the information. **An adjustment is any correction made on Form 2014 to a previously reported line.** You make adjustments to:

- Pay additional monies,
- Recoup overpaid and over reported amounts, or
- Change information that has no effect on payments.

Adjustments, and the way they are reported, are affected by the lease type (Federal or Indian) and the time period.

# Adjustment

## Correction made on Form 2014 to a previously accepted line to report:

- Additional monies
- Change information that has no effect on payments

## Two-line entry required (except estimates):

- Reverse original line as accepted into the MRM financial system, and as converted to the new Form 2014 format
- Enter adjusting line
- Adjustment reason code required on both lines

An **adjustment** is a correction that you make on the Form 2014 to a previously accepted line to report additional monies or to make a change that **does not** effect the payment (for example, correct your product code, sales type code, sales month etc.)

- You will adjust a line by reversing the original line as it accepted into the ONRR system, and as converted to the new Form 2014 format (using a valid ARC).
- Then, you will report the line correctly (also using a valid ARC).
- The two-line reversal is **not** used for estimate reporting. You will increase or decrease an estimate balance using a single-line entry.

# **Adjustment Reason Codes**

- **Valid Adjustment Reason Codes (ARC)**

**10 Adjustment**

At the request of industry, we consolidated the ARCs wherever possible. Unless instructed otherwise by MRM, industry can report volume, value, and royalty rate adjustments using ARC 10.

**15 Marginal Property True-Up**

**16 Major Portion/Dual Accounting** (post 01/01/2000)

**17 MMS-Initiated Compliance Adjustment**

**32 Estimate Adjustment**

**35 Unit Participating Area/Communitization Agreement Adjustment**

**49 Index Zone/Dual Accounting Price Adjustment**

Notice the valid and invalid ARC's for the new Form 2014. We continue to see many rejected lines with invalid ARC's.

For more information on Adjustment Reason Codes, See the Minerals Revenue Reporter Handbook, Appendix F, Adjustment Reason Codes.

# Recoupment

- **An adjustment on Form 2014 that results in a net negative total for the transaction.**
- **ONRR prefers the credit is recovered from the balance of the document.**
- **Fastest and most cost-efficient way to correct an overpayment.**

If you make an adjustment that **does** effect the monies and results in a **net negative** total for the transaction, this is considered a **recoupment**. Then, you can recover the credit from the balance of the document.

- A recoupment is the fastest and most cost-efficient way to correct an overpayment.
- **ONRR prefers that you recoup your overpayment in this way.**

# Refund

**A payment made by ONRR to a payor. ONRR prefers overpayments to be recouped against revenue on Form 2014. Otherwise, notify ONRR by telephone, fax, or in writing of a refund request. Include the following:**

- **Explanation of how overpayment occurred**
- **Request for a specific amount**
- **Taxpayer Identification or Social Security Number**
- **Correcting Form 2014 or copy of check**

A **refund** is when ONRR directs the U.S. Treasury to issue funds to a payor for an overpayment. **ONRR PREFERS OVERPAYMENTS TO BE RECOUPED AGAINST REVENUE ON YOUR FORM 2014.** However, if you request a refund through ONRR, notify us by telephone, fax, or in writing and include the following:

- A brief explanation of how the overpayment occurred
- A request for a specific amount
- Your taxpayer identification number or social security number if you are an individual. ONRR must include this number on all checks or wire payments made by the U.S. Treasury.
- A properly completed Form 2014 that reverses the originally reported overpayment and then reports the correct data. The net difference represents the amount of your refund request or,
- If you did not report the overpayment on Form 2014, provide a copy of the check or wire transfer information to help us identify your overpayment.

## **Refund (cont.)**

**ONRR will send your refund electronically. Include the following:**

- **Payor name**
- **Bank name, city, and state**
- **Nine-digit American Banking Association (ABA) number**
- **Bank account number and account type (c - checking or s - savings)**

The Debt Collection Improvement Act of 1996 requires ONRR to send all Federal payments electronically unless the recipient certifies that they do not have an account at a financial institution.

To process the funds electronically, include the following:

- Payor name
- Your bank name, city, and state
- Your 9-digit American Banking Association (ABA) number
- Your bank account number and account designation (c - checking or s - savings)
- Your taxpayer identification or social security number

# Federal Leases

**Adjustment** must be made within 6 years from obligation due date (6-year adjustment period).

**Recoupment** must be taken within 6 years from obligation due date (6-year adjustment period).

**Refund** request must be submitted within 6 years from obligation due date (6-year adjustment period).

You must make adjustments within 6 years from the obligation due date. For example, you must make any adjustments to the December 2005 sales period before the last day of January 2012.

You can adjust overpayments and underpayments discovered during an audit if they exceed the 6-year adjustment period only after a written notice is approved by the Secretary or the applicable delegated State (tolling agreement).

In the event that the lines adjusting lines reject, you must contact your Royalty Error Specialist and provide a copy of the issue letter, audit report, order, and/or data mining email request/order.

# **Federal Recoupment Situations**

- **Overpaid/Reported Royalties Correctly**
  - No adjusting Form-2014 necessary.
  - Use credit toward the payment of the next amount due to any lease.
  - Please notify your assigned ONRR Accountant.
- **Overpaid and Over-Reported Royalties**
  - Must reverse original entry and rebook line with correct data.
  - ONRR prefers adjustment be added to the next Form-2014 that has an amount due to ONRR.

Helpful Hint: You must go and review your original lines in the data warehouse and not back out what is in your system. There may be a discrepancy due to overrides, changes, etc.

**MAKING AN ADJUSTMENT THAT DOES  
NOT EFFECT ROYALTIES**

Detail Line	1	2
• Line Number		
• API Well Number		
• MMS Lease Number	049012943A	049012943A
• MMS Agreement Number		8910012340
• Product Code	04	04
• Sales Type Code	ARMS	ARMS
• Sales MO/YR	072011	072011
• Transaction Code	01	01
• Adjustment Reason Code	10	10
• Sales Volume	-1280.00	1280.00
• Gas MMBtu	-1408.00	1408.00
• Sales Value	-704.00	704.00
• Royalty Value Prior to Allowances	-88.00	88.00
• Transportation Allowance	0.00	0.00
• Processing Allowance	0.00	0.00
• Royalty Value Less Allowances	-88.00	88.00
• Payment Method Code	3	3

To correct a Federal reporting error that does not effect the monies, reverse the original line as accepted and enter the adjustment to report the correct information using ARC 10.

Remit check in the amount of \$0.00 (net difference).

First Step: Go to the Data Warehouse and find the original line (do not use your own history).

Second Step: Reverse your original line using the appropriate adjustment reason code.

Third Step: Rebook your line ensuring that you use the same adjustment reason code as your reversal line.

Don't forget: Your payment method even if it is a negative royalty.

For estimate adjustments always use ARC 32.

If you are making adjustments for an audit, do not reverse estimates as this is an unnecessary step.

## **MAKING AN ADJUSTMENT THAT DOES EFFECT ROYALTIES**

Detail Line	1	2
• Line Number		
• API Well Number		
• MMS Lease Number	049012943A	049012943A
• MMS Agreement Number		8910012340
• Product Code	04	04
• Sales Type Code	ARMS	ARMS
• Sales MO/YR	072011	072011
• Transaction Code	01	01
• Adjustment Reason Code	10	10
• Sales Volume	-1280.00	1280.00
• Gas MMBtu	-1408.00	1408.00
• Sales Value	-4224.00	4224.00
• Royalty Value Prior to Allowances	-528.00	616.00
• Transportation Allowance	0.00	0.00
• Processing Allowance	0.00	0.00
• Royalty Value Less Allowances	-528.00	616.00
• Payment Method Code	3	3

To correct a Federal reporting error that does effect the monies, reverse the original line as accepted and enter the change to the Royalty Value Less Allowance to report the correct information using ARC 10.

Remit check in the amount of \$88.00 (net total of report).

First Step: Go to the Data Warehouse and find the original line (do not use your own history).

Second Step: Reverse your original line using the appropriate adjustment reason code.

Third Step: Rebook your line ensuring that you use the same adjustment reason code as your reversal line.

## Indian Tribal and Allotted Leases



### Adjustment

**You can make corrections at any time to report:**

- **Additional monies**
- **Change information that has no effect on payments (no cross-lease netting)**

### Refund

**ONRR cannot refund payments**

- **Allotted leases - refund not possible**
- **Tribal leases - company must request from appropriate Tribe**

An **adjustment** is a correction that you make on the Form 2014 to a previously accepted line to report additional monies or to make a change that **does not** effect the payment (for example, correct your product code, sales type code, sales month etc.)

•**ONRR cannot refund** allotted and tribal payments; therefore, be very careful when you report and pay Indian leases.

**We are going to discuss some different scenarios to either recoup or get a refund for overpayments on allotted or tribal leases.**

•If you overpay an **allotted** lease and you are the responsible payor to report and pay royalties on the lease and it is producing, you can recoup the overpayment (50 percent) against current revenue on that lease. You must establish that overpayment using Transaction Code 50 (Indian Recoupable Balance). If the lease is not producing, you will be unable to get a refund from the allottee. If you sold the lease and it is producing, you can ask the new payor if they will recoup the overpayment for you by transferring your recoupable balance (TC 50) to them. To recoup your recoupable balance, you must use Transaction Code 51 (Indian Recoupment Taken).

•If you overpay a **tribal** lease and you are the responsible payor to report and pay royalties on the lease and it is producing, you can recoup the overpayment (100 percent) against current revenue on that lease, or request a refund from the appropriate tribe. You must establish that overpayment using Transaction Code 50 (Indian Recoupable Balance). If you are no longer the responsible payor or the lease is not producing, you can request permission from the tribe to recoup the balance from other tribal leases that you report and pay current revenue. If you sold the lease and it is producing, you can ask the new payor if they will recoup the overpayment for you by transferring your recoupable balance (TC 50) to them. To recoup your recoupable balance, you must use Transaction Code 51 (Indian Recoupment Taken).

**NOTE: If you are going to transfer Indian estimates or recoupable balances, you must contact your Royalty Error Specialist to perform this action for you. Reporters/Payors are not allowed to transfer the balances.**

# Recoupment Comparison

**TRIBAL**



**ALLOTED**

**Under protection of  
Indian Tribe**

**TC 50/51**

**Recoup up to 100% of net  
current revenues**

**Lease specific**

**With written permission from  
the Tribe, may recoup from  
other tribal leases**

**Owned by an individual  
Indian**

**TC 50/51**

**Recoup up to 50% of net  
current revenues**

**Lease specific**

Lets look at the difference between tribal and allotted lease Recoupment procedures.

**Tribal:** The payment is disbursed to the tribe. If you overpay a tribal lease, you can set up a recoupable balance (TC 50) and recoup against current revenue using (TC 51). You can recoup up to 100% of net current revenue against the same lease as the overpayment. If you overpay a tribal lease and are unable to recoup the balance, you can request permission from the tribe to recoup the balance from other tribal leases.

**Allotted:** The payment is disbursed to an individual allottee; therefore, the recoupment is prorated so that the current revenue is not reduced by more than 50 percent. If you overpay an allotted lease, you can set up a recoupable balance (TC 50) and recoup against current revenue using (TC 51) on the same lease as the overpayment. If you overpay an allotted lease and are unable to recoup the balance, you will not be able to get a refund.

Note: Keep track of your recoupable balances by payor code and lease number because if you try to recoup more than the balance, the line will reject.

# Indian Recoupment Situations

- **Overpaid - Reported Royalties Correctly**
  - No adjusting Form-2014 necessary.
  - Use credit toward the payment of the next amount due to any Indian lease. Please notify your assigned ONRR Accountant.
- **Overpaid on a Tribal Lease (PMC 7) - Reported Royalties Correctly**
  - No adjusting Form-2014 necessary.
  - Use credit only to reduce future payments to that *specific* tribal lockbox. Please notify your assigned ONRR Accountant.
- **Overpaid and Over-Reported Royalties**
  - Must reverse original entry and rebook line with correct data
  - Must establish recoupable balance for the specific Indian lease(s) in which the error(s) occurred with a Transaction Code 50.
  - Once TC 50 is established, recoup with TC 51 against current month's net revenue due on the same lease until fully recouped.

**MAKING AN ADJUSTMENT THAT DOES  
NOT EFFECT ROYALTIES**

Detail Line	1	2
• Line Number		
• API Well Number		
• MMS Lease Number	6340027270	6340027270
• MMS Agreement Number		8910012340
• Product Code	04	04
• Sales Type Code	OINX	OINX
• Sales MO/YR	012012	012012
• Transaction Code	01	01
• Adjustment Reason Code	10	10
• Sales Volume	-1280.00	1280.00
• Gas MMBtu	-1408.00	1408.00
• Sales Value	-704.00	704.00
• Royalty Value Prior to Allowances	-88.00	88.00
• Transportation Allowance	0.00	0.00
• Processing Allowance	0.00	0.00
• Royalty Value Less Allowances	-88.00	88.00
• Payment Method Code	3	3

To correct a Indian reporting error that does not effect the monies, reverse the original line as accepted and enter the adjustment to report the correct information using ARC 10.

Remit check in the amount of \$0.00 (net difference).

First Step: Go to the Data Warehouse and find the original line (do not use your own history).

Second Step: Reverse your original line using the appropriate adjustment reason code.

Third Step: Rebook your line ensuring that you use the same adjustment reason code as your reversal line.

Don't forget: Your payment method even if it is a negative royalty.

For estimate adjustments always use ARC 32.

If you are making adjustments for an audit, do not reverse estimates as this is an unnecessary step.

## **Indian Tribal Lease vs. Allotted Lease Recoupment Example**



- The Reporter reported an incorrect volume:  
    Reported 10,000 Mcf  
    Should be 1,000 Mcf
- The leases have a 20 percent royalty rate.
- The overpayment occurred on report month February 2012 for January 2012 production.
- A correction will be made on the March 2012 report at which time the March 2012 production will also be reported.

We will go through an example to show you the difference in reporting between Indian allotted and tribal leases.

The lease information shown will remain the same for both examples; only the reporting will be different.

**MAKING AN ADJUSTMENT THAT DOES  
EFFECT ROYALTIES  
TRIBAL**

Detail Line	Reversing	Rebook	Set Up 50	Current Roy	Recoup 51
Line No.	1	2	3	4	5
API No.					
Lease No.	6340027270	6340027270	6340027270	6340027270	6340027270
Agreement No.		8910012340		8910012340	
PC	04	04		04	
STC	OINX	OINX		OINX	
Sales MO/YR	012012	012012	012012	022012	022012
TC	01	01	50	01	51
ARC	10	10			
SV	-10000.00	1000.00	0.00	1200.00	0.00
Gas MMBtu	-11100.00	1110.00	0.00	1332.00	0.00
Sales Value	-33300.00	3330.00	0.00	4329.00	0.00
RVPA	-6660.00	666.00	5994.00	865.00	-865.00
TA	0.00	0.00	0.00	0.00	0.00
PA	0.00	0.00	0.00	0.00	0.00
RVLA	-6660.00	666.00	5994.00	865.00	-865.00
PM	3	3	3	3	3

To correct the original line reported on Form 2014:

Go to the Data Warehouse and find the original line (do not use your own history).

•**Line 1:** Reverse the original line as accepted into the ONRR's system (using a valid ARC)

•**Line 2:** Enter the adjustment line to report the correct volume (using a valid ARC).

•**Line 3:** Use TC 50 to establish a recoupable balance to offset the overpayment. The royalty value for TC 50 is a positive amount and is the difference between line one and line two (your document total will be zero). The sales month will match your royalty line in which the overpayment occurred.

For report month March 2012 and sales month February 2012, you can recoup against the TC 50 balance that you established the prior month.

**Line 4: Current Production**

•**Line 5:** Use TC 51 to recoup the overpayment. For Indian tribal leases, you can recoup up to 100 percent of current revenue due for the lease. The sales month will match your royalty line in which you are recouping against.

The royalty value for February production is \$865.80. You can recoup 100 percent of \$865.80. You own nothing.

**MAKING AN ADJUSTMENT THAT DOES  
EFFECT ROYALTIES  
ALLOTTED**

Detail Line	Reversing	Rebook	Set Up 50	Current Roy	Recoup 51
Line No.	1	2	3	4	5
API No.					
Lease No.	6340027270	6340027270	6340027270	6340027270	6340027270
Agreement No.		8910012340		8910012340	
PC	04	04		04	
STC	OINX	OINX		OINX	
Sales MO/YR	012012	012012	012012	022012	022012
TC	01	01	50	01	51
ARC	10	10			
SV	-10000.00	1000.00	0.00	1200.00	0.00
Gas MMBtu	-11100.00	1110.00	0.00	1332.00	0.00
Sales Value	-33300.00	3330.00	0.00	4329.00	0.00
RVPA	-6660.00	666.00	5994.00	865.00	-432.50
TA	0.00	0.00	0.00	0.00	0.00
PA	0.00	0.00	0.00	0.00	0.00
RVLA	-6660.00	666.00	5994.00	865.00	-432.50
PM	3	3	3	3	3

To correct the original line reported on Form 2014:

Go to the Data Warehouse and find the original line (do not use your own history).

•**Line 1:** Reverse the original line as accepted into the ONRR's system (using a valid ARC)

•**Line 2:** Enter the adjustment line to report the correct volume (using a valid ARC).

•**Line 3:** Use TC 50 to establish a recoupable balance to offset the overpayment. The royalty value for TC 50 is a positive amount and is the difference between line one and line two (your document total will be zero). The sales month will match your royalty line in which the overpayment occurred.

For report month March 2012 and sales month February 2012, you can recoup against the TC 50 balance that you established the prior month.

**Line 4: Current Production**

•**Line 5:** Use TC 51 to recoup the overpayment. For Indian Allotted leases, you can recoup up to 50 percent of current revenue due for the lease. The sales month will match your royalty line in which you are recouping against.

•The royalty value for February production is \$865.80. You can recoup 50 percent of \$865.80. You own \$432.50.

## Transaction Code 25

Advance rental payments (TC 05) are **NOT** considered overpayments.

Recoupments (TC 25) of advance rental payments (TC 05) are **NOT** subject to recoupment limitations within the current lease year (recoup 100%).

Tip: Recoup the current lease year rent before recouping any already established recoupable balance.

- ONRR does not consider advance rentals overpayment therefore, the Indian recoupment procedures do not apply.
- So once you have reported and paid your recoupable **rent** (TC 05) begin recouping it the following month or two if you have an estimate established, at 100% against your current revenue **within the current lease year**. This applies to both allotted and tribal leases.
- We continue to see payors recoup only 50% on allotted leases within the current lease year.
- Be sure to recoup your current lease year rent before recouping any recoupable balance (TC 50). This is not a rule but a suggestion.
- Note: Be sure to keep track of your recoupable and rental balances.

## Indian Lease Example Recouping Current Year Rental

Detail Line	Current Royalties	Recouping Rent
• Line Number	1	2
• API Well Number		
• MMS Lease Number	5350012860	5350012860
• MMS Agreement Number	8910012340	
• Product Code	04	
• Sales Type Code	OINX	
• Sales MO/YR	022012	022012
• Transaction Code	01	25
• Adjustment Reason Code		
• Sales Volume	720.00	0.00
• Gas MMBtu	845.00	0.00
• Sales Value	4329.00	0.00
• Royalty Value Prior to Allowances	865.00	-800.00
• Transportation Allowance	0.00	0.00
• Processing Allowance	0.00	0.00
• Royalty Value Less Allowances	865.00	-800.00
• Payment Method Code	3	3

Note: Current year rent must be reported and paid before recouped against current royalties.

Assume the annual rent of \$800 was paid and reported by the annual due date of Jan 1, 2012.

**Recoup the current year rent at 100% of the current revenue, regardless of the Indian lease type.**

For report month March 2012 and sales month February 2012, you can recoup the current lease year rent.

- Use TC 25 to recoup the current year rent payment at 100%. Leaving net revenues of \$65.00. (Revenue \$865.00 – Rent Recoup \$800.00 = \$65.00)
- The sales month will match your royalty line in which you are recouping against.

## Indian Example Recouping Past Year Rental

Detail Line	Current Roy	Recoup Past Rental	Set Up 50
Line No.	1	2	3
API No.			
Lease No.	6340027270	6340027270	6340027270
Agreement No.	8910012340		
PC	04		
STC	OINX		
Sales MO/YR	022012	012011	012012
TC	01	25	50
ARC	10	10	
SV	720.00	0.00	0.00
Gas MMBtu	845.00	0.00	0.00
Sales Value	4329.00	0.00	0.00
RVPA	865.00	-800.00	800.00
TA	0.00	0.00	0.00
PA	0.00	0.00	0.00
RVLA	865.00	-800.00	800.00
PM	3	3	3

REMEMBER – Current Rent Recoupments are **NOT** Overpayments.

Rent Recoupments Outside the lease year **ARE** overpayments.

### OVERPAYMENTS NEED A TC50.

Facts:

Jan 2011 past royalties paid were \$850.00

Annual '2011 rental \$800 was reported/paid timely.

To recoup a past year rental:

1. Rent must be paid.
2. Only recoup up to the total royalties paid during the lease year minus any TC 03 estimates and TC51 Indian Recoupments.
3. Now follow same procedures to recoup a current year rental (TC 25) except payor must set up a recoupable balance (TC 50) to offset. Payor can begin recouping with TC 50 against any new revenue at the proper rate with TC 51.

## Indian Lease Example

### Recouping Current/Past Rental and Recoupable Balances

Detail Line	Current Roy	Recoup Past Rental	Set Up 50	Current Rent Recoup	Reduce Recoup Balance
Line No.	1	2	3	4	5
API No.					
Lease No.	6340027270	6340027270	6340027270	6340027270	6340027270
Agreement No.	8910012340				
PC	04				
STC	OINX				
Sales MO/YR	022012	012011	012012	022012	022012
TC	01	25	50	25	51
ARC	10	10			
SV	720.00	0.00	0.00	0.00	0.00
Gas MMBtu	845.00	0.00	0.00	0.00	0.00
Sales Value	4329.00	0.00	0.00	0.00	0.00
RVPA	865.00	-800.00	800.00	-800.00	-32.50
TA	0.00	0.00	0.00	0.00	0.00
PA	0.00	0.00	0.00	0.00	0.00
RVLA	865.00	-800.00	800.00	-800.00	-32.50
PM	3	3	3	3	3

On same report (lease specific), determine your current net revenues: new royalties minus any current year rent recoupment ( $\$865.00 - \$800.00 = \$65.00$ ).

Recoup any recoupable balance against the remaining revenue.

If lease is tribal, add TC 51 for  $-65.00$ . If allotted,  $TC\ 51 = \$-32.50$  ( $1/2\ \$65.00$ ).

Resulting in report total and payment: Tribal = Zero, Allotted =  $\$32.50$ .

For report month March 2012 and sales month February 2012, you can recoup the current lease year rent, as well as, any TC 50 balance that you established previously or on the current report.

- Use TC 25 to recoup the current year rent payment at 100%. Leaving net revenues of  $\$65.00$  left to recoup ( $\$865.00 - \$800.00$ ).
- Use TC 51 to recoup any overpayment. For Indian allotted leases, you may not exceed 50 percent of current net revenue due for the lease.
- The sales month will match your royalty line in which you are recouping against.
- You can recoup 50 percent of the net revenue of  $\$65.00$  which equals  $\$32.50$ , assuming that the recoupable balance equals or exceeds  $\$32.50$ .

## Transaction Code 03

Reductions to estimated payments (TC 03) **ARE** subject to recoupment limitations (tribal 100%, allotted 50%)

Tip: Recoup the current lease year rent before recouping any estimate balance.

- Keep in mind that if you reduce an estimate balance, you **ARE** subject to the recoupment limitations (tribal 100%, allotted 50%).
- If recouping both a current year rent and reducing an established estimate balance, recoup the rent at 100% and the remainder is subject to the recoupment limitations (tribal 100%, allotted 50%).
- Note: Be sure to keep track of your estimate balances so that you do not exceed the amount established in ONRR's system.

## Indian Allotted Example

### Recouping Rental & Estimate Balances

Detail Line	Current Roy	Current	Reduce		
		Rent Recoup	Estimate		
Line No.	1	2	3	4	5
API No.					
Lease No.	6340027270	6340027270	6340027270		
Agreement No.	8910012340				
PC	04				
STC	OINX				
Sales MO/YR	022012	022012	012012		
TC	01	25	03		
ARC			32		
SV	720.00	0.00	0.00		
Gas MMBtu	845.00	0.00	0.00		
Sales Value	4329.00	0.00	0.00		
RVPA	865.00	-400.00	-232.50		
TA	0.00	0.00	0.00		
PA	0.00	0.00	0.00		
RVLA	865.00	-400.00	-232.50		
PM	3	3	3		

Facts: 2012 annual rent of \$400 has been reported/paid and the current estimate balance is \$250.00

**Recoup the current year rent at 100% of the current revenue. The current net revenue will total \$465.00 (\$865.00 - \$400.00).**

**Now payor can reduce their estimate balance by 50% of their net revenue = \$232.50 (1/2 of \$465.00), using TC 03, ARC 32.**

For report month March 2012 and sales month February 2012, you can recoup the current year rent as well as any established estimate balance you established the prior month.

- Recoup the current lease year rent with a TC 25 at 100% of the current revenue (\$865.00 - \$400.00 = 465.00)
- Use TC 03 with ARC 32 to reduce your estimate balance. For Indian allotted leases, you may not exceed 50 percent of current net revenue due for the lease. The sales month will always be one month prior to the report month. In this example, it also matches the sales month of the current production.
- You can recoup 50 percent of the net revenue \$465.00 which equals \$232.50, assuming that your estimate balance is equal to or greater than \$232.50.

## **Indian Allotted Example Recouping TC 50 and Estimate Balances**

Detail Line	Current Roy	Recouping Indian Recoup Balance	Reduce Estimate		
Line No.	1	2	3	4	5
API No.					
Lease No.	6340027270	6340027270	6340027270		
Agreement No.	8910012340				
PC	04				
STC	OINX				
Sales MO/YR	022012	022012	012012		
TC	01	51	03		
ARC			32		
SV	720.00	0.00	0.00		
Gas MMBtu	845.00	0.00	0.00		
Sales Value	4329.00	0.00	0.00		
RVPA	865.00	-400.00	-232.50		
TA	0.00	0.00	0.00		
PA	0.00	0.00	0.00		
RVLA	865.00	-200.00	-232.50		
PM	3	3	3		

Facts: Current recoupable (TC 50) balance is \$200 and the current estimate balance is \$250.00.

**When recouping recoupable and estimate balances against current revenue for allotted leases, the combined recoupment amounts cannot exceed 50% of the current revenue.**

**Can only recoup up to ½ of \$865.80 with combination TC03/51 ( $865.00 / 2 = 432.50$ )**

For report month January 2004 and sales month November 2003, you can recoup the current year rent as well as any established estimate balance you established the prior month.

- Recoup the current lease year rent with a TC 25 at 100% of the current revenue ( $\$865.80 - \$400.00 = 465.80$ )
- Use TC 03 with ARC 32 to reduce your estimate balance. For Indian allotted leases, you may not exceed 50 percent of current net revenue due for the lease. The sales month will always be one month prior to the report month. In this example, it also matches the sales month of the current.
- You can recoup 50 percent of the net revenue \$465.80 which equals \$232.90, assuming that your estimate balance is equal to or greater than \$232.90.

## **Indian Allotted Example:**

- Lease number is 1234567890
- Agreement Number NM 123456
- Report is being completed on 03-29-2012
- A estimate is on file for \$26,000.00
- Recoupable Balance is \$50,000.00
- Current Rent was paid \$750.00 and \$750.00 is left to recoup.
- Current Production is for 02-2012 RVLA is \$6,250.00
- A Prior Period Adjustment is being made for Sales Month 05/2011. Adjustment will increase royalties due by \$11,500.00

See scenario above. Using the paper 2014 to report answer the questions below.

What will you report on each line for the scenario above?

Line 1:

Line 2:

Line 3:

Line 4:

Line 5:

Line 6:

Line 7:

## Scenario Break Down

• PPA (Reversal of Original Line) \$	-1,000.00
• Rebook Line	<u>12,500.00</u>
• New Revenue \$	11,500.00
• Current Revenue	<u>6250.00</u>
• Total Revenue \$	17,750.00
• *Current Rent Recoup	<u>-750.00</u>

\*Current Lease Year not considered over payment. Recoup 100% of Current Revenue.

• Total Revenue Left \$	17,000.00
• *50% of Total Revenue \$	8,500.00

\*50% of Total Revenue (Allotted Lease) is what you can use to decrease estimates and recoup recoupable balances.

• Estimate Balance Decrease	\$ -
3,000.00	
• Recoup Recoupable Balance \$	<u>-5,500.00</u>
	-8,500.00

Reporter owes ONRR \$8,500.00

This is a great example that will aid in you reporting correctly and keep you out of trouble.



