

# Chapter 3

## Form ONRR-2014 Field Descriptions and Explanations

Form ONRR-2014 is designed for you to report royalties, certain rents, and other lease-related transactions. Our financial accounting system relies on the data you report on this form for most of its processing functions. These processing functions include the following:

- Accounting for royalties
- Distributing mineral revenues to State, Indian, and General Treasury accounts
- Providing royalty accounting and statistical information to States, Indians, and others who need the information
- Identifying underreporting and non-reporting (aids us in promptly collecting revenues)

3.1

### Example Form ONRR-2014

**NOTE**

***Do not** combine information for Federal and Indian leases or multiple payor codes on the same report. Each of these requires a separate Form ONRR-2014.*

With few exceptions, you must report electronically (see 30 CFR 1210). If you report by paper Form ONRR-2014, the data you enter on the printed form must be either typed or printed legibly in black ink.

Following is an example of the Paper Form ONRR-2014.

3 Form ONRR-2014 Field Descriptions and Explanations

U.S. DEPARTMENT OF THE INTERIOR  
Office of Natural Resources Revenue

REPORT OF SALES AND ROYALTY REMITTANCE  
FORM ONRR-2014

OMB Control Number: 1012-0004  
OMB Approval Expires: 12/31/2015

1 PAYOR NAME \_\_\_\_\_ (F or I)

2 PAYOR CODE: \_\_\_\_\_ 3 FEDERAL/INDIAN REPORT INDICATOR  4 PAYOR-ASSIGNED DOCUMENT NUMBER \_\_\_\_\_

5. LINE NUMBER	6. RESERVED FOR PREPARER'S USE	7. ONRR LEASE NUMBER	8. API WELL NUMBER	9. ONRR AGREEMENT NUMBER	10. PRODUCT CODE	11. SALES TYPE CODE	12. SALES (MMCCYY)	13. TRANSACTION CODE	14. ADJUSTMENT REASON CODE	15. SALES VOLUME (Mcft/bbl/gal/long ton)	16. ROYALTY VALUE PRIOR TO ALLOWANCES \$	17. GAS MMIBU	18. TRANSPORTATION ALLOWANCE DEDUCTION \$	19. SALES VALUE \$	20. PROCESSING ALLOWANCE DEDUCTION \$	21. INTENTIONALLY LEFT BLANK	22. ROYALTY VALUE LESS ALLOWANCES \$	23. PAYMENT METHOD CODE
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 ONRR-2014 (revised 5/2013)

PAYMENT INFORMATION

Checks To ONRR (PM1) \_\_\_\_\_

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

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

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

Checks To ONRR 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	

3.2

## Field Information

The following information explains the header, line item, and trailer fields of Form ONRR-2014.

3.2.1

### Header Fields

For electronic reporting, see Chapter 8.

If you report on the paper Form ONRR-2014, complete all header fields on the first page only. On subsequent pages, fill in only the Payor Name, Payor Code, and Page \_\_\_\_\_ of \_\_\_\_\_ fields.

Instructions for completing header fields are the same regardless of the transaction you are reporting.

Field number	Field name	Field entry information
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1	Payor Name	Your company name.
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2	Payor Code	A five-digit payor code that ONRR assigned to you.
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ONRR uses this code in numerous business processes and associates it with the company/individual name and address information maintained in the ONRR system. The payor code must match the payor code on your payment document. Form ONRR-2014 is attributed to the payor code stored in the ONRR data base regardless of the payor name entered in field 1.

**Who is a payor?** A payor may be any entity that is assigned or assumes an obligation to report data and/or make payment to ONRR on Form ONRR-2014. Federal Oil & Gas Royalty Simplification and Fairness Act of 1996 (RSFA) defines who is responsible for making royalty and related payments on Federal leases. Payors may include lessees, designees, operators, purchasers, and working interest owners, but are not restricted to these parties.

