

Appendix D

Sales Type Codes

Use these sales type codes (STC) when you complete field 11 of Form ONRR-2014. Basic reporting guidance is provided below. If you have questions, see Appendix A for contact information.

Sales type code	Sales type name	Description
ARMS	Arm's-length	A contract or agreement between independent, nonaffiliated parties with opposing economic interests regarding that contract; not involving any consideration other than the sale and transportation of mineral resources. See 30 CFR, Part 206 for further definition of an arm's-length contract.
NARM	Non-Arm's-length	Companies are affiliated , defined by degree of control. Affiliation exists if an entity controls, is controlled by, or is under common control with another entity. See 30 CFR, Part 206 for further definition (see arm's-length contract).
OINX	Index	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.).
POOL	Pooled sales— Arm's-length and Non-Arm's-length	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 price for all ARMS and NARMS sales at all downstream sales outlets. Some companies aggregate their volumes in pools and then sell or exchange their product under multiple contracts. In a pooling situation,

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POOL (cont.)		you will determine value by computing a weighted average of the prices for all ARMS and NARMS sales at all downstream sales outlets.
<div style="border: 1px solid black; padding: 5px; display: inline-block; margin-bottom: 10px;">NOTES</div> <p>Indian Leases: <i>For gas production sold under a POP contract and produced from Indian leases located in an index zone, use STC OINX.</i></p> <p>Indian Leases: <i>On August 10, 1999, ONRR published the new Indian Gas Valuation Rule and amended the regulations governing the valuation of natural gas produced from Indian leases. Under the amended gas regulations, effective January 2000, you will report gas sold under POP contracts in non-index zones as a sale of processed gas under both AL and NAL conditions. Reporting requirements for POP contracts depend on whether or not you elect actual or alternative dual accounting. For detailed information, refer to the Dear Payor letter that addresses the new reporting requirements for natural gas produced from Indian properties and sold under a POP contract. For contact information, see Appendix A.</i></p>		
NPOP	Percentage of proceeds—non-arm's-length	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.
RIKD	Royalty-in-Kind	
A01 - A25	Code assigned as future valuation agreements are established	For example, negotiated valuation formula.
Z700	Historical POP conversion	Use only for Sales Months prior to October 2001.
Z999	Historical conversion	Use only for Sales Months prior to October 2001.
GNST	Geothermal no sales transaction	Where geothermal resource is directly utilized