# OFFICE OF NATURAL RESOURCES REVENUE

OFFICE OF NATURAL RESOURCES  
REVENUE

Financial Management  
Financial Services

**Phone: 1-800-433-9801x Analyst Ext**

**Fax: 303-231-3372**

## MAIL

OFFICE OF NATURAL RESOURCES REVENUE

P.O. BOX 5810, MAIL STOP 355B1

DENVER, CO 80217-5810

## Supervisors

**Hans Meingast, Branch Chief ext. 3382**

- ◆ **James Alexander, ext. 3027**  
(Indian) Team 3
- ◆ **Diane Ford, ext. 3144**  
(Federal) Team 2
- ◆ **Mary Mitchell, ext. 3379**  
(Federal) Team 1
- ◆ **Phil King, ext. 3323**  
Staff
- ◆ **Hannah Price, ext. 3373**  
Staff



## Accountants



### Federal Team 1-- Mary Mitchell x3379

- ◆ Niki Alomia x3417
- ◆ Mary Ann Atkinson x3321
- ◆ Damien Behounek x3503
- ◆ James Caldwell x3314
- ◆ Jamie Hamlin x3351
- ◆ Richard Izzo x3556
- ◆ Ron Marshall x3181
- ◆ Candace Merrell x3517
- ◆ Jonathan Nash [Jonathan.Nash@mms.gov](mailto:Jonathan.Nash@mms.gov)
- ◆ Noel Rivera [Noel.Rivera@mms.gov](mailto:Noel.Rivera@mms.gov)
- ◆ Pola Vigil x3428

## Accountants



### Federal Team 2--Diane Ford x3144

- ◆ Nancy Brown x3672
- ◆ Lu Croisant x3451
- ◆ Deane LeBet x3223
- ◆ Alberta Lopez x3295
- ◆ Jan Marshall x3300
- ◆ Mike Metzgar x3200
- ◆ Donna Moorehouse x3489
- ◆ John O'Donoghue x3122
- ◆ Bob Paolini x3132
- ◆ Esperanza Siller-Kavanagh x3787
- ◆ Pola Vigil x3428

<http://www.mrm.mms.gov/ReportingServices/PDFDocs/finserassign.pdf>

## Accountants

### Indian Team-- James Alexander x3027

- ◆ Corine Billingsley x3443
- ◆ Renee Corsi x3767
- ◆ Karen Jeffers x3406
- ◆ Diana Ohlsson x3371
- ◆ Jennifer Stephens x3596
- ◆ Joanne Taylor x3822



<http://www.mrm.mms.gov/ReportingServices/PDFDocs/FSIndianCoAssign.pdf>

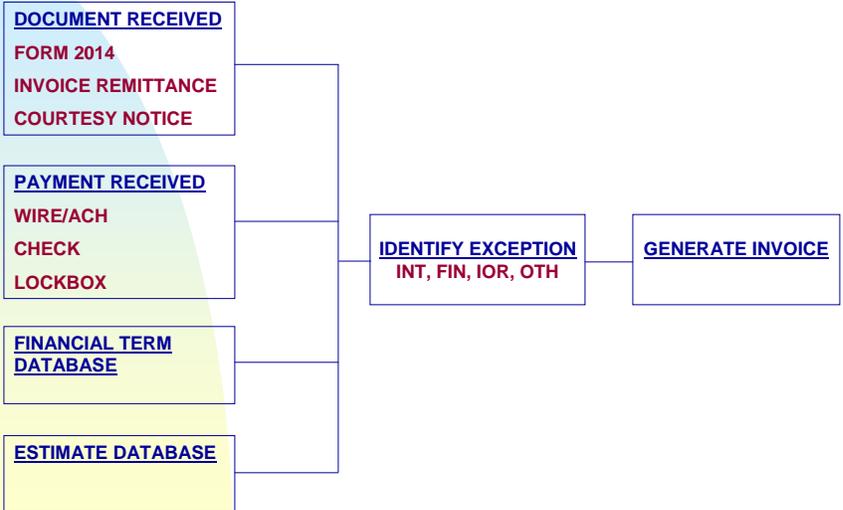
## Financial Services Contact Lists

•Federal

•Indian

Locate your company contact by finding the appropriate letter of the alphabet.

# FINANCIAL SERVICES EXCEPTION PROCESSING



# Exception Processing

## Types of Invoices

Interest	INT
◆ Late payment interest	
◆ Overpayment Interest	
◆ Insufficient estimate interest	
◆ Oversufficient estimate interest	
Financial Term	FIN
Indian Overrecoupment	IOR
Other Invoices	OTH

## INTEREST LATE-PAYMENT (Federal & Indian)

The Exception Processing (EP) reviews these closed documents

### ■ All late-paid Form MMS 2014 lines

- ◆ Reviews for estimate by lease sales month/year, looks at receipt date of the 2014 and assigns due date
- ◆ Compares due date to receipt date of the applied payment(s)

## LATE-PAYMENT (Federal & Indian) cont.

- ◆ **All late-paid invoices**
  - ❖ **IOR Invoices**  
Due date is the date of over-recoupment
  - ❖ **FIN Invoice**  
Due date determined from the anniversary date
  - ❖ **INT and OTH invoices**  
Due date assigned according to due date of invoice
- ◆ **All late-paid Courtesy Rent Notices**
  - ❖ Due date determined from the lease terms

## How Multiple Payments Affect Late Payment Interest Calculation

- Payments with different receipt dates prorated over all Form MMS-2014 lines
  - ◆ Interest is calculated from the due date to the prorated paid date for the allocated amount
- Payments cannot be applied to a specific line on Form MMS-2014
- Payments are only applied to a specific item if the document contains just one line
- Payments with the same receipt date netted together

## Netting

- No cross-lease netting allowed on Indian allotted leases
- Cross-lease netting allowed on Indian Tribal leases only with written permission from the tribe
- Pre RSFA (sales month prior to 1/97) we will allow you to cross-agreement and cross-lease net
- Post RSFA, no netting, we pay on your over-payments and bill on your under-payments, except Indian, Solids and Geothermal.

## MULTIPLE PAYMENTS WITH DIFFERENT RECEIPT DATES

### Allocation Process

1 ROYALTY LINE FROM A DOCUMENT TOTALLING \$100,000

Sales Month	Due Date	Amount
09/2007	11/30/2007	\$6,000

#### THREE PAYMENTS WERE APPLIED

11/15/2007	\$30,000	= 3/10 or 30%
12/30/2007	\$60,000	= 6/10 or 60%
01/31/2008	<u>\$10,000</u>	= 1/10 or 10%
(Total amount of 2014)	\$100,000	

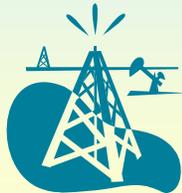
#### ALLOCATION OF 3 PAYMENTS TO THIS ONE ROYALTY LINE

\$6,000	X	30%	\$1,800	Prorated paid date	11/15/2007
\$6,000	X	60%	\$3,600	Prorated paid date	12/30/2007
\$6,000	X	10%	<u>\$ 600</u>	Prorated paid date	01/31/2008
			\$6,000		

## OVERPAYMENT INTEREST Federal Only

**Federal net negative adjustment  
(overpayment lines)**

**A net negative interest invoice  
can be used as a credit.**



## INSUFFICIENT ESTIMATE INTEREST (Indian & Geothermal)



- Insufficiency calculated at lease level
- Interest billed on the insufficient portion only
  - On royalty received 2nd month after production and later
- Interest charged for time used in extended estimate period

## INSUFFICIENT ESTIMATE EXAMPLE (Indian & Geothermal)

Sales Month/Year	01/2009
Due date without an estimate	02/28/2009
Due date with an estimate	03/31/2009
Extended estimate period	03/01/2009 to 03/31/2009

- Interest charged for time used in extended estimate period

Estimate on file	\$100
Royalty reported & paid	<u>\$300</u>
Insufficient Estimate	\$200

## INSUFFICIENT ESTIMATE EXAMPLE (Indian & Geothermal)

- If reported on 03/21/2009  
Customer pays 21 days interest on \$200
- If reported on 03/31/2009  
Customer pays 31 days interest on \$200
- If reported on 04/16/2009
  - ◆ Customer pays 31 days interest on \$200
  - ◆ Customer pays 16 days late payment interest on \$300

## Oversufficient Estimate Example (Federal)

Sales Month/Year	01/2009
Due date without an estimate	02/28/2009
Due date with an estimate	03/31/2009
Extended estimate period	03/01/2009 to 03/31/2009
■ Oversufficient estimate balance ONRR owes you for the time used in the extended estimate period	
Estimate on file	\$300
Royalty reported and paid	<u>\$100</u>
Oversufficient Estimate	\$200 or \$300

CONT.

## Oversufficient Estimate Example (Federal)



- If reported on 03/21/2009  
ONRR pays 31 days interest on \$200
- If reported on 03/31/2009  
ONRR pays 31 days interest on \$200
- If reported on 04/16/2009
  - ◆ ONRR pays 31 days interest on \$300
  - ◆ Customer pays 47 days late payment interest on \$100

**Please Remit To:**  
Minerals Management Service  
Minerals Revenue Management  
P. O. Box 5810  
Denver, CO 80217-5810

U. S. Department of the Interior  
Minerals Management Service

REMITTANCE

Page: FED01  
1  
Invoice No: INT100000100  
Invoice Date: 05/14/2003  
Customer Number: 44444  
Due Date: 06/30/2003

TOTAL AMOUNT DUE: 2,509.33

For billing questions, please call 1-800-433-9801 EXT 3613

\*\*\*\*\*  
PLEASE REMIT THIS COPY WITH PAYMENT  
\*\*\*\*\*

**DO NOT SUBMIT A FORM MMS-2014**

INT

Original

**Please Remit To:**  
 Minerals Management Service  
 Minerals Revenue Management  
 P. O. Box 5810  
 Denver, CO 80217-5810

**U. S. Department of the Interior  
 Minerals Management Service**

FED01  
 Page: 1  
 Invoice No: INT100000100  
 Invoice Date: 05/14/2003  
 Customer Number: 44444  
 Due Date: 06/30/2003

**Customer:**  
 XYZ Oil & Gas Company  
 Attn: Dave David  
 P. O. Box 34560  
 Denver, CO 80202-4560

**INVOICE**

**TOTAL AMOUNT DUE: 2,509.33**

For billing questions, please call 1-800-433-9801 EXT 3613

Description	Line	Document ID	PAD Number	Sales Date	Receipt Date	Amount Due
MMS Lease No. Agency Lease		Lease Name				
PLEASE READ THE LETTER ENCLOSED WITH THIS INTEREST STATEMENT. IT EXPLAINS HOW YOU CAN APPLY THE AMOUNT OF INTEREST MMS OWES YOU TO ANOTHER ROYALTY OBLIGATION, OR REQUEST A REFUND.						
Interest on Estimates	0540106050	1	ESTIMATE	01/2003	03/28/2003	(9.31)
		OCS-G 10605				
Interest on Estimates	0540106550	2	ESTIMATE	01/2003	03/28/2003	9.03
		OCS-G 10655				
Interest on Royalty	0540012550	3	ROY100000123	11/2002	04/15/2003	1,505.18
		OCS-G 1255				
Interest on Royalty	0540012550	4	ROY100000123	12/2002	04/15/2003	862.87
		OCS-G 1255				
Interest on Royalty	0540012550	5	ROY100000123	11/2002	04/15/2003	479.44
		OCS-G 1255				
Interest on Royalty	0540012550	6	ROY100000123	12/2002	04/15/2003	280.73
		OCS-G 1255				
Interest on Royalty	0540001250	7	ROY100000155	09/2001	12/31/2002	(618.61)
		OCS-G 0125				
<b>SUBTOTAL</b>						<b>2,509.33</b>
TOTAL AMOUNT DUE:						2,509.33

INT

Original

Report ID: ZEPRPT01

**U. S. Department of the Interior  
 Minerals Management Service  
 Minerals Revenue Management**

Page No. 1  
 Run Date 05/03/2003  
 Run Time 15:26:45

Business Unit : FED01 Invoice : INT100000100  
 Dist Code : 0 Customer: 44444 XYZ Oil & Gas

**Interest Schedule**

Line Nbr	Reference Doc ID	Lease No.	Pre Ptn	Sale Dt.	Roy/Bill Amount	Receipt Date	Ass Cd	Est Ind	Due Date	Payment Date	Assessment Base	Accumulated Assessment	From Dt.	To Dt.	Days	Int. Rate	Amount Due
1		0540106050		01/2003	763.19	03/28/03	INTES	Y	02/28/03		-2,736.81	-2,736.81	02/28/03	03/31/03	31	0.0400	-9.31
												Total for Bill Line	-9.31				
2		0540106550		01/2003	2,850.30	03/28/03	INTES	Y	02/28/03		2,350.30	2,350.30	02/28/03	03/28/03	28	0.0500	9.03
												Total for Bill Line	9.03				
3	ROY100000123	0540012550		11/2002	142,230.68	04/15/03	LPROY	Y	12/31/02	04/10/03	109,135.09	109,135.09	12/31/02	04/10/03	100	0.0500	1,505.18
												Total for Bill Line	1,505.18				
4	ROY100000123	0540012550		12/2002	118,420.00	04/15/03	LPROY	Y	01/31/03	04/10/03	90,864.91	90,864.91	01/31/03	04/10/03	69	0.0500	862.87
												Total for Bill Line	862.87				
5	ROY100000123	0540012550		11/2002	142,230.68	04/15/03	LPROY	Y	12/31/02	04/15/03	33,095.59	33,095.59	12/31/02	04/15/03	105	0.0500	479.44
												Total for Bill Line	479.44				
6	ROY100000123	0540012550		12/2002	118,420.00	04/15/03	LPROY	Y	01/31/03	04/15/03	27,555.09	27,555.09	01/31/03	04/15/03	74	0.0500	280.73
												Total for Bill Line	280.73				
7	ROY100000155	0540001250		09/2001	-10,000.00	12/31/02	LPROY	Y	10/31/01		-10,000.00	-10,000.00	10/31/01	12/31/01	61	0.0600	-100.77
												Total for Bill Line	-100.77				
												Total for Bill Line	-618.61				
												Total interest for Invoice	INT100000100	2,509.33			

U. S. Department of the Interior  
Minerals Management Service  
Minerals Revenue Management

Report ID: ZEPRT06

Estimate Exception Bill Details

Page No. 1  
Run Date 05/03/2003  
Run Time 15:26:45

Unit : FED01 Invoice : INT100000100  
Customer: 4444 XYZ Oil & Gas

Contract	Sale Dt	Document	Line	Receipt dt	Prod Cd	Trans Cd	Royalty Amt	Estimate Amt	Variance
Line No. : 1 Lease No. : 0540106050									
<b>Beginning Balance</b>									
0540106050	01/31/2003	ROY100000123	00000001	02/28/2003		03		3,000.00	
								500.00	
<b>Ending Balance</b>									
0540106050	01/31/2003	ROY100001233	00000001	03/28/2003	04	01	763.19	3,500.00	
<b>Line Total</b>								763.19	-2,736.81
Line No. : 2 Lease No. : 0540106550									
<b>Beginning Balance</b>									
								500.00	
<b>Ending Balance</b>									
*** No Activity ***									
0540106550	01/31/2003	ROY100001233	00000006	03/28/2003	04	01	872.50		
0540106550	01/31/2003	ROY100001233	00000007	03/28/2003	01	01	1,977.80		
<b>Line Total</b>								2,850.30	2,350.30

U. S. Department of the Interior  
Minerals Management Service  
Minerals Revenue Management

Report ID: ZEPRT03

Late Payment Allocation

Page No. 1  
Run Date 05/03/2003  
Run Time 15:26:45

Business Unit : FED01 Invoice : INT100000100  
Dist Code: 4444 Customer: 4444 XYZ Oil & Gas  
Document: ROY100000123 Receipt Date: 04/15/2003 Total Amount: 260,650.68

BUSINESS UNIT CUSTOMER DISTRIBUTE ITEM ITEM-LINE  
FED01 4444 DB83HH13 1  
PAYMENT ID: 887755 RECEIPT DATE: 04/10/2003 APPLIED AMOUNT: \$ 200,000.00

LEASE NUMBER	GEO	SALES	TRAN	IND	MONTH	CODE	ARC	DUE DATE	EST	INT	ACCEPTED AMOUNT	ALLOCATED AMOUNT
054-001255-0	N	11/2002	01	12/31/2002	Y	Y	\$	142,230.68	\$	109,135.09		
054-001255-0	N	12/2002	01	01/31/2003	Y	Y	\$	118,420.00	\$	90,864.91		
<b>SUBTOTAL:</b>											\$ 260,650.68	\$ 200,000.00
<b>TOTAL:</b>											\$ 260,650.68	\$ 200,000.00

PAYMENT ID: 886644 RECEIPT DATE: 04/15/2003 APPLIED AMOUNT: \$60,650.68

LEASE NUMBER	GEO	SALES	TRAN	IND	MONTH	CODE	ARC	DUE DATE	EST	INT	ACCEPTED AMOUNT	ALLOCATED AMOUNT
054-001255-0	N	11/2002	01	12/31/2002	Y	Y	\$	142,230.68	\$	33,095.59		
054-001255-0	N	12/2002	01	01/31/2003	Y	Y	\$	118,420.00	\$	27,555.09		
<b>SUBTOTAL:</b>											\$ 260,650.68	\$ 60,650.68
<b>TOTAL:</b>											\$ 260,650.68	\$ 60,650.68

Page No. 2

BUSINESS UNIT CUSTOMER DISTRIBUTE ITEM ITEM-LINE  
FED01 4444 CR07HH14 1  
PAYMENT ID: RECEIPT DATE: 12/31/2002 APPLIED AMOUNT: \$ -10,000.00

LEASE NUMBER	GEO	SALES	TRAN	IND	MONTH	CODE	ARC	DUE DATE	EST	INT	ACCEPTED AMOUNT	ALLOCATED AMOUNT
054001250	N	09/2001	01	10/31/2001	Y	Y	\$	-10,000.00	\$	-10,000.00		

## ROYALTY SIMPLIFICATION AND FAIRNESS ACT OF 1996 (RSFA)

- Federal Oil & Gas onshore and offshore leases are subject to RSFA
  - ◆ **Interest paid to customers on overpayments**
  - ◆ **Customers can report their own interest**
  - ◆ **ONRR will issue 1099-INT for interest paid to the customer**
- Indian, Solid and Geothermal leases are not subject to RSFA

**BECAUSE OF RSFA,**  
you now can have two kinds of  
interest lines from the *same* ONRR  
Form-2014

- Estimate interest lines
- Late or overpayment interest lines



# INTEREST FORMULA

$$I = A \left[ \left( 1 + \frac{R}{N} \right)^n - 1 \right]$$

**I = Interest Amount**

**A = Assessment Amount**

**R = Interest Rate in decimal format**

**N = Number of days in the year  
(365 or 366)**

**n = Number of days in the period  
(n is an exponent)**



# Reporting Your Own Interest

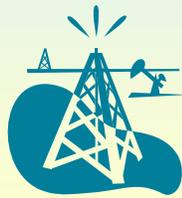


**The answer is NO!**

## THE CURRENT INTEREST TABLE CAN BE FOUND AT:

<http://www.mrm.mms.gov/ReportingServices/interest.htm>

Formula, interest rates, examples, and explanations are all found here.



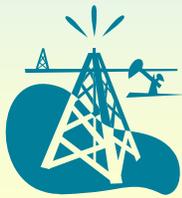
## FINANCIAL TERM INVOICES (FIN)

### (LEASE CONTRACT FINANCIAL PROVISIONS)

- Balance due already late when invoice issued. Interest generated when payment is received.
- Please do not submit 2014 if you have a correct invoice.
- If you need to make a correction: (Reversing/correcting entries still need 2014.)
- Customer Should
  - ◆ Reference Invoice Number and Cust ID
  - ◆ Electronic Payment

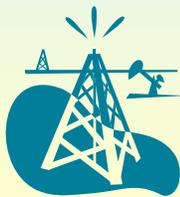
## NONTERMINABLE LEASES

(Rent, Advance Rent, Minimum Royalty, Right-of-Way, Right-of-Use & Easement, Well Fee, Storage Fee)



- **Exception Processing for FIN Invoices:**
  - ◆ **Compares amount due to amount paid**
  - ◆ **Generates Financial exception for identified underpayments**

## NONTERMINABLE LEASES (cont.)



- **Rent**
  - ◆ **Due annually by the first day of the lease year**
- **Advance Rent**
  - ◆ **Due annually by the first day of the lease year**
  - ◆ **Report and pay even if it will be recouped**
- **Minimum Royalty**
  - ◆ **Due annually by the last day of the lease year when not met by production**
  - ◆ **Not billed until three months after the due date**

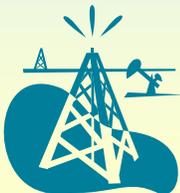
## NONTERMINABLE LEASES (cont.)

- **Right-of-Way, Right-of-Use & Easement**
  - ◆ Invoices sent out in November
  - ◆ Due annually by January 1
  - ◆ Not reported on 2014
- **Well Fee**
  - ◆ Reported on 2014
  - ◆ Due quarterly or annually
- **Storage Fee**
  - ◆ Reported on 2014
  - ◆ Due annually



## TERMINABLE LEASES

- **Exception Processing:**
  - ◆ Compares amount due to amount paid
  - ◆ Determines underpayment
  - ◆ If nominally deficient, generates FIN Invoice for identified underpayment



## When lease is terminated for underpayment



- **ONRR reports terminable lease underpayment to BLM**
- **BLM terminates lease(s) and responds to customer inquiries**
- **Customer's appeal rights are with BLM, not ONRR (CFR-43)**

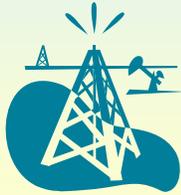
## FIN Invoice could be adjusted if:



- **Database Incorrect**
  - ◆ **Customer responsibility has changed**
  - ◆ **Due date is incorrect**
- **Timing**
  - ◆ **Payment not posted to lease account balance**
  - ◆ **Line on Form MMS-2014 is rejected**
  - ◆ **Payment received but not Form MMS-2014**

# FINANCIAL TERMS Indian Leases

- **Payment Method 2**
- **Recoupable rents not paid at beginning of lease year**



**Please Remit To:**  
Minerals Management Service  
Minerals Revenue Management  
P. O. Box 5810  
Denver, CO 80217-5810

**U. S. Department of the Interior  
Minerals Management Service**

Page: FED01  
1  
Invoice No: FIN100000100  
Invoice Date: 02/14/2005  
Customer Number: 12345  
Due Date: 03/31/2005

**REMITTANCE**

**TOTAL AMOUNT DUE: 55,588.98**

**Customer:**  
ABC Oil & Gas Company  
Attn: Dave David  
P. O. Box 34560  
Denver, CO 80202-4560

For billing questions, please call 1-900-433-9801 EXT 3613

\*\*\*\*\*  
PLEASE REMIT THIS COPY WITH PAYMENT  
\*\*\*\*\*

**DO NOT SUBMIT A FORM MMS-2014**

FIN

ORIGINAL

**Please Remit To:**  
 Minerals Management Service  
 Minerals Revenue Management  
 P. O. Box 5810  
 Denver, CO 80217-5810

**U. S. Department of the Interior  
 Minerals Management Service**

Page: FED01  
 1  
 Invoice No: FIN100000100  
 Invoice Date: 02/14/2005  
 Customer Number: 12345  
 Due Date: 03/31/2005

**INVOICE**

**TOTAL AMOUNT DUE: 55,588.98**

**Customer:**  
 ABC Oil & Gas Company  
 Attn: Dave David  
 P. O. Box 34560  
 Denver, CO 80202-4560

For billing questions, please call 1-800-433-9801X3613

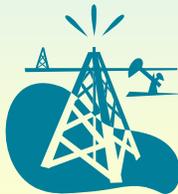
Description	Line	MMS Lease No.	Orig Due Dt Agency Lease	Obligation Amount Lease Name	Total Payment	Amount Due
AMOUNT(S) ASSESSED IN ACCORDANCE WITH LEASE TERMS.						
Underpaid Minimum Royalty	1		02/29/2004	15,000.00	2,611.02	12,388.98
		0550008320	OCS 0832			
Underpaid Rent	2		12/31/2004	43,200.00	0.00	43,200.00
		0540185700	OCS-G 18570			
<b>SUBTOTAL:</b>						<b>55,588.98</b>
<b>TOTAL AMOUNT DUE</b>						<b>55,588.98</b>

FIN

ORIGINAL

# INDIAN OVERRECOUPMENT INVOICES (IOR)

- All 2014 lines must be accepted
- System generates bill line when an exception is found
- Interest implications
- Payment Method 2 will generate letter



## INDIAN OVERRECOUPEMENTS IOR INVOICES

### **Tribal**

**If recoup more than 100% of  
the current revenue**

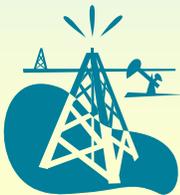
### **Allotted**

**If recoup more than 50% of  
the current revenue**



## WHAT IS CURRENT REVENUE?

- **Royalty due for current report month**
- **All other revenue (i.e. annual rental, net positive adjustments) reported in the same month, less allowances and any tax credits.**
- **Recoupment of current lease year's advance rental payment (TC 25). Usually a negative amount but could be either.**



## WHAT IS A NEGATIVE ADJUSTMENT?

- All net negative adjustments to previously reported sales months (TC 01, 05, 11, 12, 14, and 15)
- Recoupment of a prior year's rent



## TRIBAL LEASE EXERCISE

	Sales Mo/Yr	TC	Revenue Amount
Current Royalty	02/2010	01	\$300.00
Recoupable Rent	02/2010	25	<u>-180.00</u>
Net Revenue			\$120.00
Negative Adjustment	01/2010	01	<u>-120.00</u>
Report Total			\$ 0.00

**No Exception Generated**

## ALLOTTED LEASE EXERCISE

	Sales Mo/Yr	TC	Royalty Value
Current Revenue	02/2010	01	\$300.00
Recoupable Rent	02/2010	25	<u>-180.00</u>
Net Revenue			\$120.00
Can Recoup 50% of Net Revenue			\$ 60.00

## ALLOTTED LEASE EXERCISE (cont.)

Sales Mo/Yr	Royalty Adjustments	TC	Current Revenue
11/2009	\$-150.00	01	
12/2009	\$ -50.00	01	
01/2010	\$-200.00	01	\$ 200.00
02/2010		01	\$ 300.00
02/2010		25	<u>\$-180.00</u>
	<u>0.00</u>		<u>\$ 120.00</u>
	\$-200.00		\$ 320.00

# ALLOTTED LEASE EXERCISE ANSWER

Current revenue	\$ 320.00
Allotted lease	<u>50%</u>
Available to recoup	\$ 160.00
Recoupment taken	\$-200.00
Overrecoupment	\$ -40.00

## A \$40.00 Exception is Generated

Once the IOR invoice is paid, MRM's system establishes a recoupable balance (TC 50), which then can be recouped against future royalties with a TC 51.

<b>Please Remit To:</b> Minerals Management Service Minerals Revenue Management P. O. Box 5810 Denver, CO 80217-5810	<b>U. S. Department of the Interior</b> <b>Minerals Management Service</b>	Page: Invoice No: Invoice Date: Customer Number: Distributee Code: Due Date:	IND01 1 IOR100000100 04/14/2005 12345 550 05/31/2005
<b>Customer:</b> ABC Oil & Gas Company Attn: Dave David P. O. Box 34560 Denver, CO 80202-4560	<b>REMITTANCE</b>	<b>TOTAL AMOUNT DUE:</b>	40.00

For billing questions, please call 1-800-433-9801 EXT 3613

\*\*\*\*\*  
PLEASE REMIT THIS COPY WITH PAYMENT  
\*\*\*\*\*

**DO NOT SUBMIT A FORM MMS-2014**

IOR

Original

**Please Remit To:**  
 Minerals Management Service  
 Minerals Revenue Management  
 P. O. Box 5810  
 Denver, CO 80217-5810

**U. S. Department of the Interior  
 Minerals Management Service**

Page: IND01  
 1  
 Invoice No: IOR100000100  
 Invoice Date: 04/14/2005  
 Customer Number: 12345  
 Distributee Code: 550  
 Due Date: 05/31/2005

**Customer:**  
 ABC Oil & Gas Company  
 Attn: Dave David  
 P. O. Box 34560  
 Denver, CO 80202-4560

**INVOICE**

**TOTAL AMOUNT DUE: 40.00**

For billing questions, please call 1-800-433-9801 EXT 3613

Description	Line	Sales Date	Document ID	Receipt Date	PAD Number	Amount Due
	MMS Lease No.	Agency Lease	Lease Name			
ASSESSMENT FOR REPORTING OR PAYMENT VIOLATION. PLEASE REMIT ON OR BEFORE THE INVOICE DUE DATE TO AVOID FURTHER CHARGES.						
Allottee Recoupment	1	02/2005	ROY100000444	03/31/2005		40.00
	5090033330	52013				
<b>SUBTOTAL:</b>						40.00
<b>TOTAL AMOUNT DUE:</b>						40.00

IOR

Original

Report ID: ZIORRPT

U. S. Department of the Interior  
 Minerals Management Service  
 Minerals Revenue Management  
 Indian Recoupment Detail

Page No: 1  
 Run Date 04/14/2005  
 Run Time 15:26:45

**INVOICE:** IOR100000100    **PAYOR:** 12345 ABC Oil & Gas Company    **DISTRIBUTION CODE:** 550    **TOTAL EXCEPTION:** \$40.00

**BILL LINE#:** 1    **ASSESSMENT CODE:** RA    **DESCRIPTION:** Allottee Recoupment    **TRIBAL/ALLOTTED:** A    **BILL LINE EXCEPTION:** \$40.00

**LEASE:** 5090033330    **LEASE ANN:** 31-JAN-2004

LINE NBR	PROD CD	SALES DT	TC	ARC	EST REL	PAY METH	DOC ID	PAD NUM	RECEIPT DATE	ROYALTY VALUE	REVENUE AMT	NEG ADJ AMT	RCPD AMT	RCPABLE AMT
0	04	30-NOV-2004	01	10		05	ROY100000444		31-MAR-2005	-150.00	0.00	-150.00	0.00	0.00
0	04	31-DEC-2004	01	10		05	ROY100000444		31-MAR-2005	-50.00	0.00	-50.00	0.00	0.00
0	04	31-JAN-2005	01	10		05	ROY100000444		31-MAR-2005	200.00	200.00	0.00	0.00	0.00
0	04	28-FEB-2005	01			05	ROY100000444		31-MAR-2005	300.00	0.00	0.00	0.00	0.00
0	04	28-FEB-2005	25			05	ROY100000444		31-MAR-2005	-180.00	120.00	0.00	0.00	0.00
<b>TOTALS:</b>											<b>320.00</b>	<b>-200.00</b>	<b>0.00</b>	<b>0.00</b>

\*\*\* End of Report \*\*\*

# OTH INVOICES

## 3 Types

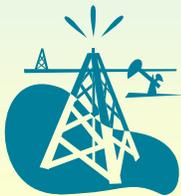
- **CAM Initiated**
  - ◆ for occurrences such as royalty rate errors, allowances, improper adjustments, audits, etc.
- **Civil Penalties**
- **Fisherman's Contingency**
- **Inspection Fee**



# CIVIL PENALTIES

## 30 CFR 241.50-80

- **Notice of Noncompliance**
  - ◆ \$500 per day (1st 40 days)
  - ◆ \$5000 per day (after 40 days)
- **Intentional Violation**
  - ◆ \$10,000 per day



## CIVIL PENALTIES – OCS 30 CFR 250.1400 -1409



- **Notices of Incidents of Noncompliance**
  - ◆ \$25,000 per day
- **Appeal rights are with BOEM (30 CFR 290, Subpart A)**

## APPEALS 30 CFR 290

**We may be able to solve the problem without a formal appeal.**



**CALL ANALYST FIRST!!**

# APPEALS

- Submit notice to address in ONRR invoice/order stating intent to appeal
- Letter due within 30 days from your receipt of ONRR invoice or order
  - ◆ **ONRR invoice/order number**
  - ◆ **Dollar amount appealed**
- 30 additional days to submit Statement of Reasons (60 days for audit related appeals)

To:  
Deputy Associate Director for  
Minerals Revenue Management  
Minerals Management Service  
Attn: Appeals Coordinator  
P O Box 173702,MS350B1  
Denver, CO 80217-3702

# ONRR APPEALS PROCESS

- **ONRR Dockets Appeal and sends acknowledgement letter to the appellant**
- **ONRR reviews appeal; if resolved closes appeal**
- **Appeals Division analyzes legal issues and prepares draft decision**
- **PMI issues decision**
- **Appellant can then appeal to IBLA, then the courts**



# APPEAL SURETY 30 CFR 243

- **Payment may be suspended**
  - ◆ **If you submit timely appeal and you provide an acceptable surety:**
    - ❖ **For Indian invoices greater than \$1,000**
    - ❖ **For Federal demands greater than \$10,000 (or you may self bond)**



**For surety questions please call  
1-800-433-9802 and select option  
1 for Kim Werner**

# PAYMENT REQUIREMENTS

**30 CFR 218.50**



# PAYMENT INSTRUCTIONS

## ◆ All Reporting

❖ <http://www.mrm.mms.gov/Reporting/Services/PayInfo.htm>

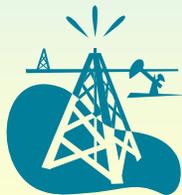
## ◆ Indian Leases and Fund Codes

❖ <http://www.mrm.mms.gov/Reporting/Services/PDFDocs/FCIL/pdf>.



