



# United States Department of the Interior

## OFFICE OF NATURAL RESOURCES REVENUE

P.O. Box 25165  
Denver, Colorado 80225-0165

**MAY 10 2016**

Dear Payors,

On December 4, 2015, the President signed H.R. 22, the "Fixing America's Surface Transportation Act" into law (P.L. 114-94). P.L. 114-94 includes *Section 32301—Interest On Overpayment*, which amends the Federal Oil and Gas Royalty Management Act of 1982, to eliminate interest on company overpayments. The amendment struck subsections (h) and (i) from Section 111 of the Federal Oil and Gas Royalty Management Act of 1982 (FOGRMA), as previously amended, and re-designated subsections (j) through (l) as subsections (h) through (j), respectively.

The Office of Natural Resources Revenue (ONRR) will no longer pay interest on your overpayments. In some cases, invoices were issued after the P.L. 114-94 that included overpayment interest. ONRR will be issuing special calculated difference interest invoices to adjust the previously issued invoices for those situations.

Although P.L. 114-94 eliminated previous subsections (h) and (i) of FOGRMA, it did not amend subsection (a), which covers adjustments, including lessee calculated interest. Therefore, lessees and Payors may continue to calculate interest due and report it on Form ONRR-2014, although ONRR would prefer you not do so. However, lessees and Payors may no longer report Transaction Code 22, Interest Amount Owed to Payor, on Form ONRR-2014. ONRR will continue to calculate interest in these situations, compare the ONRR calculated interest to that reported by Payors on Form ONRR-2014, and include differences on interest invoices. Although in some cases these invoice lines will be credits, they will be adjustments to interest owed, not actual overpayment interest.

If you have questions, please contact Mr. Hans Meingast at (303) 231-3382.

Sincerely,

Barbara Lambert  
Program Manager, Financial Management