# TYPES OF PAYMENTS

- Wire
- Automated Clearing House (ACH)
- Check
- (TPAY) some tribal payments
- Credits (Please notify analyst before use of credits)



# CHECKS

## FEDERAL EXAMPLE

Name Address City and State, Zip	Check # Date _____
Pay to the Order of _____	\$ _____
\$ _____ Dollars	Signature _____
Cust. ID PAD/Invoice # Federal Indicator (Fed)	

Pay to the order of: **Department of the Interior, Minerals Management Service**

Check comments: **Cust ID \_\_\_\_\_**  
**PAD No. \_\_\_\_\_**  
**Federal**

# CHECKS

## INDIAN ALLOTTED EXAMPLE

Name Address City and State, Zip	Check # Date _____
Pay to the Order of _____	\$ _____
\$ _____ Dollars	Signature _____
Cust. ID PAD/Invoice # * _____ Agency/Area (allotted) Indian Indicator (I) Fund Code (Distributee Code)	

Pay to the order of: **Department of the Interior, MMS for BIA**

Check comments: **Cust ID \_\_\_\_\_**  
**PAD No. \_\_\_\_\_**  
**\* \_\_\_\_\_ Agency/Area (allotted)**  
**Indian**  
**Fund Code (Distributee Code)**

# CHECKS

## INDIAN TRIBAL EXAMPLE

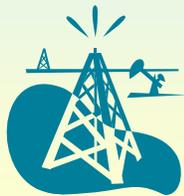
Name Address City and State, Zip	Check # Date _____
Pay to the Order of _____ \$ _____	
\$ _____ Dollars	Signature _____
Cust. ID PAD/Invoice # * _____ Tribe Indian Indicator (I) Fund Code (Distributee Code)	

Pay to the order of: Department of the Interior, MMS for BIA

Check comments: Cust ID \_\_\_\_\_  
PAD No. \_\_\_\_\_  
\* \_\_\_\_\_ Tribe  
Indian  
Fund Code (Distributee Code)

# WIRE REQUIREMENTS

- **Originator**
  - ◆ Company Name
  - ◆ Contact + Phone #
- **Originator to Beneficiary:**
  - ◆ Cust ID (Payor Code)
  - ◆ Federal or Indian w/Fund Code
  - ◆ PAD or Invoice #



## Wire Example

- Format Example

**Federal**

**12345\*12345678\*F\*\***

**12345\*INT123456789\*F\*\***

**Indian**

**12345\*12345678\*I\*123\***

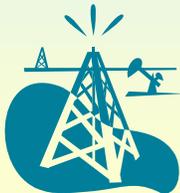
**12345\*INT123456789\*I\*123\***

## ACH – Automated Clearing House

- Must be CCD+format**

- Send to:**

◆ Bank Name:	TREAS NYC
◆ City, State:	New York, NY
◆ Routing Transit Number:	051036706
◆ Receiver Name:	Minerals Mgmt Services
◆ Account Number:	220037
◆ Record Type Code:	6
◆ Transaction Code:	22
◆ Addenda Indicator:	1



## ACH (cont.)



- Submit a single ACH transaction for each item you remit
- Prepare a separate report and payment for your Federal and Indian leases
- Each Indian Fund (DC) Code requires a separate ACH payment
- Contact General Ledger with questions at 303-231-3034 or 303-231-3108

## ACH EXAMPLES

- **Payment examples:**

**Federal**

44444\*01200501\*F\*\*

44444\*INT10508\*F\*\*

**Indian**

44444\*01200502\*I\*530\*

**Rent Obligation-Courtesy Notice**

44444\*0540123450\*F\*\*

# TRIBAL LOCKBOX PAYMENTS (TPAYS)

Name	Check #
Address	Date-----
City and State Zip	
Pay to the Order of-----	
\$-----	Dollars
Cust. ID	Signature
Pad/Invoice #	-----
Indian Indicator (I)	
Indian Fund Code (Distributee Code)	

**Mail or fax a copy of the check  
information to your accountant**

## DEBT COLLECTION

- **Federal Debt Collection Follow-up**
  - ◆ Invoice is issued or a Royalty Document is received
  - ◆ Demand to Payor (DTP) issued 15 days from receipt of Roy or due date of Invoice
  - ◆ Notice of Demand (NOD) issued 15 days from DTP
  - ◆ To Dept. of Treasury 180 days from NOD



## DEBT COLLECTION

- **INDIAN DEBT COLLECTION FOLLOW-UP**

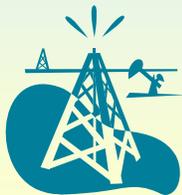
- ◆ DTP issued 20 day from receipt of 2014 or after due date Invoice
- ◆ Potential Treasury Referral Letter
- ◆ To Dept. of Treasury 180 days from DTP



## DEBT COLLECTION

- **Solid Minerals – Federal & Indian**

- ◆ DTP issued 60 days from receipt of Roy or due date of Invoice
- ◆ NOD – None
- ◆ To Dept. of Treasury 60 days from DTP



As Of  
1/13/2009 - 6:19:36 AM

### Federal Account Balance

XXXXXX

#### PETROLEUM

Entry Type	Date	Item ID Payment #	Amount Remaining	Hold Code	Document Req Amt	** Requested Action
<input type="checkbox"/> ROYA	08/01/2007	12345678	(\$410.87)		ROY100102009	_____
<input type="checkbox"/> PYMT	12/29/2007	OA-CHC7500511-133	(\$30.00)		RELK540242720	_____
<input type="checkbox"/> PYMT	06/11/2008	OA-CHC7500574	(\$25.00)		RNT10021775	_____
<input type="checkbox"/> PYMT	08/25/2008	OA-CHC7500635-134	(\$30.00)		RELK540242720	_____
<input type="checkbox"/> PYMT	09/29/2008	24US673Q (OPC)	(\$75.00)		CON EC 178 TO 184	_____
<input type="checkbox"/> INV	11/18/2008	FIN100033005	\$120.00			_____
<b>Payor Balance</b>			<b>(\$450.87)</b>			

Entry Type Total:	Amount
INV	\$120.00
PYMT	(\$160.00)
ROYA	(\$410.87)
	(\$450.87)

The following items are not being worked because of their hold codes.  
Please contact the accountant with questions concerning these items.

Entry Type	Date	Payment # / Item ID	Hold Code	Balance
INV	05/28/2008	FIN100032049	LPR	\$25,140.00
<b>Total:</b>				<b>\$25,140.00</b>

Apply for complete account to:

- 1. Outstanding receivables  (see in Account Detail)
- 2. Past receivables

Sign & return this statement to address referenced in the letter or fax to (303) 231-3372.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
(Print name)

For more details on following information or obtain a printed statement, contact:  
(1) Computer Center and Accounts Payable, 1100 State St, Denver, CO 80202  
(2) AIAA, 11 Account # 40, Division of Energy, 777017584  
\*Items to be worked will be held until return and show update

For questions call your FS Accountant: **Your Contact** 1-800-433-9899 ext. 9999 or 303-231-9999

E-Mail: **Your Contact** @nms.gov

\*\*Fax a copy of this form with your Requested Action noted. Fax No. 303-231-9999

\*If checked, receivable is eligible for Administrative Offset (APO)

As Of  
1/13/2009 - 6:19:36 AM

### Indian Account Balance

XXXXXX

#### CORPORATION

Entry Type	Date	Item ID Payment #	Amount Remaining	Dist Code	** Requested Action
<input checked="" type="checkbox"/> ROYA	10/06/2003	BIAN07103	\$200.00	600	_____
<input type="checkbox"/> PYMT	05/14/2007	OA-00067480-4537	(\$29.40)	510	_____
<input type="checkbox"/> PYMT	02/19/2008	00068948 (CTBC)	(\$243.30)	510	_____
<input type="checkbox"/> INV	11/25/2008	INT100052119	\$114.25	510	_____
<input type="checkbox"/> ROYA	01/09/2009	APA70555	\$31.25	530	_____
<input type="checkbox"/> ROYA	01/09/2009	APA70552	\$74.65	530	_____
<input type="checkbox"/> ROYA	01/09/2009	APA70554	\$40.63	530	_____
<b>Payor Balance</b>			<b>\$188.00</b>		

Entry Type Total:	Amount
INV	\$114.25
PYMT	(\$272.78)
ROYA	\$346.53
	\$188.00

The following items are not being worked because of their hold codes.  
Please contact the accountant with questions concerning these items.

Entry Type	Date	Payment # / Item ID	Hold Code	Balance
PYMT	10/14/2003	OA-61455-5454	TPY 312	(\$200.00)
				(\$200.00)

Hold Codes: Beginning with "A" - the item is under appeal by your company  
Beginning with "B" - the item is pre-position bankruptcy  
Beginning with "TK" - the item has been referred to Department of Treasury for collection  
"TPY" are receivables for payments that are sent directly to LockBox or Tribe  
"ENP" are receivables currently in Enforcement

Apply for complete account to:

- 1. Outstanding receivables  (see in Account Detail)
- 2. Past receivables

Sign & return this statement to address referenced in the letter or fax to (303) 231-3372.

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
(Print name)

For questions call your FS Accountant: **Your Contact** 1-800-433-9801 ext 9999 or (303) 231-9999

E-Mail: **Your Contact** @nms.gov

\*\*Fax a copy of this form with your Requested Action noted. Fax No. 303-231-3372

\*If checked, receivable is eligible for Administrative Offset (APO)

## OPEN ACCOUNT BALANCE DESCRIPTIONS

- **Entry Type**

ROYL = Form 2014

PYMT = Check, ACH, TPAY (Indian only) or wire not applied to a receivable

INV = Invoice Issued by ONRR

## OPEN ACCOUNT BALANCE DESCRIPTIONS

- **Entry Type Explanations**

ROYL = Payor Assigned Document Number (PAD) of 2014

PYMT = Check, ACH, TPAY or Wire number

OA = Portion of payment not applied to receivable

CR-AUTO= Credit Transferred from former accounting system

Portal/Data Warehouse  
Use for Royalty, E  
Invoices and  
E Statements of  
Accounts

# What is the Portal?

- Gateway to your information
- The Portal contains your company reports and queries
- Interfaces with ONRR's Data Warehouse
- eCommerce Reporting
- eInvoices
- eStatement of Accounts
- Financial Information



Hopefully this presentation will give you a better understanding of this new world we call "Data Warehouse"

Data Warehouse is your gateway to your data that has been reported on a 2014.

It allows you to query your data as well as view and print reports that have been run by ONRR's contractor.

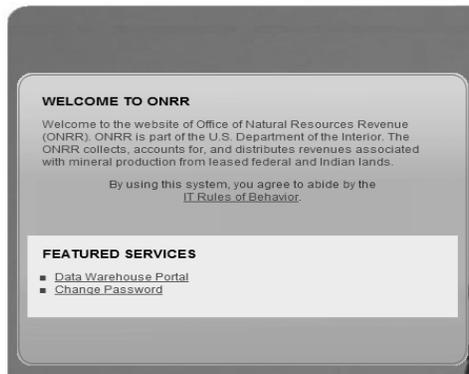
The Data Warehouse interfaces with your data that has been reported. Typically is should be in the Data Warehouse 24 hours after it has been received by ONRR.

Note: When submitting by paper it usually takes a week before it has been loaded into the system because of the manual keypunch process. Electronically, if sent after 6 pm MST time, it does not process in ONRR's system until the next day.

# Accessing the Portal

- Log onto the Data Warehouse at <https://dwportal.onrr.gov>

- Or Access from the ONRR website



# Accessing the Portal



**Office of Natural Resources Revenue** Enter Search Term(s):  Search

**ONRR** THE OFFICE OF NATURAL RESOURCES REVENUE  
**VALUATION** FEDERAL & INDIAN PRICES/VALUATION  
**INDUSTRY** PAYORS & REPORTERS  
**PROGRAMS** A LIST OF ONRR PROGRAMS  
**CONTACTS** WHO TO CONTACT

Home **Financial Management Division**

## Financial Management (FM) Division

The ONRR Financial Management division performs an end-to-end financial process which includes: receiving revenues and related information; performing edits and other automated quality reviews; correcting data quickly; ensuring that the revenues received with correct information are made available to the proper recipients within the shortest possible time; and ensuring that information describing the revenues is provided timely to recipients. FM manages an accounting function, a reference data function, a reporting function, a production function, and an efficient, state-of-the-art financial system to accomplish its mission.

**FM Directory**  
Identifies who to contact in FM to resolve reporter and payor issues, and provides links to frequently used resources. Directory items are arranged by topic, and contacts are arranged by branch.

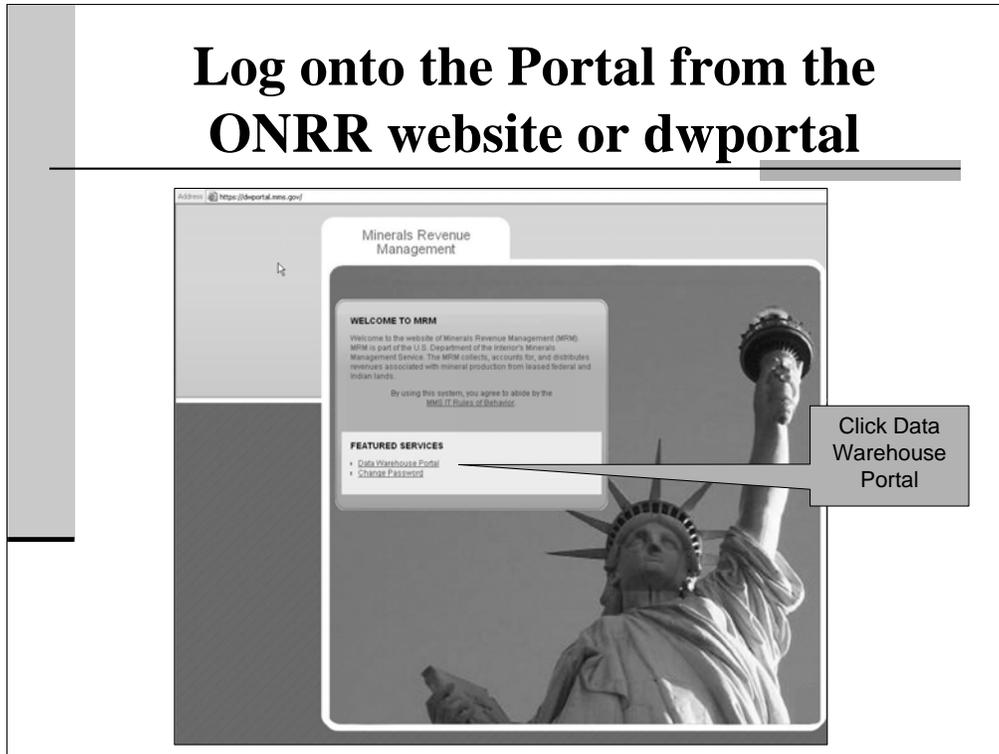
**Billing and Account Reconciliation**  
Provides links to billing, account reconciliation, and debt collection contacts.

**Reporting Information**  
Provides links to list of Reporting Services analysts, and to electronic reporting forms and information.  
Attention All Reporters - Please Read - ONRR eCommerce Reporting web site information

### FM QUICK LINKS

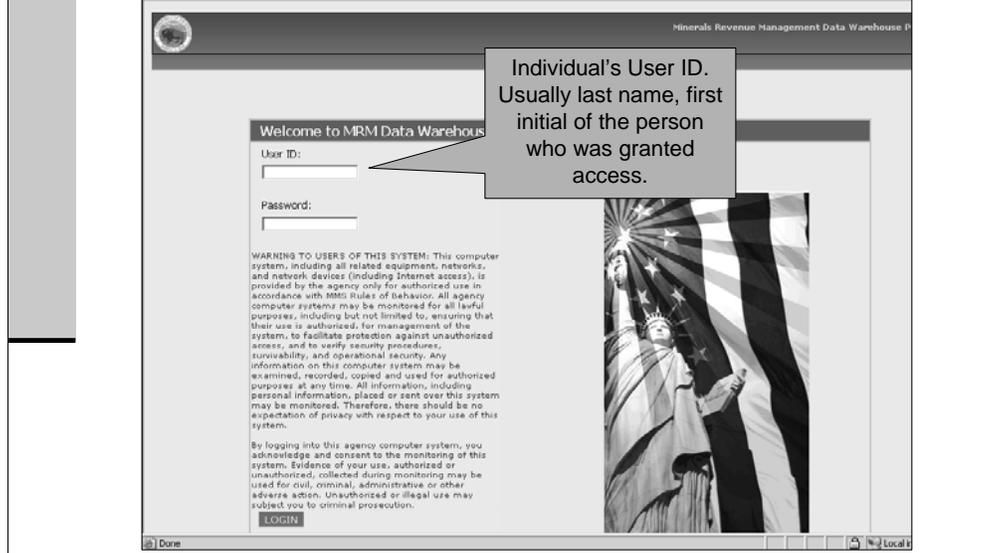
- FM Directory
- Reporting Information
- Payment Information
- Forms
- Handbooks & Manuals
- Reporter Letters
- Data Warehouse Portal
- Reporter Training

# Log onto the Portal from the ONRR website or dwportal



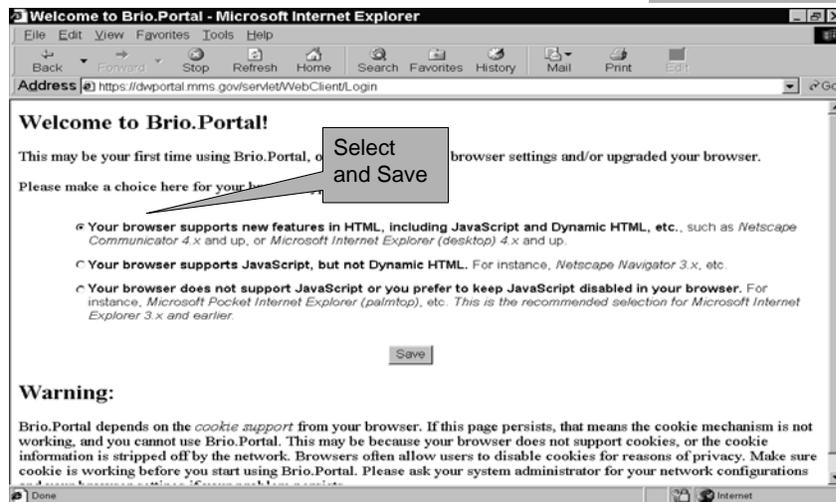
This is the first screen you will see when logging into <https://dwportal.mms.gov/>. I emphasize the [https://](https://dwportal.mms.gov/): The “s” means it is a secure location. You will select “Login”.

# Log into the Portal using your username and password.



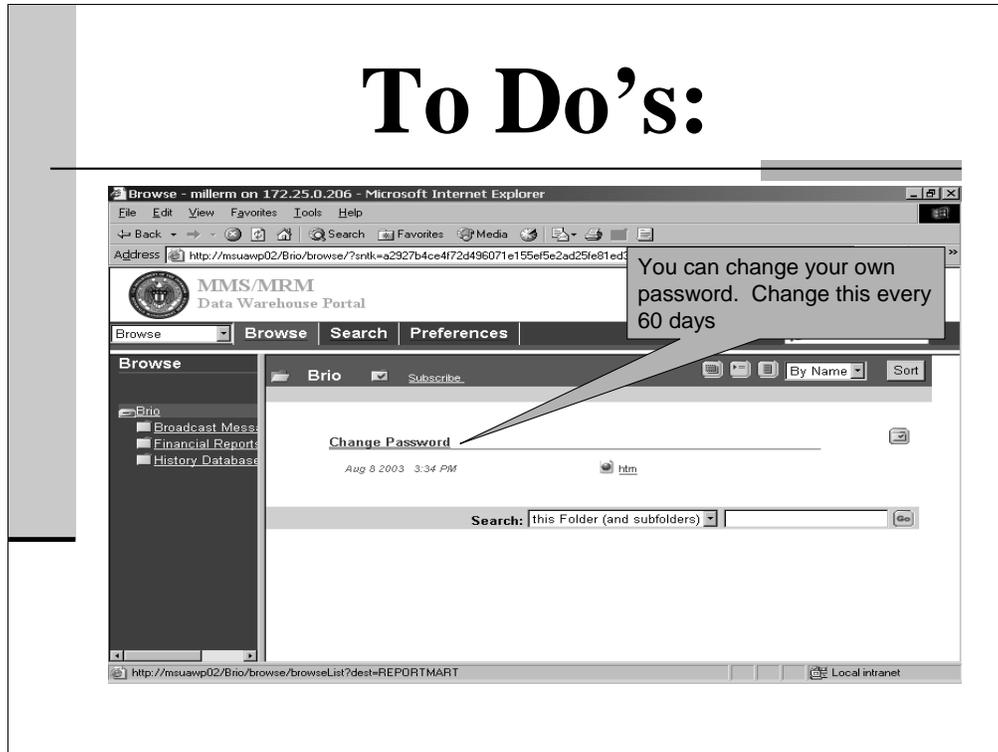
Next is your login screen. This is where you put your "Username" and "Password" that was mailed to you from ONRR. If you have problems, remember that it case sensitive.

**You will see this screen the first time you log into the Portal. Select the first option and click save.**



The first time you login you will see this display verifying the web browser you want to use. Select the first and select "Save"

# To Do's:



After you select browse and then financial folders, the first screen you will always see is this instruction page. You will need to first download the "sprviewer", which allows you to view and print the financial reports.

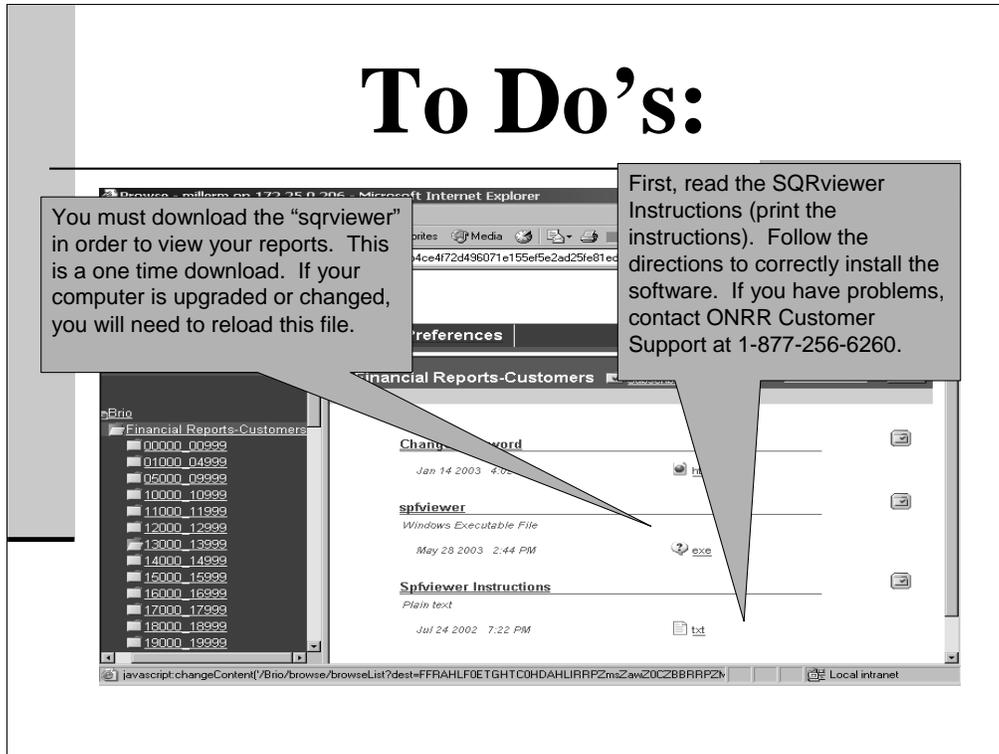
The sprviewer has specific directions for loading onto your machine, so please print and read the instructions first.

Also on this page is where you will go to change your password every 60 days.

# To Do's:

You must download the "sqviewer" in order to view your reports. This is a one time download. If your computer is upgraded or changed, you will need to reload this file.

First, read the SQRviewer Instructions (print the instructions). Follow the directions to correctly install the software. If you have problems, contact ONRR Customer Support at 1-877-256-6260.



Once you have loaded your sqviewer you are now ready to view and print your financial reports.

To find your financial reports select Financial Reports-Customers and select the payor code range that is for your payor code.

# What Data is Available?

- Financial Data
  - Confirmation and Estimate Balance Reports
  - Reports posted to portal by ONRR weekly or monthly
- History Database Reports
  - On Demand Reports
  - Basic Royalty Reports
  - Most up to date company royalty history
  - Query and extract data

Next question: What data is available?

There are 2 types of data that you have access to.

First Financial Reports. Currently there are 3 financial reports. The Confirmation Report that used to be sent to you via the mail and 2 estimate balance reports, one with your current balances by leases and second an estimate activity report, showing your balances at the time of transactions.

These reports are run by our contractor monthly for the estimate reports and weekly, once a document has been 100 percent accepted. The reports are then posted to what we call your payor folder. You will see an example of this later in the presentation.

Secondly you have available what is called History Database reports. This has a report name "Basic Royalty Report". It allows you to actually query on specific parameters. The output will show you both accepted and suspended (rejected) royalty detail lines that have been submitted on a 2014. You will also see an example of this later in the presentation.

# What Data is Available?

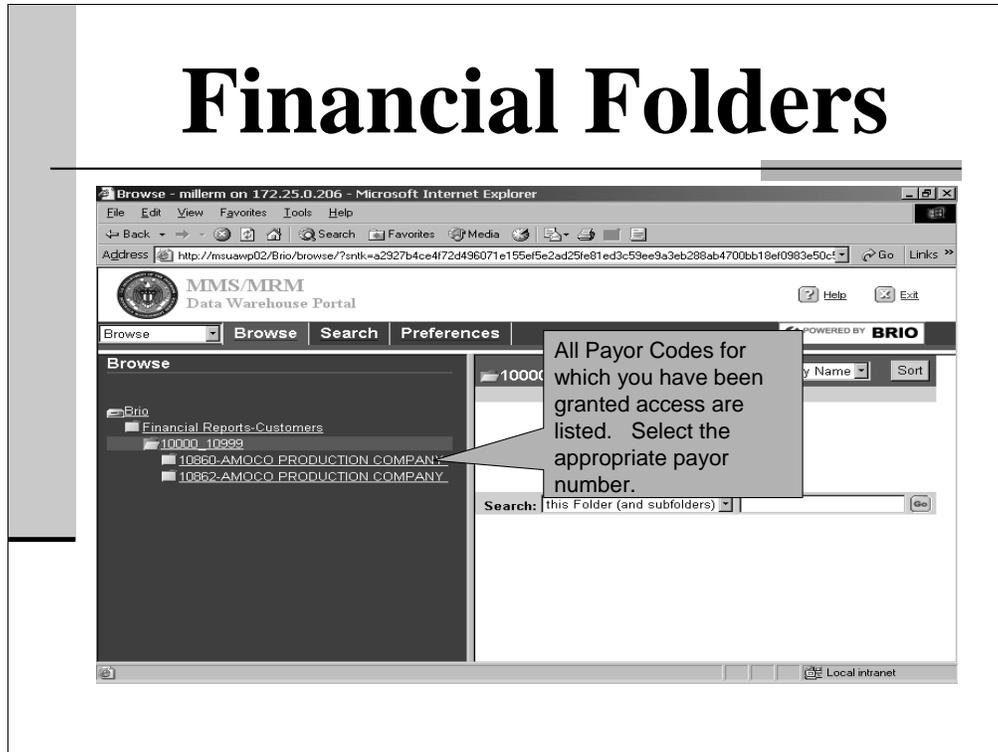
---

- Minimum Royalty and Rental Information
  - Federal Leases
  - Minimum Royalty Amounts – No Detail
- Electronic Invoices
  - Invoices
  - Remittance
  - And associated reports
- Electronic Statement of Accounts
- eCommerce Reporting

# Financial Folders

The screenshot shows a Microsoft Internet Explorer browser window displaying the 'MMS/MRM Data Warehouse Portal'. The browser's address bar shows 'Browse - brownes on 172.25.0.206 - Microsoft Internet Explorer'. The page title is 'MMS/MRM Data Warehouse Portal'. Below the title, there are navigation tabs: 'Browse', 'Search', and 'Preferences'. A 'POWERED BY BRIO' logo is visible on the right. The main content area shows a file directory for 'Financial Reports-Customers'. The left sidebar shows a tree view with 'Financial Reports-C' expanded, listing folders with names like '00000\_00999', '01000\_04999', etc. A callout box with a pointer to the '00000\_00999' folder contains the text: 'Locate the folder containing your payor code.' The main view shows a list of files: 'htm', 'exe', and 'txt', each with a date and time stamp. At the bottom, there is a search bar with the text 'Search: this Folder (and subfolders)' and a 'Go' button.

# Financial Folders



Next you will see your payor code number and name. You will then select the folder.

If you have more than one payor code, select the appropriate folder.

Note: You can request access to all your payor codes under one username and password. Be sure to indicate all your payor codes on your System Access Form. You can request both your payor and operator (production data) under one username.

# Financial Folders

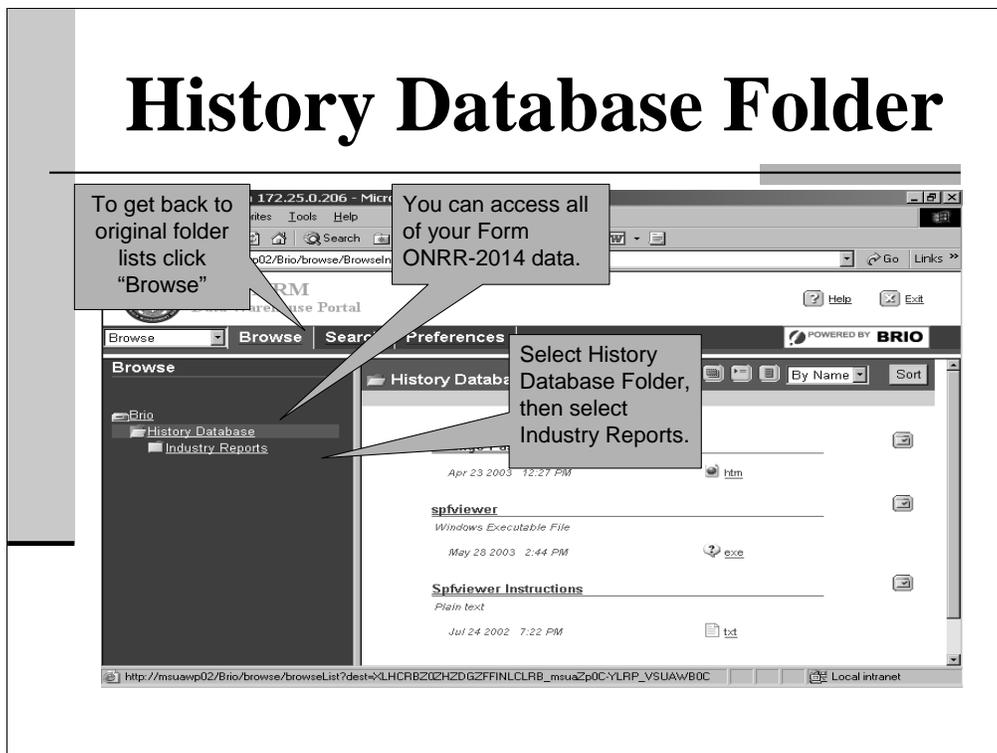
The screenshot shows a web browser window displaying the MMS/MRM Data Warehouse Portal. The page lists several financial reports under three categories: ZLESTACT\_10073, ZLESTBAL\_10073, and zrcnfrpt\_10073. Each report entry includes a date and time, and a small 'spf' icon. A callout box points to the 'spf' icons, stating: "Reports are posted by ONRR weekly or monthly. Select desired date. Click on the SPF Icon or 'spf' letters." Another callout box points to the report names, stating: "Royalty Financial Reports: Estimate Balance Report (ZLESTBAL), Estimate Activity Report (ZLESTACT), Confirmation Report (ZRCNFRPT)".

Report Name	Date	Time	Icon
ZLESTACT_10073	Mar 8 2004	9:39 AM	spf
ZLESTACT_10073	Feb 9 2004	9:39 AM	spf
ZLESTACT_10073	Jan 5 2004	9:39 AM	spf
ZLESTBAL_10073	Mar 8 2004	10:39 AM	spf
ZLESTBAL_10073	Feb 9 2004	10:30 AM	spf
ZLESTBAL_10073	Jan 5 2004	10:22 AM	spf
zrcnfrpt_10073	Feb 9 2004	9:41 AM	spf
zrcnfrpt_10073	Dec 29 2003	9:32 AM	spf
zrcnfrpt_10073	Oct 14 2003	9:20 AM	spf

Once in the financial folder you will see your reports outputs. You will make your selection by the date. The most recent date is on top. You can either hit the date or the icon that is to the right.

Just a reminder, the reports are either run weekly or monthly.

# History Database Folder



When you are wanting to see your 2014 history you will select the folder "History Database" on the left and then "Industry Reports". This will display 3 reports that you have the ability to query on.

For today's purposes, the one you are most interested in is the "Basic Royalty Report"

This report will give you your 2014 data that has been processed by ONRR.

Note: If you report production data under the same payor code, you can also run the Basic OGOR Report. As well there is a Basic Receivable Report that shows the status of your reports being applied to payments.

The production demonstration tomorrow will go over the Basic OGOR report, and there are some fine tuning issues that need to be addressed about the Basic Receivable Report.

# History Database Folder

The screenshot displays the MMS/MRM Data Warehouse Portal interface. The browser window title is "Browse - millerm on 172.25.0.206 - Microsoft Internet Explorer". The address bar shows "http://msuawp02/Brio/browse/BrowseIndex". The portal header includes the MMS/MRM logo and "Data Warehouse Portal" text. Below the header is a navigation bar with "Browse", "Search", and "Preferences" tabs, and a "POWERED BY BRIO" logo. The main content area is titled "Browse" and shows a tree view on the left with "History Database" and "Industry Reports" folders. The "Industry Reports" folder is expanded, showing three report options: "BasicOGORReport", "BasicReceivableReport", and "BasicRoyaltyReport". A search bar at the bottom of the report list contains the text "this Folder (and subfold)". Two callout boxes provide instructions: one points to the "BasicRoyaltyReport" with the text "Select Basic Royalty Report to access Form MMS-2014 data.", and another points to the report list with the text "Will display both accepted and suspended Form MMS-2014 lines." The browser status bar at the bottom shows the URL "http://msuawp02/Brio/browse/browseList?dest=FHRD:LBZ0DCB0CDBZDAL:LRP\_Zsuawz0C-ERRP\_MEUAWP0C" and "Local intranet".

History reports will be available for 7 days only. If you run numerous reports in a day, you will want to change your versions available to see more outputs.

# History Database Folder

Enter Payor Code: 10860  
10860  
10862  
11269  
11270  
11274  
50050  
75093  
A2053  
K1326

Enter Payor Assigned Document Number:

Enter 1-5 Leases: separated with , end with:

Enter 1-5 Agreements: separated with , end with:

Enter 1-5 Trans codes: separated with , end with:

Enter Sales Begin Date (MM/YYYY):

Enter Sales End Date (MM/YYYY):

Enter Report Date (MM/YYYY):

# History Database Folder

The screenshot shows a Microsoft Internet Explorer browser window displaying the MMS/MRM Data Warehouse Portal. The address bar shows the URL: http://msuawp02/Brio/browse/BrowseIndex. The page has a navigation menu with 'Browse', 'Search', and 'Preferences' tabs. The 'Browse' tab is active, showing a search form with the following fields:

- Enter Payor Code: 10860
- Enter Payor Assigned Document Number:
- Enter 1-5 Leases: separated with , end with:
- Enter 1-5 Agreements: separated with , end with:
- Enter 1-5 Trans codes: separated with , end with: 50,51
- Enter Sales Begin Date (MM/YYYY): 01/2004
- Enter Sales End Date (MM/YYYY): 01/2004
- Enter Report Date (MM/YYYY):

Two callout boxes provide additional information:

- Left Callout:** Parameters: Query on a variety of criteria. The better you define your query, the faster your results.
- Right Callout:** The Lease, Agreement, and Trans Code fields allow you to enter more than one criteria. Always separate with a comma and end with a colon. If you enter one criteria in any of these fields, still end with a colon.

Once you have selected "Basic Royalty Report" the parameter screen will display. You have a number of parameters to select from. You can run your request by Payor Assigned Number (specific to report), by lease, by agreement, trans code, begin and ending sales date and/or report date.

The lease, agreement, and trans code field, you can enter more than one criteria. Be sure to separate each criteria with a comma and always end with a colon regardless if you have more than one or just one criteria.

Example, if wanting to see all your trans code 50/51 transaction, you can put in a lease number and then enter in the trans code field 50,51:

You will want to narrow your query so that you will have the best output results. The less define the query the longer it will take for you to receive an output.

# History Database Folder

Microsoft Internet Explorer  
Browse - brownes on 172.25.0.206

MMS/MRM  
Data Warehouse Portal

Help Exit

Browse Search Preferences POWERED BY BRIO

Enter Payor Assigned Document Number:

Enter 1-5 Leases:   
separated with , and with:

Enter 1-5 Agreements:   
separated with , and with:

Enter 1-5 Trans codes:  51  
separated with , and with:

Enter Sales Begin Date (MM/YYYY):  01/2004

Enter Sales End Date (MM/YYYY):  01/2004

Enter Report Date (MM/YYYY):

Save  Job Parameter Name:

Opening page http://msuawp02/Brio/browse/execute?dest=y1HRFHR6ZFYQZBIHIDFLHRP\_ Local intranet

Start Microsoft PowerPoint -... Browse - brownes o... 9:49 PM

# History Database Folder

Click on this icon to see your query results in a PDF format.

Click on navigation buttons to move between pages.

Your query results are automatically displayed in html. You cannot print a formatted version from this screen.

Report ID: Basic Royalty  
Run Date: 03/05/2004  
Payor Code: 10860

U.S. Department of the Interior  
Bureau of Land Management Service

Dec ID	Stat	F/Rpt IndDate	PAD Nbr	Ln Nbr	Report Comment	PreSIC Cd	Sales Date	IC ARC
ROY100037939	ACCP I	04/2003	60031250	324			01/2003	51 10
				328				
				332		04	OINX 01/2003	01 10
				336		04	OINX 01/2003	01 10
				340		04	OINX 01/2003	01 10
				343	7508917		04	OINX 01/2003 01 10
				347	7508917	53113		
					750891280	C 53118		04 OINX 01/2003 01 10
ROY100037941	ACCP I	04/2003	60031253	315	7508910280	C 51385		04 OINX 01/2003 01 10



# History Database

BasicRoyaltyReport [1].spf - SQR Viewer

Report ID: BSR to Royalty  
Data Form: MMS2014  
Payor Code: 10000

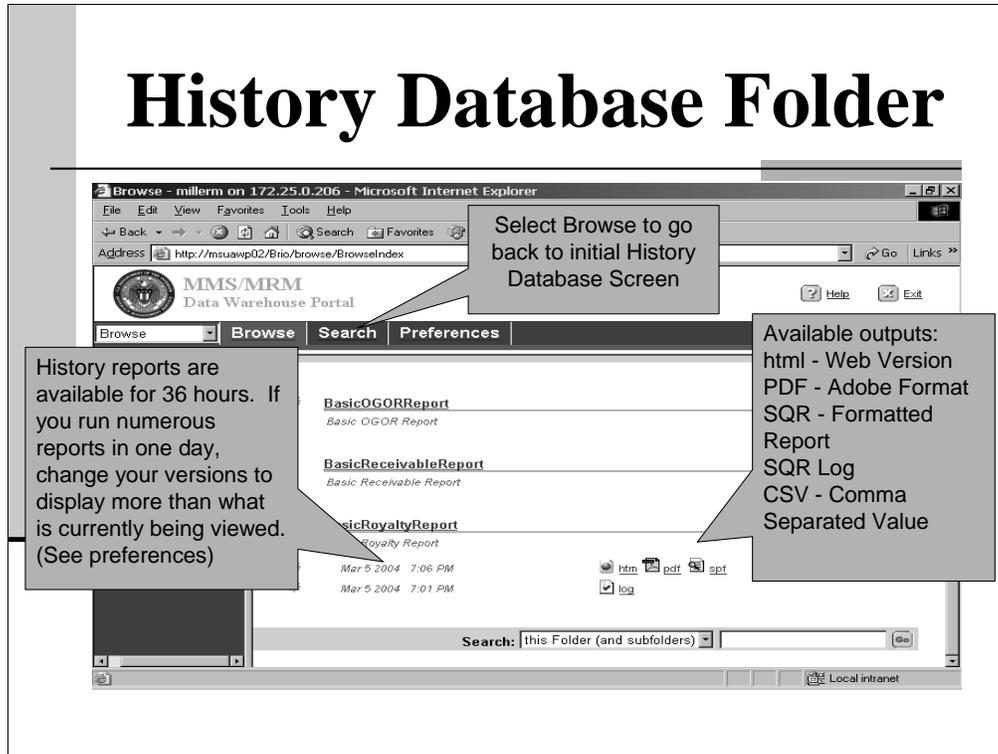
U.S. Department of the Interior  
Mineral Management Service

Page 1.

SQR Version. Report displays all Form MMS-2014 lines reported by payor code. Data is sorted by Document ID, Status, line number. Report will show both accepted (ACCP) and suspended (SUSP) lines.

Doc ID	Doc	Status	Payor Code	Doc ID	Doc	Status	Payor Code	Doc ID	Doc	Status	Payor Code	Doc ID	Doc	Status	Payor Code	Doc ID	Doc	Status	Payor Code
100																			
101																			
102																			
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# History Database Folder



On your outputs will show the date and time. To the right you will have a variety of formats to view and/or print your output.

The first ICON is the html format (web version). This is not a clean formatted copy for printing and viewing.

The next icon is your PDF version. If you have the adobe reader on your computer this is a very nice output.

Next you have the SPF version. Again, you will only be able to open this version if you have previously downloaded the spf executable file. This is also a good output, you will have to set your printer to print legal size. It defaults to letter and it will cutoff your data.

The next ICON is a log. It displays your criteria you ran your report for, it also will indicate the error if you don't receive any data back.

The last ICON is your csv version. This will allow you to open your output in excel and manipulate your data.

# Lease Account Balances

---

■ RENT

■ MINIMUM ROYALTY

# LAB INQUIRY

Browse

ONRR Data Warehouse  
History Database  
Industry Reports  
sqc

Industry Reports  [Subscribe](#)

- \* **e-Statement of Accounts**  
*Link to Statement of Accounts*  
\* Aug 28 2009 6:12 PM [htm](#)
- \* **BasicOGORReport**  
*BasicOGORReport*
- \* **BasicPASR**
- \* **BasicReceivableReport**  
*BasicReceivableReport The Item activity data available in this report is upda*
- \* **BasicRoyaltyReport**  
*BasicRoyaltyReport*
- \* **LAB Inquiry**  
*Lease Account Balance Inquiry*  
\* May 14 2010 6:10 PM [htm](#)

# Lease Account Balance

LAB Inquiry Tool  
Login Page

Log on using your  
data warehouse user  
id and password

User ID:   
Password:

For assistance, please call the help desk at 1-877-256-6260

# Select Account Type

LAB Header LAB Detail

## LAB Header Information

LAB Account Type:

- Rent
- Advanced Royalty
- Bonus
- Estimates
- Gas Storage Agreement
- Indian Recoupment
- Minimum Royalty
- Rent
- Right of Way
- Well Fee

\*Contract Number:

\* When entering a Contract number, be sure the Agency number

Agency Number:

Populate Lab Header

# Enter Contract or Agency Number

Browse **BROWSE** SEARCH PREFERENCES EXIT HELP

NRR Data Warehouse  
History Database  
Industry Reports  
sqc

LAB Header LAB Detail

**LAB Header Information**

LAB Account Type:  Agency Number:

\*Contract Number: **0540050670**

\* When entering a Contract number, be sure the Agency number field is empty.

# Minimum Royalty

LAB Header LAB Detail

## LAB Header Information

LAB Account Type:

Minimum Royalty

Agency Number:

\*Contract Number:

0540050670

Populate Lab Header

\* When entering a Contract number, be sure the Agency number field is empty.

# Minimum Royalty Header

Header shows amount reported and amount due

NRR Data Warehouse  
 History Database  
 Industry Reports  
 sqc

LAB Header    LAB Detail

LAB Account Type	Contract Type	Land Class Code	Anniversary Date	Total Open Billed
MINR	LEAS	FED	04/01/1982	\$0.00

**LAB Header Information**  
 LAB Account Type:     Agency Number:   
 \*Contract Number:       
\*When entering a Contract number, be sure the Agency number field is empty.

LAB Date	Reported Amount PM02	Reported Amount Not PM02	Recouped Amount	Summed Amount	Paid Amount	Amount Due	Due Date
1 <input type="radio"/> 4/1/1986	\$0.00	\$17,064.00	\$0.00	\$17,064.00	\$17,064.00	\$17,064.00	03/31
2 <input type="radio"/> 4/1/1987	\$0.00	\$17,064.00	\$0.00	\$17,064.00	\$17,064.00	\$17,064.00	03/31
3 <input type="radio"/> 4/1/1988	\$0.00	\$17,064.00	\$0.00	\$17,064.00	\$17,064.00	\$17,064.00	03/31
4 <input type="radio"/> 4/1/1989	\$0.00	\$17,064.00	\$0.00	\$17,064.00	\$17,064.00	\$17,064.00	03/31
5 <input type="radio"/> 4/1/1990	\$0.00	\$17,064.00	\$0.00	\$17,064.00	\$17,064.00	\$17,064.00	03/31
6 <input type="radio"/> 4/1/1991	\$0.00	\$17,064.00	\$0.00	\$17,064.00	\$17,064.00	\$17,064.00	03/31
7 <input type="radio"/> 4/1/1992	\$0.00	\$17,064.00	\$0.00	\$17,064.00	\$17,064.00	\$17,064.00	03/31
8 <input type="radio"/> 4/1/1993	\$0.00	\$17,064.00	\$0.00	\$17,064.00	\$17,064.00	\$17,064.00	03/31
9 <input type="radio"/> 4/1/1994	\$0.00	\$17,064.00	\$0.00	\$17,064.00	\$17,064.00	\$17,064.00	03/31
10 <input type="radio"/> 4/1/1995	\$0.00	\$17,064.00	\$0.00	\$17,064.00	\$17,064.00	\$17,064.00	03/31
11 <input type="radio"/> 4/1/1996	\$0.00	\$1,053,705.29	\$0.00	\$1,053,705.29	\$1,053,705.29	\$17,064.00	03/31
12 <input type="radio"/> 4/1/1997	\$0.00	\$5,447,903.63	\$0.00	\$5,447,903.63	\$5,447,903.63	\$17,064.00	03/31

# You will not be able to access detail

LAB Header   LAB Detail

LAB Account Type	Contract Type	Land Class Code	Anniversary Date	Total Open Billed
MINR	LEAS	FED	04/01/1982	\$0.00

**LAB Header Information**

LAB Account Type:  Agency Number:

\*Contract Number:

\* When entering a Contract number, be sure the Agency number field is empty.

LAB Date	Reported Amount PM02	Reported Amount Not PM02	Recouped Amount	Summed Amount	Paid Amount	Amount Due	Due Date
1 ④ 4/1/1986	\$0.00	\$17,064.00	\$0.00	\$17,064.00	\$17,064.00	\$17,064.00	03/31
2 ④ 4/1/1987	\$0.00	\$17,064.00	\$0.00	\$17,064.00	\$17,064.00	\$17,064.00	03/31
3 ④ 4/1/1988	\$0.00	\$17,064.00	\$0.00	\$17,064.00	\$17,064.00	\$17,064.00	03/31

The End

---







## **eCommerce Reporting Website**

**Electronic Reporting, Edits,  
Override, and Uploading**



**Office of Natural Resources Revenue**

---

In this presentation we will go over how to get access to eCommerce and how to start reporting.

We have already covered what goes into the fields so this presentation concentrates on what you can do with the electronic commerce website.

---

## What We Will Be Reviewing

- EMARF Application
  - eCommerce Website content
  - Uploads
  - CSV files
-

## How do I start reporting electronically?

Need a Payor ID or Operator ID, please contact:

- Lee-Ann Martin for Payor ID at [leeann.martin@onrr.gov](mailto:leeann.martin@onrr.gov)
- Denise McGee for Operator ID at 303-231-3627 or [denise.mcgee@onrr.gov](mailto:denise.mcgee@onrr.gov)
- Fill out EMARF form located: <http://www.onrr.gov/FM/Forms/default.htm>

You have heard all the great things about the Reporting Website and want to join in on the fun.

---

## Three Ways to login to the eCommerce Website

1. Type in the url: <https://onrrreporting.onrr.gov>
  2. Data Warehouse Portal: <https://dwportal.onrr.gov/>
  3. ONRR Website: INDUSTRY
-



# Office of Natural Resources Revenue

Enter Search Term(s):

Search

## ONRR

THE OFFICE OF NATURAL  
RESOURCES REVENUE

## VALUATION

FEDERAL & INDIAN  
PRICES/VALUATION

## PROGRAMS

A LIST OF ONRR PROGRAMS

## CONTACTS

WHO TO CONTACT

Home > **Financial Management Division**



## Financial Management (FM)

The ONRR Financial Management division performs an efficient and accurate process of receiving revenues and related information; performing electronic data quickly; ensuring that the revenues received with the least delay to recipients within the shortest possible time; and ensuring that payments are timely to recipients. FM manages an accounting function, a production function, and an efficient, state-of-the-art information system.

### FM Directory

Identifies who to contact in FM to resolve reporter and payor issues, and provides links to frequently used resources. Directory items are arranged by topic, and contacts are arranged by branch.

### Billing and Account Reconciliation

Provides links to billing, account reconciliation, and debt collection contacts.

### Reporting Information

Provides links to list of Reporting Services products, and to electronic reporting forms and information.



## INDUSTRY

PAYORS & REPORTERS

- Payment Information
- Reporting Information
- eCommerce Portal
- Handbooks & Manuals
- Reporter Letters
- Interest Tables
- New Payor Checklist
- New Reporter Checklist

### FM QUICK LINKS

- FM Directory
- Reporting Information
- Payment Information
- Forms
- Handbooks & Manuals
- Reporter Letters
- Data Warehouse Portal
- Reporter Training

## Grand Teton Mountains :- Wyoming

The Office of Natural Resources Revenue is responsible for management of all revenues associated with both federal offshore and onshore mineral leases. The effort is one of the federal government's greatest sources of non-tax revenues.

**\*\*WARNING TO USERS OF THIS SYSTEM\*\***

**END USER AGREEMENT:** This computer system, including all related equipment, networks, and network devices (including Internet access), is provided by the agency for authorized use only in accordance with the User policies at the below links. All agency computer systems may be monitored for all lawful purposes, including but not limited to, ensuring that their use is authorized, for management of the system, to facilitate protection against unauthorized access, and to verify security procedures, survivability, and operational security. Any information on this computer system may be examined, recorded, copied and used for authorized purposes at any time. All information, including personal information, placed or sent over this system may be monitored. Therefore, there should be no expectation of privacy with respect to your use of this system.

By logging into this agency computer system, you acknowledge and consent to the monitoring of this system. Evidence of your use, authorized or unauthorized, collected during monitoring may be used for civil, criminal, administrative or other adverse action. Unauthorized or illegal use may subject you to criminal prosecution.

I have read, understood, and will comply with the detailed ONRR Acceptable Use Policy (for users external to ONRR) or Rules of Behavior (for users internal to ONRR).

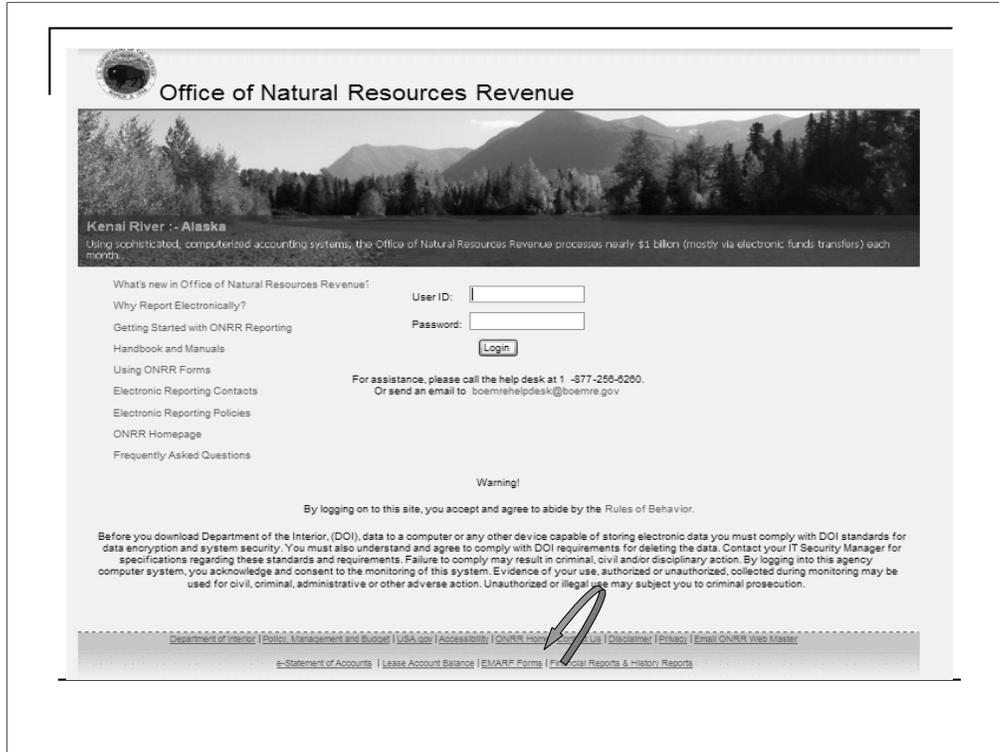
YES(proceed)

NO(log off)

[Department of Interior](#) | [Policy, Management and Budget](#) | [USA.gov](#) | [Accessibility](#) | [ONRR Home](#) | [Contact Us](#) | [Disclaimer](#) | [Privacy](#) | [Email eCommerce Feedback](#)

[e-Statement of Accounts](#) | [Lease Account Balance](#) | [EMARF Forms](#) | [Financial Reports & History Reports](#)

Go directly to the site: <https://onrrreporting.onrr.gov>



Application that external users must complete, sign and mail to ONRR to establish access to the ONRR Data Warehouse Portal, where they can use the eCommerce web site for royalty and production reporting, and view their archived Royalty (2014), OGOR and PASR reports and Statement of Account. (May also be used by government auditors to establish access to the MRMSS.)



CIM (STRAC User):	Role: <input type="text"/>	Office: <input type="text"/>	Sub-Office: <input type="text"/>
Federal <input type="text"/>			
External Auditor (DOJ, KPMG, OIG) <input type="checkbox"/> ONRR Data Warehouse Portal <input type="checkbox"/> PeopleSoft <input type="checkbox"/>			

1. I understand that the Office of Natural Resources Revenue (ONRR) systems are subject to monitoring and that I have no expectation of privacy regarding my use of the system or data within the system.
2. I am responsible for the protection and use of my user credentials (User IDs and Passwords). It is forbidden to share user credentials.
3. I will not introduce additional functionality, attempt to alter functionality, or add external applications into the ONRR system environment.
4. I will not introduce malicious software (viruses, Trojans, worms, (etc.) into the ONRR system environment.
5. I will handle sensitive/proprietary data appropriately and understand that this information is not to be exchanged, divulged, or otherwise compromised in any way unless necessary for official government business. I agree not to disclose information covered by the Privacy Act or Trade Secrets Act to unauthorized individuals.
6. I am responsible for protecting the integrity of the system environment by preventing the unauthorized alteration, damage, unauthorized destruction, and/or tampering with information. My access, use of the system, and its output is restricted to authorized use only and must be used for its ONRR intended function only.
7. Once access to the ONRR system is no longer required, I or the supervisor will contact the Help Desk immediately and notify them to delete my User ID from that system.
8. If I am aware of a security breach (password sharing, use of unauthorized software), I will immediately notify the Help Desk.

I have read, understand, and will comply with the detailed ONRR Acceptable Use Policy found at <http://www.onrr.gov/EM/Forms/default.htm>. By signing  this form, I understand that if I violate any portion of the ONRR Acceptable Use Policy, my access may be revoked and/or possible criminal prosecution. I confirm that the information provided above is accurate and complete and that I have not knowingly or deliberately misrepresented any information.

→ User Signature: \_\_\_\_\_ → Date:

→ Supervisor Name (Print): \_\_\_\_\_ → Phone:

→ Supervisor Signature: \_\_\_\_\_ → Date:

Updated 12/2010

## User Signature

After you read the ONRR Acceptable Use Policy, check the box indicating you have done so and agree to abide by it. (If you do not check this box, your EMARF will be returned.) Print the form, then sign and date it.

## Supervisor Name/ Signature

Either you or your supervisor must print their name and telephone number. Your supervisor must sign and date the completed form. If you do not have a supervisor, attach a statement of explanation.

**Questions?** If you need assistance to complete this form, please contact the IT HelpDesk at 877-256-6260.

Mail the original, completed, signed form to this address (do NOT use overnight delivery): Denver Federal Center

Office of Natural Resources Revenue

IT Help Desk MS 3753

PO Box 25165

Denver CO 80225-0165

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## New/Updated Features

- **New Edits:**

We will go over these after we cover the basics of eCommerce reporting.

---



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Filter Options

Document Type:  Status:  Starting Date:  Ending Date:  [Redisplay List](#)

Report Documents

Document Type	Report ID	User ID	Reporter Code	Reporter Assigned Doc No. / Reporter Doc Name	Status	Last Update (ET)	Edit / Display	Print	Copy		Delete	Export
2014	2660	LEESJA	10860	50kNoErr	OPEN	2/23/2011 3:24:10 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a>	<a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2657	LEESJA	10860	50kNoErr	OPEN	2/23/2011 3:15:41 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a>	<a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2659	LEESJA	10860	50kNoErr	OPEN	2/23/2011 3:14:06 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a>	<a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2658	LEESJA	10860	50kNoErr	OPEN	2/23/2011 3:14:06 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a>	<a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2655	COLEMANA	10860	5000noer	OPEN	2/23/2011 2:13:26 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a>	<a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2648	LEESJA	10860	5000In	OPEN	2/23/2011 1:52:17 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a>	<a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2649	LEESJA	10860	5000In	OPEN	2/23/2011 1:51:44 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a>	<a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2650	LEESJA	10860	5000In	OPEN	2/23/2011 1:51:16 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a>	<a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed



# Importing Data Files



## Types of Imported Data

All outside data must be formatted in  
ONRR approved layouts

ASCII files can be created by using  
ext.TXT

CSV files can be created from  
Microsoft Excel

---

# Electronic Reporting Information – Form MMS-2014 CSV Record Layout

THE OFFICE OF NATURAL RESOURCES REVENUE      FEDERAL & INDIAN PRICES/VALUATION      PATRONS & REPORTERS      A LIST OF

[Home](#) > [Financial Management](#) > **Royalty Reporting Information**

[Lease and Agreement Maintenance Contacts](#)

[Royalty Reporting Contacts](#) 

**Contact Information for Billing and Account Reconciliations**

[Financial Services Federal Company Assignments](#)

[Financial Services Indian Company Assignments](#)

**Electronic Reporting Information**

[Form MMS-2014 ASCII Record Layout \(effective 2/11/2005\)](#)

[Form MMS-2014 CSV Record Layout \(effective 2/11/2005\)](#)

 [Sample file \(effective 2/11/2005\)](#)

[2014 - Complete List of Edits \(effective 5/11/2009\)](#)

**Oil and Gas Reporting Handbook and Forms**

## Electronic Reporting Information – Form MMS-2014 CSV Record Layout (cont')

### Instructions

<https://www.onrr.gov/FM/PDFDocs/CSV2014Rev.pdf>

#### Form MMS-2014 Reporting Instructions - CSV Format Effective 02/11/2005

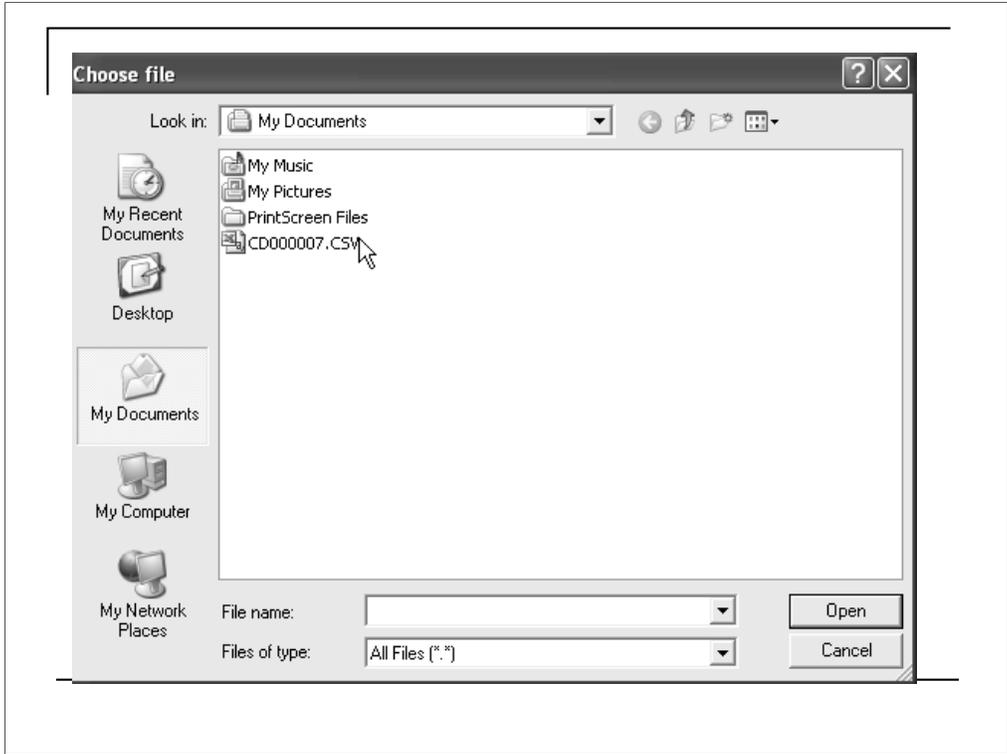
Comma Separated Value (CSV) files are first created in an Excel spreadsheet then saved as a CSV file type. All data entry is done in the Excel spreadsheet. Once a CSV file is saved, you will have two files - one with an .xls extension, the other with a .csv extension. **NEVER open or double-click the .csv file in Excel!** Always make your corrections in your original Excel file, and then resave it to a CSV file. If you need to view the CSV file, view it in a word processor, such as WordPad. If you open the .csv file in Excel, you will lose ALL of the formatting from the Excel file. If you need assistance or sample files, please contact Ms. Georgia DeLong at 303-231-3687 (Toll Free 1-800-525-0309 ext. 3687) or Ms. Mary Dietrick at 303-231-3318 (Toll Free 1-800-525-0309 ext. 3318).

#### A. Format Requirements:

All record fields must comply with the following requirements:

1. The file name must end with a .CSV extension.
2. Commas must separate all fields. Fields that are blank still require a comma to delimit their position. A comma is not required after the last field of a record.
3. Federal and Indian data must be submitted as separate documents.
4. Multiple documents can be present in a single file. Headers and Trailers separate the documents. (See examples below.)
5. Each document must begin with Record Type 1 and end with a Record Type 3 and 4. The







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- Administration
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Home » Upload File

Help

Upload Report Document

**To upload a report file from your local computer, click the "Select" button and choose a file.**

For faster delivery of multiple reports, compress them into one zip file prior to upload. The system will automatically detect the file type and process accordingly.

**Report Files (.csv, .txt, and .zip formats only)**

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[e-Statement of Accounts](#) | [Lease Account Balance](#) | [EMARF Forms](#) | [Financial Reports & History Reports](#)



# Office of Natural Resources Revenue

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Home » Documents List

[New 2014](#) | [New OGOR](#) | [New PASR](#) | [Help](#)

Current Upload Status

File Name	Report Type	Status	Uploaded By	Upload Date (EST)	Import Start	Import End	Report ID
CD000007.CSV	2014	Error	HAYESR	2/23/2011 11:09:18 AM	2/23/2011 11:09:19 AM	2/23/2011 11:09:42 AM	

Filter Options

Document Type:  Status:  Starting Date:  Ending Date:  [Redisplay List](#)

Report Documents

Document Type	Report ID	User ID	Reporter Code	Reporter Assigned Doc No. / Reporter Doc Name	Status	Last Update (ET)	Edit / Display	Print	Copy	Delete	Export
2014	641	CIFERRIK	06805	9621	OPEN	2/23/2011 11:12:06 AM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a> <a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2632	CIFERRIK	06805		OPEN	2/23/2011 11:09:11 AM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a> <a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	384	ROPERR	10980	TESTTCS	OPEN	2/22/2011 3:38:46 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a> <a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2594	HAYESR	10980	test	OPEN	2/22/2011 2:37:49 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a> <a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2587	MARTINDA	00571	testtest	OPEN	2/21/2011 6:46:04 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a> <a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2586	MARTINDA	00571	testtest	OPEN	2/21/2011 6:42:20 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a> <a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	313	LAMBERTB	23380	mytest	OPEN	2/21/2011 4:54:07 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a> <a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2571	MANLEYS	00571	xx	OPEN	2/21/2011 10:51:53 AM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a> <a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2566	ERNESTA	35189	twtw	OPEN	2/20/2011 2:43:51 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a> <a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2555	ERNESTA	28736	test	OPEN	2/20/2011 2:32:12 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a> <a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2564	ERNESTA	28736	tests	OPEN	2/20/2011 2:16:08 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a> <a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2563	ERNESTA	58090		OPEN	2/20/2011 2:15:04 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a> <a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2562	ERNESTA	10980	tsets	OPEN	2/20/2011 2:14:30 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a> <a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2556	ERNESTA	00571	xxx	OPEN	2/20/2011 2:14:10 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a> <a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2560	ERNESTA	50210	test	OPEN	2/20/2011 2:09:10 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a> <a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed

1 2 3 4 5 6 7 8 9 10 ...

---

## Document Upload History

- **Filename**

- Lists the file names of uploaded documents.  
Click on the file name link to review the contents of the file.

- **Report Type**

- Lists the type of document(s) being uploaded.

- **Original Filename**

- If zipping several files together, the original zip file name is listed.
-

---

## Doc Upload History (cont.)

- **Upload Status**

- Shows the status of the document(s) being uploaded. There are four increments.
    - In progress – Document is being loaded to the server
    - Importing – Document is going through the edit process
    - Completed – Document has been edited and no errors occurred during the import process
    - Error – Document has been edited and errors occurred during the import process. Click on the **ERROR** link to see error messages
-

---

## Doc Upload History (cont.)

- **Upload Date**

- This is the date the file was uploaded. Files uploaded are retained for 10 days then removed from the History List.

- **Report ID**

- The number given to each document when loaded to the Document List.
-



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[Help](#)

### Status Legend

**Uploaded:** The file has successfully loaded onto the servers.  
**Pending:** The file is waiting for format validation processing.  
**Processing:** The file is being validated for format requirements.  
**Completed:** The file successfully passed format validation and a report has been created. The new report can be viewed in the Documents List.  
**Error:** The file has failed format validation. Click on the status to view format errors.

### Upload History

File Name	Report Type	Status	Uploaded By	Upload Date(EST)	File Size	Import Start
Report_2014_2831_1720no err.csv	2014	Completed	COLEMANA	2/25/2011 1:51:44 AM	1899122	2/25/2011 1:51:50 AM
Report_2014_2831.csv	2014	Completed	COLEMANA	2/25/2011 1:46:11 AM	90602	2/25/2011 1:46:19 AM
Report_2014_50000.csv	2014	Completed	LEESJA	2/25/2011 1:02:10 AM	5349510	2/25/2011 1:02:17 AM
Report_2014_2.csv	2014	Completed	LEESJA	2/25/2011 12:37:43 AM	364	2/25/2011 12:37:51 AM
Report_2014_3500.csv	2014	Completed	LEESJA	2/24/2011 7:11:57 PM	374543	2/24/2011 7:11:58 PM
Report_2014_3500.csv	2014	Completed	LEESJA	2/24/2011 7:10:22 PM	374543	2/24/2011 7:10:27 PM
Report_2014_4500.csv	2014	Completed	LEESJA	2/24/2011 7:10:07 PM	481543	2/24/2011 7:10:17 PM
Report_2014_7500.csv	2014	Completed	LEESJA	2/24/2011 7:09:59 PM	802543	2/24/2011 7:10:06 PM
Report_2014_30000.csv	2014	Completed	LEESJA	2/24/2011 7:09:42 PM	3209722	2/24/2011 7:09:45 PM
00000007.csv	2014	Error	HAYESR	2/24/2011 3:28:20 PM	1638	2/24/2011 3:28:35 PM



# Office of Natural Resources Revenue

## Upload Report Documents

### File Details

File Name	Report Type	Status	Uploaded By	Upload Date (EST)	Import Start	Import End	Report ID
CD000007.CSV	2014	Error	HAYESR	2/23/2011 11:15:55 AM	2/23/2011 11:16:00 AM	2/23/2011 11:16:02 AM	

### File Contents

This is the datafile that was submitted

Download File

```

1,,BOY,CD000007, ,
2,1,1, , ,0480014820, , , ,02,APOP,012009,01,17,100.00,0.00,1000.00,125.00,0.00,0.00,125.00,1
2,1,2, , ,0480029520, , , ,02,ARMS,012009,01,17,100.00,0.00,1000.00,125.00,0.00,0.00,125.00,1
2,1,3, , ,0480038640, , , ,02,ARMS,012009,01,17,100.00,0.00,1000.00,125.00,0.00,0.00,125.00,1
2,1,4, , ,0480325320, , , ,02,NARM,012009,01,17,100.00,0.00,1000.00,125.00,0.00,0.00,125.00,1
2,1,5, , ,0480325320, , , ,02,POOL,012009,01,17,100.00,0.00,1000.00,125.00,0.00,0.00,125.00,1
2,1,6, , ,0480325320, , , ,01,NPOP,012009,01,17,100.00,0.00,1000.00,125.00,0.00,0.00,125.00,1
2,1,7, , ,0480325320, , , ,02,ARMS,012009,01,17,100.00,0.00,1000.00,125.00,0.00,0.00,125.00,1
2,1,8, , ,0480325320, , , ,01,ARMS,012009,01,17,100.00,0.00,1000.00,125.00,0.00,0.00,125.00,1
2,1,9, , ,0480325320, , , ,01,NARM,012009,01,17,100.00,0.00,1000.00,125.00,0.00,0.00,125.00,1
2,1,10, , ,0490606720, , , ,02,POOL,012009,01,17,100.00,0.00,1000.00,125.00,0.00,0.00,125.00,1
3,10,0.00,0.00,0.00,0.00,0.00,0.00,0.00,0.00,1250.00
4, ,0.00, ,0.00, ,0.00,1250.00,MARY DIETRICK ,12142010

```



## **Why do I have to go through two checks for errors?**

- The Import process primarily catches any errors occurring due to improper formatting of imported fields.
- The Validation process identifies improper formatting when entering data directly on a new form, as well as compares the data based on transaction requirements.

# Editing 2014



## Office of Natural Resources Revenue

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Filter Options

Document Type:  Status:  Starting Date:  Ending Date:  [Redisplay List](#)

Report Documents

Document Type	Report ID	User ID	Reporter Code	Reporter Assigned Doc No. / Reporter Doc Name	Status	Last Update (ET)	Edit / Display	Print	Copy		Delete	Export
2014	2660	LEESJA	10860	50kNoErr	OPEN	2/23/2011 3:24:10 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a>	<a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2657	LEESJA	10860	50kNoErr	OPEN	2/23/2011 3:15:41 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a>	<a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2659	LEESJA	10860	50kNoErr	OPEN	2/23/2011 3:14:06 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a>	<a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2658	LEESJA	10860	50kNoErr	OPEN	2/23/2011 3:14:06 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a>	<a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2655	COLEMANA	10860	5000noer	OPEN	2/23/2011 2:13:26 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a>	<a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2648	LEESJA	10860	5000In	OPEN	2/23/2011 1:52:17 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a>	<a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2649	LEESJA	10860	5000In	OPEN	2/23/2011 1:51:44 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a>	<a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed
2014	2650	LEESJA	10860	5000In	OPEN	2/23/2011 1:51:16 PM	<a href="#">Edit</a>	<a href="#">Print</a>	<a href="#">Copy All</a>	<a href="#">Copy Specific</a>	<a href="#">Delete</a>	CSV Fixed

Home > Documents List > MMS-2014

Save    Payment Information    Override    Print    Validate    Help    Field Help    Cancel    Send

Seconds until next auto-save: 285

General Report Information

Report ID: 2898    Report Status: Open    Override Status: No override request

Header Data

Payor Code:\* 99999  
 Payor Name: Control Customer  
 Federal/Indian:\* Federal  
 Payor Assigned Doc. Number:\* 1000line

MMS-2014 Detail Lines

Select Line	Line #	Preparer Use Only	ONRR Lease Number* <small>(Search)</small>	ONRR Agree Number <small>(Search)</small>	API Well Number	Product Code*	Sales Type	Sales Date (MMYYYY)*	Transaction Code*
<input type="checkbox"/>	1		0480014820	891000333A		02-Condensate	APOP	01 1983	01
<input type="checkbox"/>	2		0480029620	891000333A		02-Condensate	ARMS	01 1983	01
<input type="checkbox"/>	3		0480038640	891000333A		02-Condensate	ARMS	01 1983	01
<input type="checkbox"/>	4		0480325320	891000333A		02-Condensate	NARM	01 1983	01
<input type="checkbox"/>	5		0480325320	891000333A		02-Condensate	POOL	01 1983	01
<input type="checkbox"/>	6		0480325320	891000333A		01-Oil	NPOP	01 1983	01
<input type="checkbox"/>	7		0480325320	891000333A		02-Condensate	ARMS	01 1983	01
<input type="checkbox"/>	8		0480325320	891000333A		01-Oil	ARMS	01 1983	01
<input type="checkbox"/>	9		0480325320	891000333A		01-Oil	NARM	01 1983	01

Adjustment Reason Code	Sales Volume	Gas MMBtu	Sales Value	Royalty Value Before Allowances	Transportation Allowance	Processing Allowance	Royalty Value after Allowance*	Payment Method*
17	2.04	0.00	30.42	3.80	0.00	0.00	3.80	01
17	2.04	0.00	30.42	3.80	0.00	0.00	3.80	01
17	2.45	0.00	36.42	4.55	0.00	0.00	4.55	01
17	59.70	0.00	888.12	111.02	0.00	0.00	111.02	01
17	705.92	0.00	7,867.17	983.40	0.00	0.00	983.40	01
17	249.48	0.00	3,631.56	453.95	0.00	0.00	453.95	01
17	9.85	0.00	146.58	18.02	0.00	0.00	18.02	01
17	1,633.35	0.00	18,202.92	2,275.37	0.00	0.00	2,275.37	01
17	958.90	0.00	13,958.29	1,744.79	0.00	0.00	1,744.79	01

# Paging Functionality

<input type="checkbox"/>	>	24	<input type="text"/>	0480325320	891000333A	<input type="text"/>	02-Condensate	▼	WARM	▼	01	▼	1983	▼	01	▼
<input type="checkbox"/>	>	25	<input type="text"/>	0480325320	891000333A	<input type="text"/>	02-Condensate	▼	POOL	▼	01	▼	1983	▼	01	▼

1 2 3 4 5 6 7 8 9 10 ... >> ←

Line Commands

#Lines to Display  ▼

---

## Lease Associated Errors

- If you are getting errors you have never seen before take a look at the lease number. Lease numbers is now a fatal error.
  - Double check your lease number. If your lease number is incorrect then other errors will appear that need a good lease number.
  - Don't panic, if you can't figure out what is wrong with the lease number call ONRR Reporting Services. We can help you.
-

# Payment Information

Home » Documents List » MMS-2014 » MMS-2014 Payment

Seconds until next auto-save: 225

## General Report Information

Report ID: 2898    Report Status: Open    Override Status: No override request

## Report Control Block

Check to ONRR (PM1):	21,222,363.49	Indian Direct Pay (PM2):	0.00
EFT Payments (PM3):	0.00	Royalty-in-Kind (PM4):	0.00
Check to ONRR for BIA (PM5):	0.00	Other (PM6):	0.00
Indian Lockbox (PM7):	0.00		

## Totals

Total All Payments: 21,222,363.49  
Number of Detail Lines: 6

## Credits

Less Available Credits: The Sum of all amounts cannot exceed the sum of (Payment Methods) PM1, PM3, and PM5. Credit amounts cannot reduce or be applied to PM2, PM4, or PM7.

Doc ID1:	<input type="text"/>	Amount 1:	<input type="text" value="0.00"/>
Doc ID2:	<input type="text"/>	Amount 2:	<input type="text" value="0.00"/>
Doc ID3:	<input type="text"/>	Amount 3:	<input type="text" value="0.00"/>

Net Payment For Report: 21,222,363.49

## Authorization

Authorized Payor: Hayes, Rosalind

Date (MMDDYYYY):\*

---

## HOW TO REQUEST OVERRIDE

- **Call your Reporting Services Representative.**
  - Once they agree an override needs to be done.
  - Fill in the justification and telephone number.
  - Click on submit.
  - Fax or email all of your backup for the override to the Reporting Services Representative.
  - Wait for a response from ONRR.
-

# Override

Home » Documents List » MMS-2014 » Override

MMS 2014 Overridable Errors

General Report Information

Report ID: 2898 Report Status: Open Override Status: No override request

Override Request

In the Justification box, type a detailed reason for your override request. If you have additional information pertaining to your request, please attach to a separate email and send to: [jason.tees@onrr.gov](mailto:jason.tees@onrr.gov), [shirley.kagiyama-manley@onrr.gov](mailto:shirley.kagiyama-manley@onrr.gov), [alexandra.coleman@onrr.gov](mailto:alexandra.coleman@onrr.gov)

Justification: \*

Requester Name: Hayes, Rosalind

Requester Telephone: \*

MMS-2014 Detail Lines

Line #	Preparer Use Only	ONRR Lease Number*	ONRR Agree Number	API Well Number	Product Code*	Sales Type	Sales Date (MM/YYYY)	Transaction Code*	Adjustment Reason Code	Sales Volume	Gas MMBtu	Sales Value	Royalty Value Before Allowances	Transportation Allowance	Processing Allowance	Royalty Value after Allowance*	Payment Method*
19		0620399000	891000333D		01-Oil	ARMS	011980	01	17	372.25	0	5418.80	0	0	0	577.35	01
<input checked="" type="checkbox"/> Line # 19 - Reported RVLA must equal the RVPA minus allowances																	
20		0620399000	891000333D		01-Oil	ARMS	011980	01	17	305.91	0	3409.23	0	0	0	426.15	01
<input checked="" type="checkbox"/> Line # 20 - Reported RVLA must equal the RVPA minus allowances																	
39		0620399000	891000333D		01-Oil	ARMS	011980	01	17	372.25	0	5418.80	0	0	0	677.35	01
<input checked="" type="checkbox"/> Line # 39 - Reported RVLA must equal the RVPA minus allowances																	
40		0620399000	891000333D		01-Oil	ARMS	011980	01	17	305.91	0	3409.23	0	0	0	426.15	01
<input checked="" type="checkbox"/> Line # 40 - Reported RVLA must equal the RVPA minus allowances																	
59		0620399000	891000333D		01-Oil	ARMS	011980	01	17	372.25	0	5418.80	0	0	0	677.35	01
<input checked="" type="checkbox"/> Line # 59 - Reported RVLA must equal the RVPA minus allowances																	
60		0620399000	891000333D		01-Oil	ARMS	011980	01	17	305.91	0	3409.23	0	0	0	426.15	01

---

## ONRR CALLED YOU REGARDING YOUR OVERRIDE

- Once you get the call or e-mail stating that the error(s) have been overridden, go back into your report.
- Click on the Override Button.
- Print the approval if you want documentation.
- Click on the Report Tab.
- Now you can send your report.

DO NOT USE THE UNLOCK BUTTON, unless you **really** did not want to override the errors!

---

# Validation



# Validation cont.

**Validation Results**

General Report Information  
Report ID: 236 Report Status: Open Override Status: No override request

There are no warnings.

Location	Error Code	Message
Header Section	9505	Invalid Payor Code
Line #. 1	403	The ONRR Lease Number is a required field.
Line #. 1	406	Transaction Code is a required field.

Windows Internet Explorer window: <https://onrrreporting.onrr.gov/Reporter/ValidationResults.aspx?ReportID=236&DocumentType=2014>

Windows taskbar: MMS - 2014 - Window..., Pipeline Home - Wind..., ONRR Electronic Rep..., 10:27 AM



# Office of Natural Resources Revenue

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Seconds until next auto-save: 300

### General Report Information

Report ID: 5836   Report Status: Open   Override Status: No override request

### Header Data

Payor Code\*: 10860  
Payor Name:  
Federal/Indian\*: Indian  
Payor Assigned Doc. Number\*: sendpral

**Windows Internet Explorer**

The report is not ready to be sent. Please run validation to ensure that the following are true before sending to ONRR:

- The report data has not been changed or updated since the last validation.
- The report has no non-overridable errors.
- The report has no overridable errors that have yet to be approved for override.

### MMS-2014 Detail Lines

Select Line	Line #	Preparer Use Only	ONRR Lease Number* Search	ONRR Agree Number* Search	API Well Number	Product Code*	Sales Type	Sales Date (MM/YYYY)	Transaction Code*
<input type="checkbox"/>	1	50kNoErr	5240015380	7930000180		39-Coal Bed Methane	ONRX	10 2007	01
<input type="checkbox"/>	2	50kNoErr	5240015380	7930000180		39-Coal Bed Methane	ONRX	10 2007	01
<input type="checkbox"/>	3	50kNoErr	5240015380	7930000180		39-Coal Bed Methane	ONRX	10 2007	01
<input type="checkbox"/>	4	50kNoErr	5240015380	7930000180		39-Coal Bed Methane	ONRX	10 2007	01
<input type="checkbox"/>	5	50kNoErr	5240015380	7930000180		39-Coal Bed Methane	ONRX	10 2007	01
<input type="checkbox"/>	6	50kNoErr	5240015380	7930000180		39-Coal Bed Methane	ONRX	10 2007	01
<input type="checkbox"/>	7	50kNoErr	5240015380	7930000180		39-Coal Bed Methane	ONRX	10 2007	01
<input type="checkbox"/>	8	50kNoErr	5240015380	7930000180		39-Coal Bed Methane	ONRX	10 2007	01
<input type="checkbox"/>	9	50kNoErr	5240015380	7930000180		39-Coal Bed Methane	ONRX	10 2007	01

---

## Send

- Ready to send.
- If you still have errors, the system will tell you.
- If not, the document will be sent.
- SENT status means your document has been received by ONRR and will be loaded into our tables.
- Documents are picked up by ONRR as soon as you hit send. Documents are not processed until after 6:00 p.m., but will retain today's date.
- The system is not available Saturday and Sunday.

RECONCILED is not a feature on the eCommerce website.

---



# Office of Natural Resources Revenue

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### Filter Options

Document Type:  Status:  Starting Date:  Ending Date:

### Report Documents

Document Type	Report ID	User ID	Reporter Code	Reporter Assigned Doc No. / Reporter Doc Name	Status	Last Update (ET)	Edit / Display	Print	Copy		Delete	Export
2014	2660	LEESJA	10860	50KNoErr	OPEN	2/23/2011 3:24:10 PM	<input type="button" value="Edit"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/>	<input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	CSV Fixed
2014	2657	LEESJA	10860	50KNoErr	OPEN	2/23/2011 3:15:41 PM	<input type="button" value="Edit"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/>	<input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	CSV Fixed
2014	2659	LEESJA	10860	50KNoErr	OPEN	2/23/2011 3:14:06 PM	<input type="button" value="Edit"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/>	<input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	CSV Fixed
2014	2658	LEESJA	10860	50KNoErr	OPEN	2/23/2011 3:14:06 PM	<input type="button" value="Edit"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/>	<input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	CSV Fixed
2014	2655	COLEMANA	10860	5000noer	OPEN	2/23/2011 2:13:26 PM	<input type="button" value="Edit"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/>	<input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	CSV Fixed
2014	2648	LEESJA	10860	5000In	OPEN	2/23/2011 1:52:17 PM	<input type="button" value="Edit"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/>	<input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	CSV Fixed
2014	2649	LEESJA	10860	5000In	OPEN	2/23/2011 1:51:44 PM	<input type="button" value="Edit"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/>	<input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	CSV Fixed
2014	2650	LEESJA	10860	5000In	OPEN	2/23/2011 1:51:16 PM	<input type="button" value="Edit"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/>	<input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	CSV Fixed

## Application Level Help

The eCommerce Reporting website provides three levels of help: Application Level, Page Level and Field Level.

### Help

**Application Level**-This level of help is available on the main navigation bar and can be accessed at all times.

For help regarding all aspects of the eCommerce Reporting website refer to the links in the following list:

- Document List - Help
- Electronic Reporting Contacts
- Electronic Reporting Policies
- Frequently Asked Questions
- MMS-2014 Document - Help
- OGOR Document - Help
- ONRR Home Page
- ONRR Feedback Page
- PASR Document - Help
- Reporter Handbooks
- Upload a CSV or Fixed-Width File
- What's New at ONRR
- Why Report Electronically?

For more instructions on how to use the eCommerce website, please download a copy of the eCommerce Reporting Website – User Guide. This guide provides step-by-step instructions for each feature of the website. It explains the purpose and function of button commands and how to use any new functions that have been added as updates to the website.

### Help

**Page Level**-this is available as a "Help" button located at the top of many pages within the eCommerce Reporting website. Once the "Help" button is clicked, a new window opens displaying useful information pertaining to that particular page.

To use Page Level Help:

1. Click the "Help" button on the page where help is needed.

### Field Help

**Field Level** -this is not available on all pages but is available for all fields within the 2014, PASR and OGOR documents. The "Field Help" button is located at the top of each one of these document pages.

To use field level help:

1. Click on a desired field.
2. Then click the "Field Help" button.
3. A new window opens and displays information pertaining to that particular field.

### Update Registration Information:

To update any missing or incorrect registration information you must contact the BOEMRE Help Desk. Information cannot be manually updated in the Registration information page.

**BOEMRE Help Desk:**  
Direct: 303-231-3333  
Toll Free: 877-236-6260  
Email: [BOEMREHelpDesk@boemre.gov](mailto:BOEMREHelpDesk@boemre.gov)



# Office of Natural Resources Revenue

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Home » Feedback

## Tell Us What You Think of Our Site

Provide Feedback

Name: Hayes, Rosalind |  
From: Rosalind.Hayes@onrr.gov

Feedback: (Required)

Max: 4000 characters

Send Feedback

## Formulas for Pricing and Royalty Rate

For the 99% edit:

It takes the sum of the RVPA x 99% then compares it to the sum of the Transportation + Processing.

$$\text{RVPA} \times .99 = \text{Sum of Allowances}$$

$$\text{e.g. } 1341.01 \times .99 = 1327.5999$$

The 99% equals 1327.59 on the report.

**\*There is no rounding!\***

---

# Implied Relationships

$$\frac{\text{Royalty Value PA}}{\text{Sales Value}} = \text{Royalty Rate} \frac{2747.00}{21975.00} = .125$$

**Monitored for royalty rate verification**

$$\frac{\text{Sales Value}}{\text{Sales Volume}} = \text{Price Per Unit} \frac{21975.00}{439.5} = \$50.00$$

**Monitored for reasonable pricing**

Transaction code 01 compares volumes and values to determine if your royalty rate and pricing are within established guidelines.

## **We verify your royalty rate.**

- You can verify the royalty rate you reported by taking your royalty value divided by your sales value equals your royalty rate.
- Report a separate line for each different royalty rate. However, when reporting on a lease with a sliding-scale royalty rate and multiple royalty rates are required because of varying qualities, the different rates can be rolled up and reported on one line.
- Many leases are 12 1/2 percent; however, the rates can vary. Check your lease terms to ensure you report the correct royalty rate. Remember to use your royalty rate and not your division order percent. Royalty rate is a component of the DOP.

**TRAINER INFORMATION:** Royalty rate is a fatal error for Indian oil and gas, and a warning error for all Federal leases; however, MMS does have downstream edits (Compliance).

## **We monitor for reasonable pricing.**

- You can check the pricing you reported by taking the sales value divided by the sales volume equals your price. We will take a more in-depth look at pricing during the Compliance training.

**TRAINER INFORMATION:** Pricing is a fatal error for Indian/ Federal oil leases, and a warning error for Indian/Federal gas leases; however, MMS does have downstream edits (Compliance).

---

## Informative Web Locations

- <http://www.onrr.gov/FM/PDFDocs/ElectronicEdits.pdf> - Has a listing of all the Edits for the 2014.

\*We are in the process of updating the list with our system Edits.

---

*Thank You!!!*



Office of Natural Resources Revenue  
Form 2014  
Data Elements by Transaction Code

Transaction Code	ONRR Lease No.	API Well No.	ONRR Agreement No.	Product Code	Sales Type Code	Sales Mo/Yr	Adjustment Reason	Sales Volume	Gas MMBtu	Sales Value	Royalty Value Prior to Allowance	Transport. Allowance Deduct	Processing Allowance Deduct	Royalty Value Less Allowance	Payment Method Code
01 Royalty Due	X	E	A	X	X	X	O	X	M	X	O	(B)	(B)	X	X
02 Minimum Royalty Payment	X					X	O				O			X	X
03 Estimated Royalty Payment	X					X	O				O			X	X
04 Rental Payment	X					X	O				O			X	X
05 Advance Rental Credit	X					X	O				O			X	X
06 Royalty In Kind Transaction - No Cash Payment to ONRR	X	E	A	X	O	X	O	X	M	X	O			X	X
07 ONRR Settlement Agreement	X					X					O			X	X
08 Royalty In Kind Reserved for Future Use	X	E	A	X	X	X	O	X	M	X	O	(B)	(B)	X	X
10 Compensatory Royalty Payment	X		A	X	O	X	O	X	M	X	O	(B)	(B)	X	X
11 Transportation Allowance	X	E	A	X	X	X	O					(B)		X	X
12 Tax Credit	X	E	A	X	X	X	O				O			(X)	X
13 RIK Quality Bank and Gravity Bank Adjustment	X	E	A	X	X	X	O				O			X	X
14 Tax Reimbursement Payment	X	E	A	X	X	X	O				O			X	X
15 Processing Allowance	X	E	A	X	X	X	O						(B)	(X)	X
16 Well Fees	X					X	O				O			X	X
17 Gas Storage Agreement - Flat Fee	X					X	O				O			X	X
18 Gas Storage Agreement - Injection Fee	X					X	O	X			O			X	X

Office of Natural Resources Revenue  
Form 2014  
Data Elements by Transaction Code

Transaction Code	ONRR Lease No.	API Well No.	ONRR Agreement No.	Product Code	Sales Type Code	Sales Mo/Yr	Adjustment Reason	Sales Volume	Gas MMBtu	Sales Value	Royalty Value Prior to Allowance	Transport. Allowance Deduct	Processing Allowance Deduct	Royalty Value Less Allowance	Payment Method Code
19 Gas Storage Agreement - Withdrawal Fee	X					X	O	X			O			X	X
20 No Sales (Solids only)	X	E	A	X	X	X	O								X
21 Interest Amount Due ONRR	X					X	O				O			X	X
22 Interest Amount owed to payor	X					X	O				(O)			(X)	X
25 Recoup Advance Rental Credit	X					X	O				(O)			(X)	X
31 Contract Settlement Payment	X	E	A	X	O	X	O	X	M	X	O			X	X
32 Advance Royalty (Solids Coal Leases Only)	X					X					O			X	X
33 Recoup Advance Royalty (Solids Only)	X					X					(O)			(X)	X
37 Royalties Due In Lieu of Severance Tax	X	E	A	X	O	X	O	X	M	X	O			X	X
38 Additional Royalties Due for OCSLA, Section 6(a)(9) Leases	X	E	A	X	O	X	O	X	M	X	O			X	X
39 Net Profit Share - Unprofitable	X	E	A	X	O	X	O	X	M	X	O	(B)	(B)	X*	X
40 Net Profit Share - Profitable	X	E	A	X	O	X	O	X	M	X	O	(B)	(B)	X	X
41 Offshore Deep Water Royalty Relief	X	E	A	X	X	X	O	X	M	X					X
42 Net Revenue Share Lease, Allotment for Operating Costs	X	E	A	X	O	X	O			(X)	(O)			(X)	X
43 EPA Sec 343 - Marginal Property Royalty Relief (RRR)	X	E	A	X	X	X	O	X	M	X	O			X	X

Office of Natural Resources Revenue  
Form 2014  
Data Elements by Transaction Code

Transaction Code	ONRR Lease No.	API Well No.	ONRR Agreement No.	Product Code	Sales Type Code	Sales Mo/Yr	Adjustment Reason	Sales Volume	Gas MMBtu	Sales Value	Royalty Value Prior to Allowance	Transport. Allowance Deduct	Processing Allowance Deduct	Royalty Value Less Allowance	Payment Method Code
44 EPA DWRRA and EPA Sec 344 Shallow Water Deep Gas Royalty Relief	X	E	A	X	X	X	O	X	M	X					X
45 EPA Sec 346 - Alaska Offshore Royalty Relief (SV)	X	E	A	X	X	X	O	X	M	X					X
46 EPA Sec 346 - Alaska Offshore Royalty Relief (RRR)	X	E	A	X	X	X	O	X	M	X	O			X	X
47 EPA Sec 353 - Gas Hydrate Royalty Relief	X	E	A	X	X	X	O	X	M	X					X
48 EPA Sec 354 - Carbon Dioxide Injection Royalty Relief	X	E	A	X	X	X	O	X	M	X					X
49 EPA Sec 343 - Marginal Property Royalty Relief (SV)	X	E	A	X	X	X	O	X	M	X					X
50 Indian Recoupable Balance	X					X	O				O			X	X
51 Indian Recoupment Taken	X					X	O				(O)			(X)	X
52 Recoup Minimum Royl Paid In Advance (Solids and Certain Navajo Leases)	X					X	O				(O)			(X)	X
53 Effluent injection reimbursement (Geothermal)	X	E	A	X	X	X	O	X		X	O			X	X
54 Geothermal Field Operations Reimbursement	X	E	A	X	X	X	O	X		X	O			X	X
55 - DWRRA and EPA Sec 345 - Deep Water Royalty Relief	X		A	X	X	X	O	X	M	X					X

Office of Natural Resources Revenue  
Form 2014  
Data Elements by Transaction Code

Transaction Code	ONRR Lease No.	API Well No.	ONRR Agreement No.	Product Code	Sales Type Code	Sales Mo/Yr	Adjustment Reason	Sales Volume	Gas MMBtu	Sales Value	Royalty Value Prior to Allowances	Transport. Allowance Deduction	Processing Allowance Deduction	Royalty Value Less Allowances	Payment Method Code
60 Strategic Petroleum Reserve	X	E	A	X	X	X	O	X							X
C1 EPA Sec 383 - 100% Federal Credit Burden	X				X	X	O							(X)	X
C2 EPA Section 349 - State/County Share Credit Burden	X				X	X	O							(X)	X
C3 EPA Section 224 - State Geothermal Credit Burden	X				X	X	O							(X)	X
C4 EPA Section 224 - County Geothermal Credit Burden					X		O							(X)	X

X - Required  
 B - Required if Reporting a deduction from Royalty Due  
 A - Required if Reporting Production Attributable to an Agreement  
 M - Required Only on Gas Product Codes 03, 04, 12, 15, 16, & 39  
 \* - TC 39 Requires a "Royalty Value Less Allowances" If Allowances are taken. If No Allowance is taken "Royalty Value Less Allowances" will be Blank.

E - Report only if Required on Indian Lands and Offshore Deep Water Wells under Royalty Relief  
 O - Optional  
 ( ) - Must be negative when adjustment reason code is blank

FOR FURTHER INFORMATION ON ANY OF THE ABOVE FIELDS OR TRANSACTION CODES PLEASE REFER TO THE MINERALS REVENUE REPORTER HANDBOOK - OIL, GAS, AND GEO

EDITS AS OF 02-28-2012

Edit No#	Edit message text	Type of Severity	Type of Edit	Logic
9505	Invalid Payor Code	E	Header	Checking the custid on the document that is being processed is valid in PS_CUSTOMER table
9507	Payor Document Number must contain a value	E	Header	Checking the Payor Document Numere to make sure its not spaces.
9516	The F/I Indicator must contain a value	E	Header	Checking fed and indian ind to make sure its not spaces.
9517	Reported F/I Indicator is inconsistent with F/I Indicator on the lease	E	Detail	Checking contract nbr to see if exits in ZRF_ALL_CON and not in ZRF_CON_ON_HOLD tables. If the contract nbr exists and land class does not equal to FED or IND create edit.
9520	Payment Method must contain a valid value	E	Detail	Checking Payment meth cd to see if its valid in ZRF_PYMNT_METH table gets the max eff date.
9522	CIRI lease type requires a Payment Method 02	E	Detail	Check the document that is being processed is indian and land claas is equal to MXD or IND check contract and sales date on ZRF_DIST table to see subcust qual1 is equal to 505 with the max eff date. If true Check to see pymt meth is not equal 02. if true create edit
9523	Payment Method is inconsistent with the F/I Indicator	E	Detail	Checks for a valid payment meth cd. Select from ZRF_PYMNT_METH using deatil hpayment meth code, detail sale date, setid equal to MRM and status equal to A. get max eff date. If the payment meth cd is valid and the lease type cd does not equals fed and indian ind to the document that is being processed and lease type cd does not equal B. If true create edit
9524	Invalid ARC	E	Detail	Checks adj rsn cd to see if its a valid cd in ZRF_ADJ_RSN_CD table gets the max eff date.
9525	Invalid TC	E	Detail	Checking trans cd Checks sales date to see if its valid cd in ZRF_TRANS_CODE table gets the max eff date.
9526	ARC is invalid for the TC	E	Detail	Checks trans cd and adj rsn cd to see if its valid in ZRF_ARC_TC table gets the max eff date.
9529	ARC 15 (Marginal Property True Up) is invalid for Indian leases	E	Detail	Checks to make sure that the land class cd is equal to IND and detail adj rsn cd equals 15. if true create edit
9530	Invalid Sales MO/YR format	E	Detail	Checks sales date to see if it's a valid
9531	Sales MO/YR must be after the lease anniversary date	E	Detail	Checks for the anniversary on the contract nbr that is being processed in ZRF_DATES table gets the max eff date. If the sales date on the detail line is less than the anniversary in the ZRF_DATES table. Create the edit.
9532	Sales MO/YR must be prior to the lease termination date or relinquished date	E	Detail	Checks for the Termination or relinquished on the contract nbr that is being processed in ZRF_DATES table. If the sales date on the detail line is found in the ZRF_DATES table. Create the edit.
9536	Sales Vol must be positive if the RVPA is positive	E	Detail	Checks prior allowance value and detail sales value to make sure that it's positive value. If prior allowance is greater than 2 or less than or equal 2 or sales value less than -0.10 or sales value greater than 0.10 or sales value equals zero or detail prior allowance value greater than zero and detail sales value is less than or equal to zero create edit.
9538	Sales Vol must negative if RVPA is negative	E	Detail	Checks prior allowance value and detail sales value to make sure that it's negative value and adj rsn cd is valid. If prior allowance is greater than 2 or less than or equal 2 or sales value less than -0.10 or sales value greater than 0.10 or sales value equals zero and adj rsn cd is valid or detail prior allowance value greater than zero and detail sales value is less than or equal to zero create edit.

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Edit No#	Edit message text	Type of Severity	Type of Edit	Logic
9548	Invalid Lease Number	E	Detail	Checking contract nbr, subdiv equals to 000, status equals active and contract subj cd not equal to 'AGMT' or 'RIK' in ZRF_ALL_CON table and does not exists in ZRF_CON_ON_HOLD tables. If contract nbr does not exists create edit.
9549	Product Code is not a valid Product Type for the lease	E	Detail	Checks the first position of the contract nbr and product cd. If the first position of the contract nbr is not equal to 'M' and the product cd is not a valid cd in ZRF_PROD_CD table create edit.
9550	API Well Number must contain a valid value	E	Detail	When WELL-VAL-YES is set to 'true', due to WV-EXISTS = 'X', system will check WELL-REQ-YES and WELL-VAL-NO. If no value in Well number, follow WELL-VAL-NO and move WS-CD-AAPI-WELL-NUM-INV to ERR-CD, present error 9550
9551	Only Indian leases allowed for this TC	E	Detail	Checks to see that the contract nbr is indian and if header fed and indian ind equals 'F' create edit.
9552	Only federal leases allowed for this TC	E	Detail	Checks to see that the contract nbr is federal and if header fed and indian ind equals 'I' create edit.
9553	Only Land Classification Fed/Mixed Allowed for this TC	E	Detail	Checks to make sure that only federal lease go though this edit. If land class does not equal FED or MXD create edit.
9554	The Sales MO/YR must be prior to the Report MO/YR	E	Detail	Checks to make sure that detail sales date is greater than or equal to header report date. If true create edit.
9556	Sales MO/YR must be one month prior to Report MO/YR	E	Detail	Checks to see if detail sales date equals 12 month and header report date not equal to 1st month and header report year not equal to detail sales date plus 1 create edit OR if detail sales date not equals 12 month and detail sales date month not equal to header report date minus 1 month and header report year not equal to detail sales date year create edit
9557	Sales MO/YR must be greater than or equal to 01/1997	E	Detail	Checks to make sure that detail sales date is less than 01/1997. If true create edit.
9559	Sales MO/YR cannot be future dated	E	Detail	Checks to make sure that detail sales date is not greater than system date. If true create edit.
9560	Sales Type code must contain a valid value	E	Detail	Checks to see if sales type cd is a valid cd in ZRF_SALE_TYPE table to get the max eff date.
9561	Sales Value must be positive if the RVPA is positive	E	Detail	Checks to see if detail royalty value is greater than zero and detail sales value is less than or equal to zero create edit.
9563	Sales Value and RVPA must have same sign	E	Detail	Checks to see if detail royalty prior all value is not equal zero and detail sales value is not equal to zero or royalty prior all value is greater than zero and detail sales value is less than zero or royalty prior value is less than zero and detail sales value is greater than zero create edit.
9565	RVLA must be zero	E	Detail	Checks to see if detail royalty less all value is not equal zero create edit.
9570	RVLA must be zero or positive	E	Detail	Checks to see if detail royalty less all value is less than zero create edit.
9571	The RVLA must be zero or negative	E	Detail	Checks to see if detail royalty less all value is greater than zero create edit.
9572	RVPA must be positive if the ARC is zero	E	Detail	The royalty value prior to allowances must be positive if the adjustment reason code is zero or null. This edit will not be performed if the sales value falls within a range. If detail sales value less than -0.10 or detail sales value greater than 0.10 or detail sales value equals 0 If detail adj rsn cd equals spaces or adj rsn cd equals 00 and RV PRI ALL less or equal to 0 create edit

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Edit No#	Edit message text	Type of Severity	Type of Edit	Logic
9573	RVPA must be negative if the ARC is zero	E	Detail	Checks to see if detail sales value is less than -0.10 or detail sales value is greater than 0.10 or detail sales value is equal to zero and adj rsn cd equal spaces or adj rsn cd equal 00 and detail royalty value prior all is greater or equal to zero create edit.
9574	RVLA must be positive if the ARC is zero	E	Detail	Checks to see if adj rsn cd equal spaces or adj rsn cd equal 00 and detail royalty value less all is less or equal to zero create edit.
9575	RVPA must be zero	E	Detail	Checks to see if detail tran code exists in ZRF_TRANS_CODE table and royalty zero flag equal to 'Y' and royalty value prior all is not equal to zero. If true create edit.
9576	The RVLA cannot be zero	E	Detail	Checks adj rsn cd not equal to 20 and trans cd not 06 and royalty value less all equal to zero. If true create edit
9578	Estimate recoupment amount cannot be greater than current estimate balance	E	Detail	Checks the detail line that is being processed where account type equals 'ESMT', contract nbr and custid are found in ZLB_LAB_DTL table. This checks to see if the LAB puts lease / payor into the negative. If royalty value greater than what is in ZLB_LAB_DTL table create edit. OR Checks the detail line that is being processed where account type equals 'ESMT', contract nbr,custid and sales date are found in ZLB_LAB_DTL table. This checks to see if the LAB puts lease / payor into the negative. If royalty value greater than what is in ZLB_LAB_DTL table create edit.
9580	Recoupment not possible-insufficient summed amount	E	Detail	Checks on detail lines fro recoupment insufficient summed amount and sufficient summed amount is done separately for MNROY and MRPIA obligation. If true create edit.
9581	Reported RVLA must equal the RVPA minus allowances	E	Detail	Add detail royalty value prior allowance detail transportation allowance detail processed allowance giving prior transportation processed allowance. Checks to see if detail royalty value less allowanceis less than prior transportation processed allowance. If true create edit.
9584	Must use Payment Method 04 for this TC	E	Detail	Checks to see Royalty in Kind transaction the payment method must be 04. If the detail payment meth is not equal to RIK payment meth create edit.
9585	Payment Method 04 is invalid for this TC	E	Detail	Checks Transaction code invalid for Royalty in Kind and payment method code. If the detail payment meth equal to RIK payment meth create edit.
9591	Rent provision not found	E	Detail	Checks ZRF_PROV table using the contract nbr, sales date, subdiv equals 000, provision type cd equal 'RENT', rcp provision type cd equals 'RCPRN', rent seq nbr equals 1and has a active status to get the max eff date. If not found create edit.
9592	Advanced royalty provision not found	E	Detail	Advance royalty provision not found. Select from ZRF_PROV using contract nbr, sales date to max EFFDT, PROV-TYP-CD1 equals 'ADVRY', PROV-TYP-CD2 equals 'RADRY' and status equals 'A' if not found create edit

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Edit No#	Edit message text	Type of Severity	Type of Edit	Logic
9593	Minimum royalty or minimum royalty paid in advance provision not found	E	Detail	Minimum royalty or minimum royalty paid in advance provision not found. Note that transaction code 02 is used to report both the minimum royalty and minimum royalty paid in advance, however the new transaction code 52 is used to recoup minimum royalty paid in advance.  Select from ZRF_PROV using contract nbr, sales date to get max effdt, PROV-TYP-CD1 equals 'MNROY', PROV-TYP-CD2 equals 'MRPIA', and status equals 'A' if not found create edit
9594	Well fee provision not found	E	Detail	Checks ZRF_PROV table using the contract nbr, sales date, subdiv equals 000, fee provision type cd equals 'WLFEE', fee seq nbr equals 1 and has a active status to get the max eff date. If not found create edit.
9595	Gas storage flat fee provision not found	E	Detail	Checks ZRF_PROV table using the contract nbr, sales date, subdiv equals 000, gas provision type cd equals 'STGFE', gas seq nbr equals 1 and has a active status to get the max eff date. If not found create edit.
9596	Gas storage injection fee provision not found	E	Detail	Checks ZRF_PROV table using the contract nbr, sales date, subdiv equals 000, gas storage injection provision type cd equals 'INJCT', gas storage injection seq nbr equals 1 and has a active status to get the max eff date. If not found create edit.
9597	Gas storage withdrawal fee provision not found	E	Detail	Checks ZRF_PROV table using the contract nbr, sales date, subdiv equals 000, gas storage withdrawal provision type cd equals 'WTHDR', gas storage withdrawal seq nbr equals 1 and has a active status to get the max eff date. If not found create edit.
9598	Sales Volume cannot be zero	E	Detail	Checks royalty value prior allowance and detail sales value to make sure that sales must not be zero. If royalty value prior allowance is greater than 2 or less than -2 or sales value less than -0.10 or sales value greater than 0.10 or sales volume equals zero create edit.
9601	Sales Volume must be positive if the Sales Value is positive	E	Detail	Checks to see sales volume must be positive and if sales value is positive. If detail sales value greater than zero and sales volume is less or equal to zeros create edit.
9602	Gas MMBTU must not be reported for the specified Product Code	E	Detail	Checks the product cd in table ZRF_PROD_CD on the detail line that's being processed to make sure that the product cd can not report MMBTU and to get the max eff date.
9603	Gas MMBTU must be reported for the specified Product Code	E	Detail	Checks detail line royalty value prior allowance to see if it greater than 2 or royalty value prior allowance to see if it less than -2. if true Checks the product cd in table ZRF_PROD_CD on the detail line that's being processed to make sure that the product cd can not report MMBTU to get the max eff date. . if MMBTU REQ equals 'Y' and detail gas mmbtu equals zero Create edit.
9604	ARC must be blank	E	Detail	Checks detail adj rsn cd not equal to 00 and detail adj rsn cd not equal to spaces create edit.
9605	An estimate balance exists so the ARC must be 32	E	Detail	Checks adj rsn cd to see if its a valid cd in ZRF_ADJ_RSN_CD table. If true Check contract nbr ,custid and acct type equal to 'ESMT'. If true if detail adj rsn cd not equal to 32 create edit.

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Edit No#	Edit message text	Type of Severity	Type of Edit	Logic
9607	An estimate balance does not exist so the ARC must be blank	E	Detail	Checks ZLB_LAB_HDR table using the contract nbr, custid and account type equals 'ESMT'. If not found and adj rsn cd not equal to spaces or 00 create edit.
9609	ARC 16 (Major Portion) valid only for non-index Indian leases with gas product	E		Checks detail adj rsn cd to see if it equals 16 and fed indn val is set to yes and detail sales date is less than 19990131 create edit.
9610	Fund Adjustment Record must exist for ARC 16	E	Detail	It will check that: 1) the document reported federal indian indicator is Indian 2) the product code is gas 3) A fund adjustment record for the reported sales date must exist for the distributee code attached to the reported lease on 2014 detail line. A fund adjustment record for the reported sales date must exist for any of the multiple distributee codes in order to pass the edit.  If ADJ-RSN-CD equals '16'  Select from ZRF_PROD_CD using detail prod cd, detail sales date, setid equals 'MRM', oil and gas ind equals 'G', status equals 'A' If found set PT-PROD-GAS-YES  Select from ZRF_ALL_CON, ZRF_FUND_ADJ_CD, ZRF_DIST using contract nbr, sales date to get max effdt and status equals 'A' If found set ADJ-REC-EXISTS-YES If header FED INDN IND equals 'F' and PT-PROD-GAS-NO or ADJ-REC-EXISTS-NO create edit
9611	RVPA is invalid for the ARC	E	Detail	Checks adj rsn cd to see if it equals 20 and royalty value prior allowance is not equal to zero or adj rsn cd equals 21 and royalty value prior allowance equal to zero. If true create edit
9612	Fed Sales Val/Vol not within price limits for specified Product Cd	E	Detail	Checks detail royalty value prior allowance to if it greater than 2 or detail royalty value prior allowance to if it less than -2 and min product cd equals 01, 03, 12, 31 or min product cd is greater than or equal to reasonable pricing and min product cd is less than or equal to reasonable pricing. if true Check fed and indian ind to make sure it valid and header fed indian ind equals F. If true. Check ZRF_PROD_CD table using detail product cd and sales date to get ogm oil gas ind and to get the max eff date. If ogm oil gas ind equal 'O' Select from ZRF_TOL_XREF table to get min and max tolerance value using deatil product cd , sales date, status equals active and tol1 type equals 'FSUP' and to get the max eff date. output from select TOL1-MIN-RANGE and TOL1-MAX-RANGE Divide detail sale val by detail sale vol giving tol1 unit price. If tol1 unit price is less than TOL1-MIN-RANGE or total unit price is greater than TOL1-MAX-RANGE create edit.

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Edit No#	Edit message text	Type of Severity	Type of Edit	Logic
9613	Fed Gas MMBTU Val/Vol not within price limits for specified Product Cd	E	Detail	<p>Checks detail royalty value prior allowance to see if it greater than 2 or detail royalty value prior allowance to see if it less than -2 and min product cd equals 01, 03, 12, 31 or min product cd is greater than or equal to reasonable pricing and min product cd is less than or equal to reasonable pricing.</p> <p>if true Check fed and indian ind to make sure its valid and the header fed indian ind equals I and sale vol is not equal zero. If true. Check ZRF_PROD_CD table using detail product cd and sales date to get ogm oil gas ind and to get the max eff date. If ogm mmbtu equal 'Y' Select from ZRF_TOL_XREF table to get min and max tolerance value using deatil product cd , sales date, status equals active and tol1 type equals 'FMUP' and to get the max eff date. output from select TOL2-MIN-RANGE and TOL2-MAX-RANGE Divide detail sale val by detail sale vol giving tol2 unit price. If tol2 unit price is less than TOL2-MIN-RANGE or total unit price is greater than TOL2-MAX-RANGE create edit.</p>
9614	Ind Sales Val/Vol not within price limits for specified Product Cd	E	Detail	<p>Checks detail royalty value prior allowance to if it greater than 2 or detail royalty value prior allowance to if it less than -2 and min product cd equals 01, 03.</p> <p>Check fed and indian ind to make sure it valid and header fed indian ind equals I. If true. Check ZRF_PROD_CD table using detail product cd and sales date to get ogm oil gas ind. If ogm oil gas ind equal 'O' and ogm mmbtu not equal 'Y' Select from ZRF_TOL_XREF table to get min and max tolerance value using deatil product cd , sales date, status equals active and tol1 type equals 'ISUP'. output from select TOL3-MIN-RANGE and TOL3-MAX-RANGE. Divide detail sale val by detail sale vol giving tol3 unit price. If tol3 unit price is less than TOL3-MIN-RANGE or total unit price is greater than TOL3-MAX-RANGE create edit.</p>
9615	Ind Gas MMBTU Val/Vol not within price limits for specified Product Cd	E	Detail	<p>Checks detail royalty value prior allowance to if it greater than 2 or detail royalty value prior allowance to if it less than -2 and min product cd equals 01, 03.</p> <p>Check fed and indian ind to make sure it valid and header fed indian ind equals I. If true. Check ZRF_PROD_CD table using detail product cd and sales date to get ogm oil gas ind and to get the max eff date. If ogm oil gas ind equal 'O' and ogm mmbtu not equal 'Y' Select from ZRF_TOL_XREF table to get min and max tolerance value using deatil product cd , sales date and tol1 type equals 'IMUP' and to get the max eff date. output from select TOL4-MIN-RANGE and TOL4-MAX-RANGE. Divide detail sale val by detail sale vol giving tol4 unit price. If tol4 unit price is less than TOL4-MIN-RANGE or total unit price is greater than TOL4-MAX-RANGE create edit.</p>

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Edit No#	Edit message text	Type of Severity	Type of Edit	Logic
9617	Implied Indian royalty rate is not consistent with the lease royalty rate	E		<p>RVPA must be &gt; 2 or &lt; 2                      Mineral product code must be = 01 or 03 (found from ZRF_PROD_CD table)                      z_fed_indn_ind must be = 'I' (found on ZRY_2014_HDR table)                      sale_val field on the ZRY_2014_DTL table &lt;&gt; 0</p> <p>Select the corresponding tolerance located on ZRF_TOL_XREF table. This pull is effective dated using the prod_cd and sale_dt from the DTL line. This will be taken into account later with the calculated royalty rate. Users are allowed to report the royrate listed in the table MINUS the tolerance.</p> <p>Calculate royrate. This will be used later as part of the compare. Royrate = RVPA/sale value (Both of these values are on ZRY_2014_STGDTL</p> <p>SET PROV-PASSED-FLG-NO to TRUE</p> <p>Select PV1.Z_RT_PER * 100 Z_RT_PER_TEMP, PV1.Z_LOW_RT * 100 Z_LOW_RT_TEMP from ZRF_PROV table.</p>
9618	Invalid Product Code	E	Detail	<p>Checks sales date to see if its valid                      select from ZRF_PROD_CD table to see if the prduct code exists to get the max eff date. If not found create edit.</p>
9620	Product Type must be Oil and Gas	E	Detail	<p>Checks the contract nbr on the detail line that being processed.                      Select from ZRF_ALL_CON using contract nbr to make sure that product type is equal to 01.                      If product type does not equal 01 from the select create edit.</p>
9621	The Product Code must be blank	E	Detail	<p>Checks the detail line product code.                      If the product code does not equal to spaces create edit.</p>
9623	Product Code cannot be blank	E	Detail	<p>Checks the detail line product code.                      If the product code is equal to spaces or 00 create edit.</p>
9626	TC is invalid because the lease is not a Section 6 Marginal Property	E	Detail	<p>Checks detail adj_rsn code to see if it equals 15 on detail line that is being processed.                      If the relshp type code is LTOA or CRAA.                      Select from ZRF_PROV table using detail agr_nbr, detail sales date, subdiv_nbr equals 000, provision type code equals 'MARGP', priop date equals sales date minus 1 year, status is equal to active and gets the max eff date.                      If not found create edit.</p>
9627	TC is invalid for non-recoupable leases	E	Detail	<p>Checks Non-recoupable lease.                      Select from ZRF_PROV table using detail contract_nbr,detail subdiv_nbr equal 000, detail sales date,status is equal to active and provision type code equals 'RENT' gets the max eff date.                      If found create edit.</p>
9628	TC is invalid for recoupable leases. Use TC 05	E	Detail	<p>Checks recoupable lease.                      Select from ZRF_PROV table using detail contract_nbr,detail subdiv_nbr equal 000, system date,status is equal to active and provision type code equals 'RCPRN' gets the max eff date.                      If found create edit.</p>

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Edit No#	Edit message text	Type of Severity	Type of Edit	Logic
9629	Cannot recoup unless min roy paid in adv provision is established for lease	E	Detail	Minimum royalty paid in advanced provision is not found: thus can't recoup without this provision. Select from ZRF_PROV using contract nbr, detail sales date, prov type equals 'MRPIA' and active status. If not found create edit
9631	TC is only valid for gas storage agreements	E	Detail	Checks Lease not a gas storage agreement. Select from ZRF_ALL_CON table using detail contract nbr, subdiv nbr equal to 000, agmt subj code equal to 'GSA' . If not found create edit.
9632	TC is invalid for leases without severance tax provisions	E	Detail	Checks Lease cannot have a provision type of severance tax. Select from ZRF_PROV table using detail contract nbr,detail subdiv nbr equal 000, system date,status is equal to active and provision type code equals 'SVTAX' gets the max eff date. If not found create edit.
9633	Transportation Allowance cannot be reported	E	Detail	Checks to see if detail transportation allowance must be null. If detail trnsp allowance is not equal zero create edit.
9634	Processing Allowance cannot be reported	E	Detail	Checks to see if processing allowance must be null. If detail prcs allowance is not equal zero create edit.
9638	Processing Allowance cannot be reported for a Product Type of Oil	E	Detail	Checks TC not valid for reported product. If Product code has oil and gas indicator = 'Oil' then processing allowances may not be taken. Select from ZRF_PROD_CD table using setid equal to MRM, detail sales date, detail product code gets the max eff date. output from select PC-OGI. If PC-OGI equals O and detail process allowance is not equal to zero create edit.
9639	Invalid Agreement Number	E	Detail	Checks the detail agreement nbr not equal spaces. If true. Select from PS_ZRF_ALL_CON using detail agr nbr to find contract nbr, agr sub type equal to 'AGMT', subdiv equal to 000, status equal active and it does not exist in ZRF_CON_ON_HOLD table. If not found create edit.
9640	Agreement number not related to reported lease or compensatory royalty agreement number	E	Detail	Checks to see if the agreement ndr and contract nbr are valid. If true. Select from ZRF_XREF_CON table using detail agr nbr to find contract nbr,detail nbr to find related contract nbr, detail sales date,status equal to active and to get max eff date. Checks from the select the relationship type code equal to LTOA or CRAA. If not found create edit.
9641	Agreement Number is required for ARC 15 (Marginal Property True-Up)	E	Detail	Checks to see adj rsn cd is valid and detail adj rsn cd equals 15 and detail agreement nbr equal spaces. If true create edit.
9655	Transportation Allowance must be negative unless an ARC is reported	E	Detail	Checks to see if the detail transportation allowance is greater than zero and detail adjustment rsn cd equals spaces or detail adjustment rsn cd equals 00 create edit.
9656	Processing Allowance must be negative	E	Detail	Checks to see if the detail processing allowance is greater than zero and detail adjustment rsn cd equals spaces or detail adjustment rsn cd equals 00 create edit.

EDITS AS OF 02-28-2012

Edit No#	Edit message text	Type of Severity	Type of Edit	Logic
9657	The sign on the Gas MMBTU must match the sign on the RVPA	E	Detail	Check to see if MMBTU-REQ equals Y and detail gas MMBTU is less than zero and detail royalty value prior allowance is greater than zero or detail gas MMBTU is greater than zero and detail royalty value prior allowance is less than zero create edit
9658	Sales Volume must be zero	E	Detail	Checks to see if detail sale volume not equal to zero create edit.
9659	Gas MMBTU must be zero	E	Detail	Checks to see if detail gas MMBTU not equal to zero create edit.
9660	Product Code be 01 (Oil) or 02 (Condensate)	E	Detail	Checks to see if detail product code not equal to 01 and detail product code not equal to 02 create edit.
9661	Implied Royalty Rate (RVPA/Sale Value) cannot exceed 1.00	E	Detail	Divide detail royalty value prior allowance by detail sale value giving royalty rate. If royalty rate greater than 1 create edit.
9662	Transportation Allowance cannot be zero	E	Detail	Checks to see if the detail transportation allowance is equal to zero create edit.
9663	Processing Allowance cannot be zero	E	Detail	Checks to see if the detail processing allowance is equal to zero create edit.
9665	Sales Value must be zero	E	Detail	Checks to see if the detail sale value is not equal to zero create edit.
9666	Sales Value cannot be zero	E	Detail	Checks to see in ZRF_PROV table using subdiv is equal to 000, provision type code is equal to 'ROY', status is equal to A, calc meth code 1 equals M or calc meth code equals U, detail contract nbr, detail sales date to get max eff date. output from the check above CALCMTH-EXISTS. Check if to see min product code not equal 01 and min product code not equal 03 and CALCMTH-EXISTS do not create edit. else If detail sale value equals zero create edit.
9667	Sales Month/Year cannot be greater than current year plus 5 years	E	Detail	Add five years to system date. Checks the detail sale date to see if it greater than system date create edit.
9668	Transportation/Processing Field must have opposite signs of the RVLA	E	Detail	Checks detail transportation allowance not equal zero or detail processing allowance not equal to zero. If true Check to see if detail transportation allowance is less than zero and detail royalty value allowance is less than zero or detail processing allowance is less than zero and detail royalty value less allowance is less than zero or detail transportation allowance is greater than zero and detail royalty value less allowance is greater than zero or detail processing allowance is greater than zero and detail royalty value less allowance is greater than zero. Create edit
9669	RVPA must match the RVLA	E	Detail	Checks to see if detail royalty value prior allowance is not equal to detail royalty value less allowance. Create edit. RVPA must match the RVLA. If Detail-RV-PRI-ALL does not equal Detail RV-LS-ALL Crrreate edit
9670	Z999 or Z700 Sales Type cannot be used for Sales Months after 09/2001	E	Detail	Checks to see if detail sale date is greater or equals 20011031 and detail royalty value prior allowance greater than 2 and detail sale type code equals Z999 or Z700. If true create edit

EDITS AS OF 02-28-2012

Edit No#	Edit message text	Type of Severity	Type of Edit	Logic
9680	All Payment Method '06' lines in a group must net to zero	E	Detail	Located in the GRP-TOT-NOT-ZERO-ERR section. Because the total RVLA for the group is not zero, this routine will place the group not zero message on all lines in the group and place all lines in the group in suspense status. Edit moves WS-CD-PM06-GRP-NET-ZERO to ERR-CD. If group passes with no errors, perform CN000-CREAT-CR-ERR-REC. If there are errors, perform CN000-CREAT-CR-ERR-REC until ERR-IDX is greater than TOT-ERRS or ERR-IDX-MAX. Move to ERR-IDX if GRP-STATUS does not equal WS-SUSPEND and WS-PRVC, perform CT000-HDR-STAT-UPD and add to GRP-IDX, error displays.
9681	Only royalty transactions can be offset by this credit	E	Detail	IF CR-OFFS-TR equals 'Y' Only royalty transactions can be offset by this credit. Continues if Trans Code = 01, 06, 08, 10, 11, 15, 40, 53, 54. Move WS-CD-ONLY-CR-TX-OFFSET to ERR-CD, Search for errors in GRP-LN-NBR, GRP-CON-NBR, GRP-TRANS-CD, GRP-STATUS. If errors, perform CN000-CREAT-CR-ERR-REC until ERR-IDX > TOT-ERRS or until ERR-IDX > ERR-IDX-MAX. Display edit 9681.
9687	The reported lease is not associated (Lease To Credit subdivision) to a credit on this document	E	Detail	THIS PROCEDURE WILL SEARCH THE ARRAY THAT CONTAINED ALL THE CREDIT AND OFFSET TRANSACTIONS FOR ANY TRANSACTIONS LEFT. IF THERE ARE ANY, THEY ARE CONSIDERED TO BE ORPHAN RECORDS THAT ARE NOT ASSOCIATED TO ANY CREDIT CONTRACT. IF PM06-DOC-ID NOT EQUAL SPACES Create edit.
9722	All Payment Method '06' Lines on Document Must Net to Zero.	E	Detail	Sets the status code to 'SUSP' for all lines in the document with a payment method of '06' when PM06-STATUS does not equal zero.
9739	Adj for sales mnths more than 6 yrs plus 1 mnth prior to receipt mnth not allowed for Fed leases	E	Detail	Subtract 6 years from header record date year giving FORMAT-SYS-CCYY. Subtract 1 from header record date month giving FORMAT-SYS-MM. move into Header record date YYYYMM-SYS-DT-TC  If FORMAT-SYS-MM equals 00 move 12 to FORMAT-SYS-MM and subtract 1 from FORMAT-SYS-CCYY. giving YYYYMM-SYS-DT-TC  Checks detail trans code if equals 01, 06, 10, 31, 37, 40, 53, 54 and sale date YYYYMM is less than Header record date YYYYMM-SYS-DT-TC and header fed indian ind equals F. Create edit.
9740	Combined allowances exceed 99% of the RVPA	E	Detail	This edit will sum the transportation and processing allowances and compare that total to the RVPA on the reported line. If that calculated amount is more than 99% of the RVPA, the error will be created. When DTL-TRANS-CD = 01,10, or 40, move DTL-RV-PRI-ALL to RV-PRI-ALI-ABS, DTL-TRNSP-ALL to TRANSP-ALL-ABS, and DTL-PRCS-ALL to PRCS-ALL-ABS. Then add TRANSP-ALL-ABS to PRCS-ALL-ABS giving the ALLOW-TOTAL. Then multiplies RV-PRI-ALL-ABS by .99, giving 99-PERCENT. If ALLOW-TOTAL exceeds 99-PERCENT, error will display.
9741	Sales type code must be blank	E	Detail	Checks detail trans code to if it equals 02, 03, 04, 05, 07, 16, 17, 18, 19, 21, 22, 25, 43, 46, 50, 51, 52 and detail sale type cd is not equal to spaces create edit.
9742	If the RVLA is negative an ARC must be present	E	Detail	Checks detail trans code to if it equals 01, 02, 04, 05, 06, 10, 14, 16, 17, 18, 19, 31, 37, 38, 40, 43, 46, 50, 53, 54 and detail royalty value less allowance is less than zero and detail adj rsn cd is equal spaces. Create edit.

EDITS AS OF 02-28-2012

Edit No#	Edit message text	Type of Severity	Type of Edit	Logic
9743	RVPA must match the RVLA	E	Detail	Checks detail trans code to if it equals 02, 03, 04, 05, 06, 07, 12, 13, 14, 16, 17, 18, 19, 21, 22, 25, 31, 37, 38, 42, 43, 46, 50, 51, 52, 53 and detail royalty value less allowance is not equal to detail royalty value prior allowance. Create edit.
9744	Sales volume must be positive if the sales value is positive	E	Detail	Checks detail trans code to if it equals 01, 06, 10, 31, 37, 38, 40, 43, 46, 53, 54 and detail sale value is less than -0.1 or detail sale value is greater than 0.1 and detail adj rsn cd is equals to spaces and detail royalty value less allowance is greater than zero and detail sale volume is less than or equal to zero. Create edit.
9745	Sales volume is required for this transaction code	E	Detail	Checks detail trans code to if it equals 18, 19 and detail sale volume equals zero. Create edit
9746	RVLA must match the transportation allowance field	E	Detail	Checks detail trans code to if it equals 11 and detail royalty value less allowance is not equal to detail transportation allowance. Create edit.
9747	RVLA must match the processing allowance field	E	Detail	Checks detail trans code to if it equals 15 and detail royalty value less allowance is not equal to detail processing allowance. Create edit.
9748	Indian lease total is less than zero	E	Detail	Checks header fed indn ind to see you are processing an indian document and accepted line flg hold is equal to 'N' and PYMT METH is not equal '06' and ADJ RSN CD is not to '86', '87', '88') select from ZRY_2014_STGDTL using docid and contract nbr to pull all detail lines for that contract and tallies RVLA volumes to see if a negative value exists for that contract nbr. If true create edit.
9749	Duplicate Line detected, revise report	E	Detail	Checking for duplicate line. Select from ZRY_2014_STGDTL using detail DOC-ID, CON-NBR, AGR-NBR, API-WNBR, TUB-STR-CD, WCOMPL-CD, PROD-CD, STYP-CD, TRANS-CD, ADJ-RSN-CD, SALE-VOL, SALE-DT, GAS-MMBTU, SALE-VAL, RV-PRI-ALL, TRNSP-ALL, PRCS-ALL, RV-LS-ALL, PYMT-METH, and LN-NBR. If all of the fields match and the line nbr does not equal. create edit.
9750	APOP Sales Type Code is only allowed for Federal leases with Product Code 04	E	Detail	This edit will fire when a sales type of APOP is not reported with product code 04.  If header FED-INDN-IND equals 'F' AND detail STYP-CD equals 'APOP' . If detail PROD-CD not equal '04' create edit.
9751	Allowance exceeds regulation limit	E	Detail	If header FED-INDN-IND equals 'F' Select from ZRF_ALL_CON using contract nbr, subdiv nbr, status. If the contract nbr is found and MINL-PROD-CD is equal to '01' . If RV-PRI-ALL(DTL-IDX) <> 0 DIVIDE ABS-TRANS BY RV-PRI-ALL GIVING AVTA-OVER-RVPA IF AVTA-OVER-RVPA <= 0.50 SUBTRACT ABS-TRANS FROM RV-PRI-ALL GIVING RVPA-MINUS-AVTA IF RVPA-MINUS-AVTA <> 0 DIVIDE PRCS-ALL-ABS BY RVPA-MINUS-AVTA GIVING AVPA-OVER-RVMA IF AVPA-OVER-RVMA > 0.666667 Select from ZRF_EXCEP_PRCs using contract nbr or agreement nbr If not found create edit

EDITS AS OF 02-28-2012

Edit No#	Edit message text	Type of Severity	Type of Edit	Logic
9752	Only Section 6 leases can be reported using TC 37 and TC 38	E	Detail	If header FED-INDN-IND equals 'F' Select from ZRF_ST_CNTY using contract nbr, sales date to get max effdt If not found create edit.
9753	Southern Ute Leases must have an API Well Number Reported	E	Detail	If header FED-INDN-IND equals 'I' and detail API-WNBR equals SPACES Select from ZRF_DIST DST1 using contract nbr, sales date to get max effdt If the above select returns CIRI-DIST-CD = 312 or CIRI-DIST-CD = 600 create edit.



# eINVOICE FREQUENTLY ASKED QUESTIONS

## Introduction to eInvoice:

The eInvoice application provides electronic versions of Invoices, Remittances, and associated reports. These files are stored within Hyperion Data Warehouse folders and are available for review and download. Invoices and Remittances are in a print format. The reports are in a text delimited format, allowing for easy import into spreadsheets. The text files can also be imported into databases.

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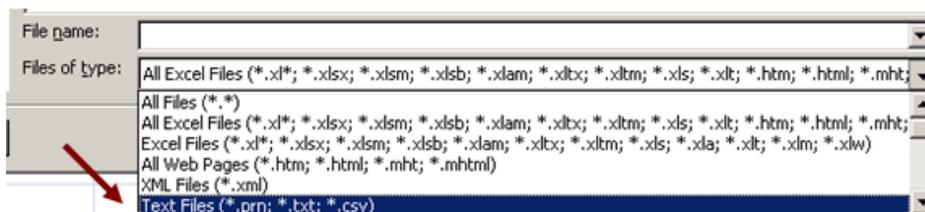
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## Frequently Asked Questions

### **1. How do I import the Report text files (.txt) into a Spreadsheet?**

Note: These screen prints are from Excel 2007. Any spreadsheet application should be able to import the txt files. Database applications can also import delimited files.

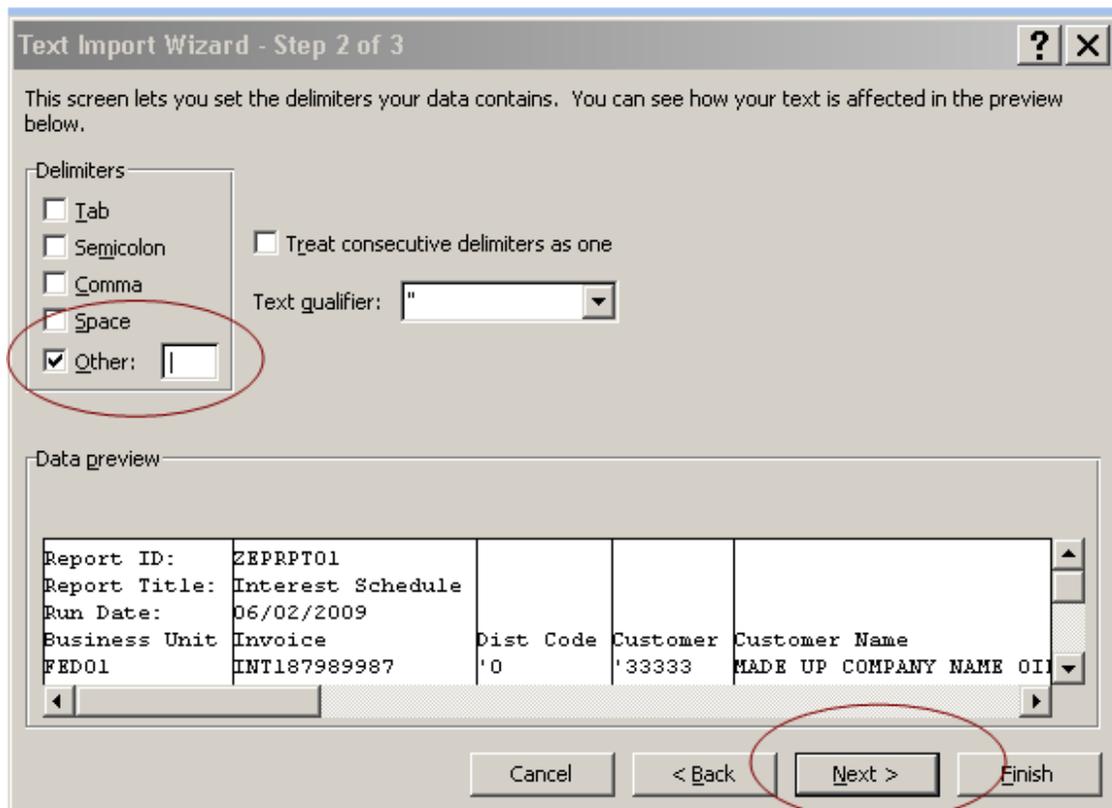
1. Choose "Open" from the MS Excel dropdown. Expand the "Files by Type" dropdown to choose the Text Files (\*.prn, \*.txt, \*.csv) file type.



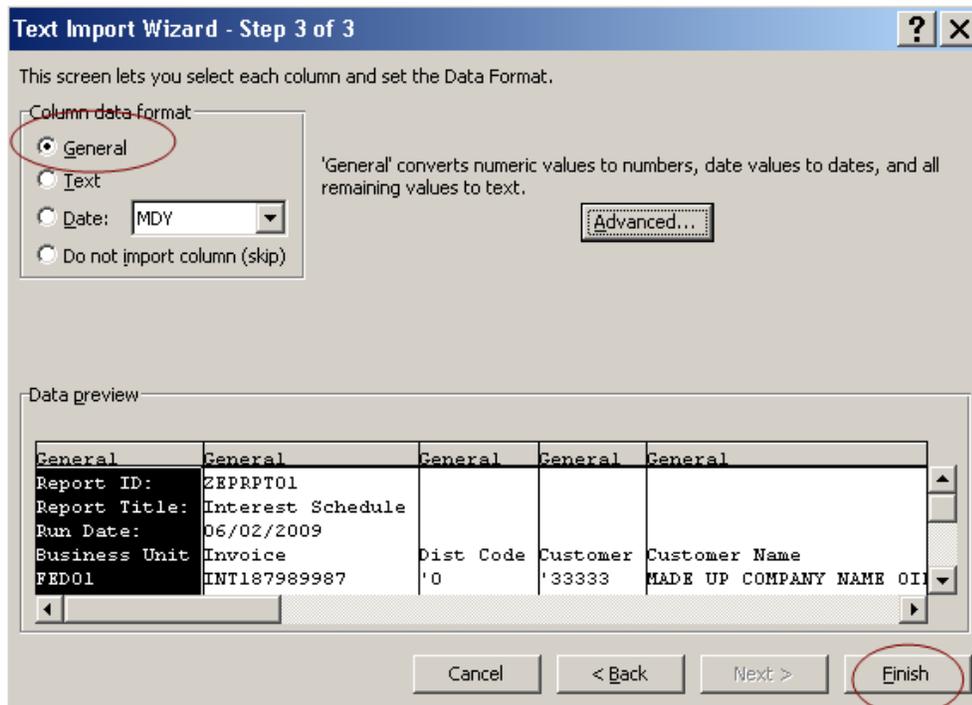
2. Under the Text Import Wizard box, Step 1 of 3: Select the Delimited radio button and click the [Next] button.



3. Under the Text Import Wizard box, Step 2 of 3: Select the "Other" checkbox. Enter the "pipe" character (|). Ensure that the Text qualifier is ". Click the [Next] button.



4. Under the Text Import Wizard box, Step 3 of 3: Ensure the Column Data format is General. Click the [FINISH] button.



5. The resulting File will have a single apostrophe (') preceding the text fields that contain numbers. This is to ensure that the leading 0's will remain in the field. There may also be a series of # signs (#####) showing in cells. This means that the columns need to be expanded. Expand the cells by double clicking on the boarding column lines.

A	B	C	D	E	F	G	H	I	J	K	L	M
Report ID:	ZEPRPT01											
Report Title:	Interest Schedule											
Run Date:	6/2/2009											
Business Unit	Invoice	Dist Cod	Customer	Customer	Line Nbr	Reference	Lease No.	Pre Pttm	Sale Dt.	Roy/Bill Ar	Receipt Dc	Assesmen
FED01	INT187989	0	33333	MADE UP	1	ROY1190	0999999999		Oct-04	2.87	#####	LPROY
FED01	INT187989	0	33333	MADE UP	1	ROY1000E	0999999999		Oct-04	2.87	#####	LPROY
FED01	INT187989	0	33333	MADE UP	1	ROY1000E	0999999999					
FED01	INT187989	0	33333	MADE UP	1	ROY1000E	0999999999					
FED01	INT187989	0	33333	MADE UP	2	ROY1000E	0999999999		Oct-04	120.5	#####	LPROY
FED01	INT187989	0	33333	MADE UP	2	ROY1000E	0999999999		Oct-04	120.5	#####	LPROY
FED01	INT187989	0	33333	MADE UP	2	ROY1000E	0999999999					

If you need help importing the text files, contact the MMS Help Desk:  
[MMS.Customer.Support@mms.gov](mailto:MMS.Customer.Support@mms.gov)  
**303-231-3333 or 877-256-6260 (toll-free)**

## 2. My customer folder has only the Invoice and Remittance, but no reports. Should I be concerned?

You should not be concerned. This can be normal. There are processing scenarios which result in no reports, such as when manual invoices are processed. If you have any additional questions about your reports, please call your servicing accountant.

### **3. I have an Indian lease and I have an Indian Over-recoupment report. I do not see an invoice that pertains to the items on the report. When will the invoice be prepared?**

The Indian Over-recoupment (IOR) report is not an invoice. It is for information only. This report is generated because there were exceptions to the regular processing. These exceptions are showing on the IOR report, prior to the invoice preparation. The exceptions will be researched and may or may not be resolved. If they are not resolved, they will appear on a future invoice, issued at a later date.

### **4. I am still getting printed copies of the Federal Invoices and Remittances even after I asked for the print to be discontinued.**

If a company asks for their federal invoice print to be discontinued, the reports will no longer be printed or mailed. However, the invoices and remittances will continue to be printed and mailed due to regulatory and policy requirements.

### **5. Why must the Indian invoice documentation continue to be printed?**

Indian documentation must be printed and mailed due to regulatory and policy requirements.

### **6. My email address has changed. I subscribed to my Data Warehouse folder with my previous email address. How do I change my email address?**

To change your email address, click on your company folder name and click on the "Subscribe" link. Enter your new email address.

### **7. What is the naming convention for the zip files?**

The zip file name contains much information. The format includes: Invoice type and number, Invoice run date, and Customer ID.

### **8. How do I unzip the zip file?**

The files were zipped using WINZIP. You can unzip the file with WINZIP or with any other zip software that is compatible with WINZIP files. There are many.

### **9. The reports are in a delimited text file. What do they look in printed format?**

# Interest Schedule

Report ID: ZPRPT01

U. S. Department of the Interior  
Minerals Management Service  
Minerals Revenue Management

Page No. 1  
Run Date 12/16/2009  
Run Time 17:51:21

Interest Schedule

Business Unit: IN001 Invoice: INT [REDACTED]  
Dist Code: [REDACTED] Customer: [REDACTED]

Line Mbr	Reference Doc ID	Lease No.	Pre Pctn	Sale Dt.	Roy/Bill Amount	Receipt Date	Ass Est Cd	Est Ind	Due Date	Payment Date	Assessment Base	Accumulated Assessment	From Dt.	To Dt.	Days	Int. Rate	Amount Due
1	ROY [REDACTED]	[REDACTED]	[REDACTED]	08/2005	179.98	03/08/06	LPROY	N	08/15/05	03/08/06	179.98	179.98	08/15/05	09/30/05	46	0.0600	1.37
												181.35	10/01/05	12/31/05	92	0.0700	3.23
												184.57	01/01/06	03/08/06	67	0.0700	2.39
												Adjustment:					-0.00
												Total for Bill Line		1			6.99
2	ROY [REDACTED]	[REDACTED]	[REDACTED]	08/2005	170.74	03/08/06	LPROY	N	08/15/05	03/08/06	170.74	170.74	08/15/05	09/30/05	46	0.0600	1.30
												172.04	10/01/05	12/31/05	92	0.0700	3.06
												175.10	01/01/06	03/08/06	67	0.0700	2.26
												Adjustment:					-0.00
												Total for Bill Line		2			6.62
3	ROY [REDACTED]	[REDACTED]	[REDACTED]	08/2006	179.98	08/18/06	LPROY	N	08/14/06	08/18/06	179.98	179.98	08/14/06	08/18/06	4	0.0800	0.16
												Adjustment:					0.00
												Total for Bill Line		3			0.16
4	ROY [REDACTED]	[REDACTED]	[REDACTED]	08/2006	170.74	08/18/06	LPROY	N	08/14/06	08/18/06	170.74	170.74	08/14/06	08/18/06	4	0.0800	0.35
												Adjustment:					0.25
												Total for Bill Line		4			0.36
5	ROY [REDACTED]	[REDACTED]	[REDACTED]	08/2007	179.98	08/22/07	LPROY	N	08/13/07	08/22/07	179.98	179.98	08/13/07	08/22/07	9	0.0800	0.01
												Adjustment:					0.36
												Total for Bill Line		5			0.36
6	ROY [REDACTED]	[REDACTED]	[REDACTED]	08/2007	170.74	08/22/07	LPROY	N	08/13/07	08/22/07	170.74	170.74	08/13/07	08/22/07	9	0.0800	0.34
												Adjustment:					0.00
												Total for Bill Line		6			0.34
7	ROY [REDACTED]	[REDACTED]	[REDACTED]	08/2008	170.74	03/10/08	LPROY	N	08/13/08	09/09/08	170.74	170.74	08/13/08	09/09/08	27	0.0500	0.63
												Adjustment:					-0.00
												Total for Bill Line		7			0.63
Total interest for Invoice INT [REDACTED]																	
15.24																	

# Late Payment Allocation

Report ID: ZPRPT03

U. S. Department of the Interior  
Minerals Management Service  
Minerals Revenue Management

Page No. 3  
Run Date 12/16/2009  
Run Time 17:51:21

Late Payment Allocation

Business Unit: IN001 Invoice: INT [REDACTED]  
Dist Code: [REDACTED] Customer: [REDACTED]  
Document: ROY300 [REDACTED] Receipt Date: 03/08/2006

TOTAL AMOUNT: 350.72

BUSINESS UNIT	CUSTOMER	DISTRIBUTE	ITEM	ITEM-LINE	APPLIED AMOUNT:				
IN001	[REDACTED]	[REDACTED]	[REDACTED]	6	\$ 350.72				
PAYMENT ID: [REDACTED] RECEIPT DATE: 03/08/2006									
LEASE NUMBER	IND	MONTH	TRAM CODE	ARC	DUE DATE	IND	INT	ACCEPTED AMOUNT	ALLOCATED AMOUNT
[REDACTED]	0	R	08/2005	05	08/15/2005	N		\$ 179.98	\$ 179.98
SUBTOTAL: Y								\$ 179.98	\$ 179.98
[REDACTED]	0	R	08/2005	05	08/15/2005	N		\$ 170.74	\$ 170.74
SUBTOTAL: Y								\$ 170.74	\$ 170.74
TOTAL:								\$ 350.72	\$ 350.72
ITEM TOTAL:								\$	\$ 350.72
DOCUMENT TOTAL:								\$	\$ 350.72

# Estimate Exception Bill Details

Report ID: ZEPRT04

U. S. Department of the Interior  
Minerals Management Service  
Minerals Revenue Management

Page No. 95  
Run Date 12/18/2009  
Run Time 10:44:35

Estimate Exception Bill Details

Business Unit: FRD01 Invoice: INT  
Dist Code: 0 Customer:  
Contract Sale Dt Document Line Receipt dt Prod Cd Trans Cd Royalty Amt Estimate Amt Variance

Beginning Balance									407.00	
*** No Activity ***										
Ending Balance	30-APR-2004								407.00	
04/30/2004	ROY			06/29/2004	04	01	243.57			-163.43
Line Total							243.57			
Line No.: 24	Lease No.:								739.00	
Beginning Balance									739.00	
*** No Activity ***										
Ending Balance	30-APR-2004								739.00	
04/30/2004	ROY			06/29/2004	04	01	432.69			-306.31
Line Total							432.69			
Line No.: 25	Lease No.:								2,215.00	
Beginning Balance									2,215.00	
*** No Activity ***										
Ending Balance	30-APR-2004								2,215.00	
Line Total							0.00		2,215.00	*** No Royalty Docs Found ***
Line No.: 26	Lease No.:								50,000.83	
Beginning Balance									50,000.83	
*** No Activity ***										
Ending Balance	30-APR-2004								50,000.83	
04/30/2004	ROY1			06/29/2004	04	01	2,621.82			
04/30/2004	ROY1			06/29/2004	04	01	44,499.43			
Line Total							47,121.25		50,000.83	-2,879.58
Line No.: 27	Lease No.:								410.36	
Beginning Balance									410.36	
*** No Activity ***										
Ending Balance	30-APR-2004								410.36	
04/30/2004	ROY10			06/29/2004	17	01	754.03			343.67
Line Total							754.03		410.36	
Line No.: 28	Lease No.:								1,043.00	
Beginning Balance									1,043.00	
*** No Activity ***										
Ending Balance	30-APR-2004								1,043.00	
04/30/2004	ROY			06/29/2004	19	01	27.83			

### Indian Recoupment Detail

Report ID: ZEPRIOR

U. S. Department of the Interior  
Minerals Management Service  
Minerals Revenue Management  
Indian Recoupment Detail

Page No. 1  
Run Date 07/23/2009  
Run Time 10:19:40

INVOICE: IOR PAYER: DISTRIBUTION CODE: TOTAL EXCEPTION: \$310307.09  
BILL LINES: 1 ASSESSMENT CODE: RA DESCRIPTION: Allottee Recoupment TRIBAL/ALLOTTED: A BILL LINE EXCEPTION: \$310307.09  
LEASE: LEASE ANN:

LINE	PROD	SALMS	TC	ARC	EST	PAY	DOC ID	PAD NUM	RECEIPT	ROYALTY	REVENUE	NEG ADJ	RCPD AMT	RCPABLE
NR	CD	DT			REL	MSH			DATE	VALUE	AMT	AMT		AMT
0	SG	31-AUG-1999	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-10,787.84	0.00	-10,787.84	0.00
0	SF	10-SEP-1999	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-4,443.01	0.00	-4,443.01	0.00
0	SF	31-OCT-1999	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-11,006.46	0.00	-11,006.46	0.00
0	SG	30-NOV-1999	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-6,899.45	0.00	-6,899.45	0.00
0	SG	31-DEC-1999	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-6,896.59	0.00	-6,896.59	0.00
0	SG	31-JAN-2000	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-607.82	0.00	-607.82	0.00
0	SG	29-FEB-2000	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-8,623.55	0.00	-8,623.55	0.00
0	SG	31-MAR-2000	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-10,233.93	0.00	-10,233.93	0.00
0	SG	30-APR-2000	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-9,432.05	0.00	-9,432.05	0.00
0	SG	31-MAY-2000	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-9,562.35	0.00	-9,562.35	0.00
0	SG	30-JUN-2000	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-17,305.48	0.00	-17,305.48	0.00
0	SG	31-JUL-2000	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-14,144.86	0.00	-14,144.86	0.00
0	SG	31-AUG-2000	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-14,918.41	0.00	-14,918.41	0.00
0	SG	30-SEP-2000	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-8,067.87	0.00	-8,067.87	0.00
0	SG	31-OCT-2000	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-9,842.15	0.00	-9,842.15	0.00
0	SG	30-NOV-2000	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-11,204.22	0.00	-11,204.22	0.00
0	SG	31-DEC-2000	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-5,264.85	0.00	-5,264.85	0.00
0	SG	31-JAN-2001	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-11,338.78	0.00	-11,338.78	0.00
0	SG	28-FEB-2001	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-2,397.94	0.00	-2,397.94	0.00
0	SG	31-MAR-2001	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-8,941.34	0.00	-8,941.34	0.00
0	SG	30-APR-2001	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-16,559.54	0.00	-16,559.54	0.00
0	SG	31-MAY-2001	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-19,578.88	0.00	-19,578.88	0.00
0	SF	30-JUN-2001	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-46,226.05	0.00	-46,226.05	0.00
0	SF	31-JUL-2001	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-17,734.65	0.00	-17,734.65	0.00
0	SF	31-AUG-2001	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-2,734.19	0.00	-2,734.19	0.00
0	SF	31-SEP-2001	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-7,954.75	0.00	-7,954.75	0.00
0	SF	31-OCT-2001	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-17,600.08	0.00	-17,600.08	0.00
0	SF	31-NOV-2001	01	17	Y	02	ROY		LSECORR	16-JUN-2009	-310,307.09	0.00	-310,307.09	0.00
TOTALS:														

## **10. How do I get a User Id and Password for access to the Data Warehouse?**

- a. If you are a non-DOI Government or Industry Users, use the MRM Application Request Form (MARF) and Instructions. They are found at this link: <http://www.mrm.mms.gov/ReportingServices/Forms/Forms.htm>.
- b. If you are an MMS employee, use the MARF found on the MMS Pipeline. To find the form, type 'MARF'; in the search text block for the Adobe Form Library

## **11. How do I use the Hyperion Data Warehouse?**

### **Hyperion Data Warehouse Instructions:**

#### **To login to the MRM Internet Brio Portal:**

1. Launch your Internet browser on your desktop.
2. Open the URL <https://dwportal.mms.gov>. The MMS Internet Brio Portal Login Page will display.
3. Select the Brio Login button. When you initially select this button, a page will appear prompting for your browser type and version. Examples of browser types are Netscape Communicator, Microsoft Internet Explorer, Netscape Navigator, and Microsoft Pocket Internet Explorer. If you do not know your browser version, refer to the "About Your Browser" section in its help tool. Select the appropriate browser and version, and then save your settings. This page will not appear when you log on in the future.
4. When prompted, enter your username and password. Note – your username and password are case sensitive.

Once logged into BRIO, if your homepage is NOT the Browse page, click Browse from the drop down menu option on the top left corner of the BRIO homepage to access the MRM Internet BRIO Portal Folders. The folders will be displayed at the left of the screen. The following is a description of the information contained in the BRIO folders:

1. Broadcast Messages – this is where MRM posts announcements and other general information.
2. Financial Reports Customers – this is where MRM posts Financial Reports. You will see a different folder for each of your reporter numbers. You may not see any reports in this folder at first as the reports are run either weekly, monthly, quarterly or yearly. Once the reports are run, they will be posted into this folder. Examples of reports in this folder are Payor Detailed Estimate Activity Report and Confirmation Reports. You will also see a folder titled Helpful Hints. This is where MRM posts tips about using the Internet Portal.
3. History Database – in this folder there is another folder labeled Industry Reports. It contains three reports that allow you to retrieve your company specific production (OGOR), royalty (2014), and payments information. History database reports are retained in memory for three hours, after that time you have to rerun the report.

## **Viewing Reports**

To view reports in the financial or history database folders you will need to download the SQR Viewer. This is a one-time set up requirement on each computer from which the Internet Portal will be accessed. To download the SQR Viewer:

1. Click on the Financial Reports folder. You will see 2 file links on the right side of your browser. The first is labeled, "Installing SQR Viewer". This contains the instructions for downloading the SQR Viewer. The second file, labeled "sqrviewer, "is the Windows Executable that you will select to begin the download.
2. Read the instructions first and then click on the Windows Executable File.
3. Follow the instructions to install SQR Viewer.
4. After you have installed the SQR Viewer, you can double click the  icon to open your report.

## **Saving Reports**

To save a financial or history database report, you must create a file name that does not have any spaces. Additionally, the folder in which the file is saved cannot have any spaces in its name. If there are spaces in the file or folder name, your file will not open.

## **Running History Database Reports**

1. Click on the History Database Reports folder.
2. Click on the Industry Reports folder.
3. Click on the name of the report you wish to run. A window will open that will let you input the applicable parameters for that report.
4. Enter the parameters, such as sales month and lease number.
5. Click the Run Query button. When the report is finished running, you will be returned to the Industry Reports folder.

If you have any questions about the Financial Reports, how to run a History Database Query, or the data you retrieve, please contact your MRM representative. If you do not know who your representative is, please call 1-800-525-0309 and press 0. The operator will direct you to your representative.

To receive your password or to ask a question about your Hyperion (BRIO) Portal access, please contact MMS Customer Support:

[MMS.Customer.Support@mms.gov](mailto:MMS.Customer.Support@mms.gov)  
**303-231-3333 or 877-256-6260 (toll-free)**

# **eSOA Frequently Asked Questions (FAQs) and Refund Information**

## **Table of Contents**

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## **1. Introduction to e-Statement of Accounts (eSOA).**

**A secure, electronic collaboration environment to help MMS properly match unapplied payments to corresponding open receivables!**

MMS's goal is to have a zero account balance of receivables and payments for every customer. The eSOA application provides an electronic collaboration environment to help accomplish this goal. It provides an annotation area for companies to let MMS know how and where to match payments with receivables.

NOTE: All annotations trigger an immediate notification to your servicing accountant, telling them that an annotation has been made.

## **2. How do I request a Refund?**

1. Enter the "Refund" annotation in the Requested Action column on the eStatement of Account. Print the page with the item information and the word "Refund" entered within the Requested Action line.

2. Fax or Mail the refund request on company letterhead, making sure to include the following information:

- a. Company Name
- b. Company Contact First and Last Name
- c. Company Contact Title
- d. Phone number
- e. Bank Name
- f. Bank Address
- g. ABA# (Bank Routing Number)
- h. Account #
- i. Target account (Checking or Savings)
- j. Name on Account
- k. Bank contact name
- l. Bank contact phone number

**IMPORTANT NOTE: All above information must be received and presented on Company letterhead or a refund cannot be processed.**

Fax to: 303-231-3372 ATTN: REFUNDS

Mail to:

MMS/MRM

PO Box 25165

Denver, CO 80225

ATTN: Refunds

### **3. Can our company file a protest or appeal using the e-Statement of Account (eSOA)?**

No.

eSOA cannot be used to in any way to document or file a formal appeal or protest. The eSOA annotations contained in this system are notes and general communication.

NOTE: Annotations in eSOA do not, in any way, constitute a formal legal statement or response.

### **4. Request for timely collaboration - How to avoid a debt collection.**

If MMS does not receive instructions on how to match payments and receivables, they may be subject to the First-In-First-Out (FIFO) method of accounting. If the FIFO matching results in an under-payment account balance, MMS will contact industry to request additional payment. Account balances in an under-payment status need to be resolved in the timeframes specified, or a Notice of Non-Compliance may be issued. The Notice of Non-Compliance could result in substantial penalties.

The Debt Collection process will be initiated for unpaid receivables fifteen days after the due date of an invoice, or the receipt date of a royalty document. The Debt Collection Improvement Act of 1996 requires all unpaid debt to be referred to the Department of the Treasury (Treasury) for collection no later than 180 days after due. Once debt has been referred to Treasury, any payment to clear the debt must be made to Treasury. Treasury will add administrative fees to the amount due. Under certain circumstances, a receivable will be placed in "Hold" status, to indicate an action has been taken by the Industry customer, or that MRM is researching the validity of the receivable. In some cases, the Debt Collection process is suspended while the receivable is on "Hold." The items falling under this scenario will be listed at the end of the e-Statement of Account page within this application. For additional information regarding Hold Codes, see the FAQ-What are the HOLD code Definitions?

If FIFO matching results in an over-payment account balance, MMS may contact the industry customer to initiate a refund, or instruct them to deduct the refund amount from a future payment. MMS may initiate the refund process for unidentified payments greater than 180 days old. If sufficient information to complete the refund process has been requested, but is not received, the debt may be transferred to Treasury.

## **5. How do I request access to the e-Statement of Account (eSOA)?**

User-ID and Password Access is gained through the MMS MRM Application Request Form (MARF). The MARF Form and Instructions are found on the MMS Financial Management Website at the link below. Once on the webpage click on the Forms link. If User Access or logon help is needed, contact the MMS Help Desk at 303-231-3333.

<http://www.mrm.mms.gov/ReportingServices/RepServhome.htm>

## **6. What are the system field definitions?**

***Login Page:***

Username and Password: Username provided through the MARF process.

[Login] Button: Press the Login button to accept the Rules of Behavior and proceed to the eSOA Search Page.

## ***Search Page:***

FAQs and Refund Info: This link provides information on: How to obtain a Refund, information for the use of eSOA, and Frequently Asked Questions.

[Logout] Button: Logs you completely out of the eSOA application, and brings you to the Login Page. Re-input of the User ID and Password will be required to return to the system.

Customer ID: This field will be blank when the Search page comes up. Enter the five-character customer code associated with the User ID. It is possible to have multiple customer ID codes for one User ID. If the Customer ID is not known, use the Customer ID Lookup Tool.

Customer ID Lookup Tool: Click on the button next to the Customer ID Lookup Tool label to search for a Customer ID. Enter the Customer name in the text box. The % is the wildcard character. You can enter the beginning characters and the % to find the Customer ID. If you are an Industry customer, your company ID's will be listed when you first come to the Customer ID search screen. To select the Customer ID, click on the selected ID from the Customer ID Lookup Tool dropdown list. The system will enter the selected ID in the Customer ID textbox on the previous eSOA Search Page. For more information, see the FAQ-How do I use the Customer ID Search Button.

Federal/Indian Account Radio Buttons: The default selection is Federal. Select the radio button to choose whether you are searching for Federal or Indian items.

Open/Closed Items: The default selection is Open. Select the radio button to choose whether you are searching for Open or Closed Items. If you choose Closed, date criteria (see Start Date and End Date) must be present to restrict the range of selected items.

Item ID/Payment #: The default is blank (all Items). Enter Item ID or Payment ID for the item that you would like to view or annotate. The % wildcard character can be used.

Start Date and End Date: Leave Start Date blank if you are requesting all Open items. The End Date defaults to the current date, but can be changed by typing over the date with a new date. If you select Closed Items, and the dates are not entered, the Start Date defaults to 30 days prior to today's date. The Start Date default can be changed by typing over the default date with a new date. The Start and End dates refer to the

Accounting/Issue Date column on the Statement of Account page. Dates must be entered in mm/dd/yyyy format. NOTE: The “/” must be entered with the date.

[SEARCH] Button: Click to complete Search, and go to the Statement of Account Page.

### ***Statement of Account Page:***

The data and headings on this page will vary according to criteria entered in the Search Page. Brackets {} are used in the descriptions below to show the areas where the words displayed within the Page Title will be affected by these Search Page choices and entries.

To Print: For ease of use, a separate Print function is not located within the eSOA screens. Use the Internet Browser [File] -> Print Menu options, or click on the [Export] button to Export and print from MS Excel.

As Of: Current Date and Time (Eastern Standard Time).

Customer ID: Customer ID for the Items displayed.

[Return to Search] Button: Return to the Search page.

[Logout]: Log out of the e-Statement of Accounts system. This brings you back to the Login Page. To return, re-enter your User ID and password.

FAQs and Refund Info: This link provides information on how to obtain a Refund, information for the use of eSOA, and Frequently Asked Questions.

#### Page Title:

{Federal or Indian} Statement of Account- {Open or Closed} Items.

Company Name

Date range for the provided data, if any. If the user supplied Start and End dates on the Search Page, they will be displayed here. If the user did not supply Start and End dates, no dates will display.

[Export] button: Exports the Items displayed within this section to MS Office Excel.

#### Entry Type:

- a. INV - Invoice issued by MMS.
- b. ROYAL – Form MMS-2014, with either a positive or negative balance remaining.
- c. PYMT – A payment (check, wire, or Indian lockbox payment) or portion of a payment that has not been applied to a receivable.

Accounting/Issue Date: This date is part of the date range, if any, entered on the Search page. The actual timeframe defined by this date depends on the Entry type. It represents one of the below timeframes:

- a. Date MMS receives the Royalty Report (MMS-2014)
- b. Date MMS receives the payment
- c. Invoice Issue Date

Item ID/Payment #: If an Item ID/Payment # was specified on the Search page, those items listed will be associated with that Item ID or Payment #. If this field was left blank, the items listed will fall between the specified date ranges. Depending on the Entry Type, The Item ID/Payment # is defined as:

- a. ROYAL-- the Payor Assigned Document Number, chosen by the customer for each Royalty document submitted.
- b. INV – the MMS-generated invoice number.
- c. PYMT – the Item ID/Payment # is number of the check, the wire, or an Indian lockbox payment.
  - If the receipt of the money was prior to 11/2001, the number may be a system-generated number from MMS' former accounting system instead of the customer's check or wire number.
  - If the prefix is "OA", the payment was not fully applied to any receivable but was put "On Account". This could mean that the whole check or payment was put On Account or part of the check or payment was put On Account. Payments may be put on account for the following reasons:
    - a. When the lease is terminated or expired
    - b. When the payment is a duplicate payment
    - c. When MMS has not been able to identify a lease or other receivable for the funds submitted
  - CR-AUTO indicates a credit transferred from MMS' former accounting system. The source of the credit was either a negative royalty document or invoice. These credits are currently available for use to pay a positive royalty documents or invoices.
  - If the PYMT is an Indian lockbox payment, it can be used only to pay a receivable for the Indian tribe that owns the lock box.

Amount Remaining: The current unpaid amount of a receivable or the unused amount of a payment. This may not be the original amount; a portion of the receivable may have been paid, or some part of the payment may have been used elsewhere.

Original Amount: The original amount of the receivable or payment. This will be blank for the PYMT Entry Type.

Dist Code (Indian Only): The Indian Distributee Code that identifies the Tribe or Bureau of Indian Affairs agency for which money has been deposited. This field will be blank for Federal items.

Hold Code: Hold code pertaining to the Item. Search for Hold Codes within this FAQ file to see a description of hold codes.

Document #/Payment Reference: If this item has an ENTRY TYPE of INV or PYMT, this will be the same number as Item ID/Payment#. If the ENTRY TYPE is ROYL, it will contain the ROY number assigned internally by MMS. If there is a document referenced on the payment, it will show here. If there are multiple references, only the first will be displayed.

# Of Ann: Number of Annotations for the item. This count includes the Most Recent Annotation, shown on this page, and all previous annotations (within the selected date range), shown on the Annotation History page. All annotations made within the date range are visible by clicking on the [Add/View] button next to the Item.

Most Recent Annotation: Displays the most recent annotation made for this item. To view additional annotations, click on the [Add/View] button next to the Item.

Annotation History-[Add/View] Button : Click on the [Add/View] Button to add or view instructions or comments for action regarding this item. The information may include direction on payment application, submission of ROYs for unapplied payments, submission of payment for unpaid ROYs or Invoices, or the use of OA money for future Rent/Minimum Royalty/Royalty obligations. All Industry users are able to both ADD and VIEW annotations. The MMS Accountant's ability to add annotations is dependant on their USER-ID assigned permissions. They may be able to both ADD and VIEW annotations, or simply VIEW them.

Total of Above Items: This field contains the calculated total of amount remaining (displayed in the Amount Remaining Column) for all line items in the datagrid above. A datagrid is a collection of data returned from a query. This field is at the end of all the items returned for the criteria selected. To see this total, you may need to select the next page, scroll down, or page down.

Breakdown of Above Entry Types: Total by entry type of the items in the datagrid. This field is at the end of all the items returned for the criteria selected. To see this breakdown total, you may need to select the next page, scroll down, or page down. There will be no Entry type summaries for Closed Items.

Field definitions for items in suspended box: All field definitions within this area of the page are described above, under the Statement of Accounts page.

[Export Suspended Items] Button: Exports the Items displayed within this section to MS Office Excel. These items are those for which data collection has been suspended due to

situations described by the HOLD code. Please see the FAQ-What are the Definitions for the Hold Codes.

For Questions call: This is your servicing accountant contact name and number. Please contact them for any questions regarding the Statement of Accounts. This field is at the end of all the items returned for the criteria selected. You may need to select the next page, scroll down, or page down to see this contact information.

### ***Annotation History Page:***

To Print: Use the Internet Browse Print Menu option, or Export to Excel and print from there.

As Of: Current Date and Time (Eastern Standard Time).

Customer ID: Customer ID for the Items displayed, based on the selection in the Search page.

[Return to Statement] Button: Return to the Statement of Account page.

[Logout]: Log out of the e-Statement of Accounts system. This brings you back to the Login Page. To return, re-enter your User ID and password.

Page Title:

ANNOTATION HISTORY-{ITEM ID}

Company Name

If a Date range was requested, through the Start and End Dates, the range will be shown here.

Item Information:

Entry Type:

- a. INV – Invoice issued by MMS
- b. ROYAL – Form MMS-2014, with either a positive or negative balance remaining
- c. PYMT – A payment (check, wire, or Indian lockbox payment) or portion of a payment that has not been applied to a receivable

Accounting/Issue Date: This date is part of the date range, if any, entered on the Search page. The actual timeframe defined by this date depends on the Entry type. It represents one of the below timeframes:

- a. Date MMS receives the Royalty Report (MMS-2014)
- b. Date MMS receives the payment

c. Invoice Issue Date

Item ID/Payment #: If an Item ID/Payment # was specified on the Search page, those items listed will be associated with that Item ID or Payment #. If this field was left blank, the items listed will fall between the date ranges specified. Depending on the Entry Type, The Item ID/Payment # is defined as:

- a. ROYAL-- the Payor Assigned Document Number, chosen by the customer for each Royalty document submitted.
- b. INV – the MMS-generated invoice number.
- c. PYMT – the Item ID/Payment # is number of the check, wire, or an Indian lockbox payment.
  - If the receipt of the money was prior to 11/2001, the number may be a system-generated number from MMS' former accounting system instead of the customer's check or wire number.
  - If the prefix is "OA", the payment was not fully applied to any receivable but was put "On Account". This could mean that the whole check or payment was put "On Account" or part of the check or payment was put "On Account". Payments may be put on account for the following reasons:
    - a. When the lease is terminated or expired
    - b. When the payment is a duplicate payment
    - c. When MMS has not been able to identify a lease or other receivables for the funds submitted.
  - CR-AUTO indicates a credit transferred from MMS' former accounting system. The source of the credit was either a negative royalty document or invoice. These credits are currently available for use to pay a positive royalty documents or invoices.
  - If the PYMT is an Indian lockbox payment, it can be used only to pay a receivable for the Indian tribe that owns the lock box.

Amount Remaining: The current unpaid amount of a receivable or the unused amount of a payment. This may not be the original amount, as a portion of the receivable may have been paid, or some part of the payment may have been used.

Original Amount: The original amount of the receivable or payment. This will be blank for the PYMT Entry Type.

Dist Code (Indian Only): The Indian Distributee Code that identifies the Tribe or Bureau of Indian Affairs agency for which money has been deposited. This field will be blank for Federal items.

Hold Code: Hold code pertaining to the Item. Search for Hold Codes within this FAQ file to see a description of hold codes.

Document #/Payment Reference: If this item has an ENTRY TYPE of INV or PYMT, this will be the same number as Item ID/Payment#. If the ENTRY TYPE is ROYL, it will contain the ROY number assigned internally by MMS. If there is a document referenced on the payment, it will show here. If there are multiple references, only the first will be displayed.

# Of Ann: Number of Annotations for the item. This count includes the Most Recent Annotations, shown on this page, and all previous annotations (within the selected date range), shown on the Annotation History page. All Annotations made within the date range are visible by clicking on the [Add/View] button next to the Item.

Most Recent Annotation: The most recent annotation made for this item. To view additional annotations, click on the [Add/View] button next to the Item.

Annotation History-[Add/View] Button : Click on the [Add/View] Button to add or view instructions or comments for action regarding this item. The information may include direction on payment application, submission of ROYLs for unapplied payments, submission of payment for unpaid ROYLs or Invoices, or the use of OA money for future Rent/Minimum Royalty/Royalty obligations. All Industry users are able to both ADD and VIEW annotations. The MMS Accountant's ability to add annotations is dependant on their USER-ID assigned permissions. The accountant may be able to ADD and VIEW annotations, or simply VIEW them.

Add Annotation: (127 character Limit): This is a data entry area for communication between MMS and customers. The annotation may include direction on payment application, submission of ROYLs for unapplied payments, submission of payment for unpaid ROYLs or Invoices, or the use of OA money for future Rent/Minimum Royalty/Royalty obligations, or general comments/questions. Customers may also use this space to identify payments associated with privately acquired leases that will not be reported on the MMS-2014.

[SUBMIT] Button: Submits all input into this field is electronically forwarded to the accountant working the account. No data may be changed after hitting the SUBMIT button.

### ***Annotation History Section:***

[Return to Statement] Button: Returns to the Statement of Account page.

Date Submitted: Date the annotation was entered. This date is populated automatically by the system.

User ID: User ID for the user that entered the annotation. This is populated automatically by the system.

Annotation: The comments or instructions entered. The annotations may be entered by MMS or Industry Users.

[Export] Button: Exports Annotation History to MS Office Excel.

## 7. How do I use the Customer ID Lookup Tool?

1. This tool is designed to help find the Customer ID, through searching by Customer Names. Click on the magnifying glass button next to the Customer ID field.

Minerals Management Service  
Minerals Revenue Management

[FAQs and Refund Info](#) [Logout](#)

e-Statement of Account  
Search Page  
\* Required

\*Customer ID: T  Customer ID Lookup Tool  
[Lookup Customer ID](#)

\*Federal/Indian Account:  
 Federal  
 Indian

\*Open/Closed Items:  
 Open  
 Closed

Item ID/Payment #: (The "%" character can be used as a wildcard)

Start Date: (mm/dd/yyyy)

End Date: 8/17/2009 (mm/dd/yyyy)

[Search](#)

2. If you are an Industry user, you will see all the Customer ID's that are associated with your User ID. If you'd like to narrow down for a specific company name, type in all or part of the Company name. The % is the wildcard character. To complete the Customer ID field on the previous page (Search page), click on the Customer ID associated with your selected customer name.

Customer ID Lookup - Microsoft Internet Explorer

Customer ID Lookup Tool [FAQs and Refund Info](#)

Enter search criteria. The "%" character can be used as a wildcard.

Customer Name: Lake Ene% [Search](#)

Customer ID	Customer Name
<a href="#">TESTZ</a>	LAKE ENERGY CO

3. The system will bring you back to the Search Screen, and your Customer ID selection will be shown within the Search Page Customer ID text box.

**Minerals Management Service**  
Minerals Revenue Management

[FAQs and Refund Info](#) [Logout](#)

**e-Statement of Account**  
**Search Page**  
**\* Required**

\*Customer ID:  [Customer ID Lookup Tool](#)

\*Federal/Indian Account:  
 Federal  
 Indian

\*Open/Closed Items:  
 Open  
 Closed

Item ID/Payment #:  (The "%" character can be used as a wildcard)

Start Date:   (mm/dd/yyyy)

End Date:   (mm/dd/yyyy)

## 8. How do I add an Annotation?

1. Use the Search screen to find the Item or Payment ID that you would like to annotate. To find all items meeting the Search Criteria, leave the Item ID field blank.

**Minerals Management Service**  
Minerals Revenue Management

[FAQs and Refund Info](#) [Logout](#)

**e-Statement of Account**  
**Search Page**  
**\* Required**

\*Customer ID:  [Customer ID Lookup Tool](#)

\*Federal/Indian Account:  
 Federal  
 Indian

\*Open/Closed Items:  
 Open  
 Closed

Item ID/Payment #:  (The "%" character can be used as a wildcard)

Start Date:   (mm/dd/yyyy)

End Date:   (mm/dd/yyyy)

2. Once the item is found, the most recent annotation will display on this screen (See A). Click on the Add/View button (See B) to either view the annotation history, or to add an additional annotation.

**Minerals Management Service**  
Minerals Revenue Management

As of 8/17/2009 10:06:29 AM (EST) [Return to Search](#) [Logout](#)  
[FAQs and Refund Info](#)

**Federal Statement of Account - Open Items**  
LAKE ENERGY CO

Customer ID: TESTZ [Export](#)

To send instructions to your designated contact, click the "Add/View" button and submit annotation.

Entry Type	Accounting/ Issue Date	Item ID/ Payment #	Amount Remaining	Original Amount	Dist Code	Hold Code	Document #/ Payment Reference	# of Ann	Most Recent Annotation	Annotation History
INV	12/11/2009	FIN 100034687	\$400.00	\$400.00	BEH		PH100034687	3	This is correct	<input type="button" value="Add/View"/>

**A** **B**

3. Type the Annotation in the block provided. Click on the [Submit] button to record the annotation. Once it is submitted, the annotation cannot be changed. An Annotation notification will be sent immediately to your servicing accountant.

Minerals Management Service  
Minerals Revenue Management

As of 8/17/2009 10:32:47 AM (EST) [Return to Statement](#) [Logout](#)  
Customer ID: testz [FAQs and Refund Info](#)

Annotation History - Item ID ( FINXXXXXX )  
LAKE ENERGY CO

Item Information:

Entry Type	Accounting/ Issue Date	Item ID/ Payment #	Amount Remaining	Dist Code	Hold Code	Document #/Payment Reference
INV	12/11/2009	FINXXXXXX	\$400.00		BEH	FINXXXXXX

Add Annotation: (127 character limit)

Annotation History:

Date Submitted	User ID	Annotation
8/7/2009	alomian	This is correct

## 9. How do I delete Annotations?

Once you hit the [Submit] button, you cannot delete annotations. You could add another annotation explaining your error, or call the servicing accountant.

## 10. What if the Search does not find anything?

First check all your selection criteria, including the dates. If the search still does not find anything, search with the other CLOSED/OPEN radio button selected. Sometimes, only part of a payment is closed, and you will find the information listed under the OPEN items.

## 11. What are the Hold Code definitions?

1. Active Debt Collection follow-up- Debt collection is actively being pursued for items with the following Hold Codes.

BLM	Waiting for info from agency/Rental Payment
CAM	Compliance Team
CAS	Cash Apps hold
DCS	Debt Collection hold
DOJ	Solicitor Office hold
FCB	Financial Compliance hold
FIF	Awaiting FIFO
NSA	No Surety posted – Appealed
TPY	Researching Indian Lockbox Payment

2. Suspended Debt Collection follow-up- Debt collection is not being pursued for items with the following Hold Codes.

ABD	Appealed – Bond posted
ACD	Appealed – CD posted
ACT	At Court
ALC	Appealed – LOC posted
ALS	Appealed – by lessee
APD	Appealed – paid
ASB	Appealed – Self bonded
ATR	Appealed – Treasury Note posted
AUT	Appealed – Under surety threshold
BPR	Bankrupt – Pre-petition
CON	Contract Settlement
ENF	Enforcement hold
HAC	Hold awaiting full credit
HPD	Payment is being applied
INS	Installment
LPR	Lease Problem Report
PFP	Performance Plan - OE
TOP	Treasury offset hold
TRH	Ready for Treasury
TRC	Treasury Research
TRS	Sent to Treasury
RIK	RIK hold
SYS	System Problem clearing the document

## **12. How do we update our company address?**

Company addresses must be changed through the use of the MMS Form 4444, which can be found on the MMS Financial Management Website. Once at the website, click on the FORMS link and enter MMS-4444 in the SEARCH text box. Per the instructions, please mail the 4444 form to the address provided on the form.

<http://www.mrm.mms.gov/ReportingServices/RepServhome.htm>

NOTE: Faxed or emailed copies will not be accepted.

## **13. How can I submit my comments or suggestions on the eSOA system?**

We encourage you to submit your comments on the eSOA system. Please email all comments or suggested improvements to [MRMFMPProductionSC@mms.gov](mailto:MRMFMPProductionSC@mms.gov)

NOTE: Please type “eSOA Suggestion” in the SUBJECT line of the email.