**How do I obtain a payor code?** Contact ONRR to request a payor code. (For contact information, see Appendix A.)

Field number	Field name	Field entry information
2	Payor Code <i>(continued)</i>	<p><b>Can I combine multiple payor codes on my report?</b> ONRR encourages companies to consolidate payor codes whenever possible. You may establish multiple codes if you wish. However, if you maintain multiple codes, do <b>not</b> combine payor codes on a single report or payment document. For example, Able Oil Company has offices in Dallas and Houston. The company established a separate payor code for each location and submits report information for each location on a separate Form ONRR-2014.</p> <p><b>What if I report a lease-level payment?</b> We require that only one payor be designated as the responsible party for lease-level payments such as rent and minimum royalty. For example, we will send a courtesy notice only to the single payor established in our data base.</p> <p><b>How do I change payor information?</b> Provide written notice to us to change the company name associated with your payor code. (For contact information, see Appendix A.) Change all other address and company contact information directly on your Form ONRR-2014 (complete all sections).</p>
3	Federal/Indian Report Indicator	<p><b>F</b> identifies the Federal lease report indicator; <b>I</b> identifies the Indian lease report indicator.</p> <p>Submit separate Form ONRR-2014 reports for Federal and Indian leases.</p>
4	Payor-Assigned Document Number	<p>An eight-number identifier chosen by the payor. For example, if you submit two Forms ONRR-2014 for the October 2012 report month, the PAD numbers for the two reports could be 20121001 and 20121002 (year, month, and document number). This number must be unique, and you must use it for only report and payment document unless you combine multiple reports.</p>

Field number	Field name	Field entry information
4	(continued)	The same PAD number must be included on the accompanying payment document, including payments made to lockboxes.
	Page ___ of ___	For paper Form ONRR-2014, use this field to sequentially number report pages and provide the total number of pages in the report. Complete both parts of this field so we can verify that all report pages are received and processed.

3.2.2

**Line Item Reporting Fields**

The following table contains information to assist you in filling out line item field information on Form ONRR-2014.

Field number	Field name	Field entry information
5	Line Number	<p>A line number corresponds to both upper and lower fields. For example, Line Number 1 contains (upper) field 6, Reserved for Preparer’s Use, and (lower) field 8, API (American Petroleum Institute) Well Number.</p> <p><b>For electronic reporting:</b> Refer to Electronic Reporting on page 8-1.</p> <p><b>For paper reporting:</b> Lines are preprinted in field 5.</p>
6	Reserved for Preparer’s Use	An optional field that can contain up to 20 characters.
7	ONRR Lease Number	<p>The ONRR lease number must be a valid ONRR-converted lease number</p> <p>In most cases, the lease number consists of 10 digits (a 3-digit prefix, 6-digit body, and 1-digit suffix). However, the field can accommodate an 11-digit number with up to a 2-digit suffix. An 11-digit number may be used at some time in the future. If your lease number has a single-digit suffix, left-justify it.</p>

3 Form ONRR-2014 Field Descriptions and Explanations

Field number	Field name	Field entry information
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8	API Well Number	Report this number only if required by ONRR on certain Indian properties and Offshore Deepwater wells under royalty relief.
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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, 490051234500S01.

9	ONRR Agreement Number	The ONRR agreement number must be a valid ONRR-converted agreement number.
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Enter the agreement number for those leases that have royalty-bearing production allocated from an agreement. Leave the field blank if sales are reported for lease-basis production.

The ONRR agreement number is a 10-digit number that we convert from a BLM- or BOEM-assigned agreement number or the BIA contract number. The ONRR agreement number consists of a 3-character prefix, 6-character body, and 1-character suffix.

Although agreement numbers are usually 10 digits long, the agreement number field on Form ONRR-2014 can accommodate an 11-digit number with up to a 2-digit suffix. An 11-digit number may be used at some time in the future. If your agreement number has a single-character suffix, left justify it.

Examples of converted BLM agreement numbers:

BLM agreement number	ONRR agreement number		
	Prefix	Body	Suffix
WYW192003B	W(sp)(sp)	192003	B(sp)
NMNM34567A	NM(sp)	(sp)34567	A(sp)
14-08-0001-30506-A	891	030506	A(sp)

9		For ONRR lease or agreement number conversions, see Appendix B.
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Field number	Field name	Field entry information
10	Product Code	<p>A 2-digit code established to ONRR to identify the product sold or removed from the lease or from the lease-agreement combination. For a list of product codes, see Appendix C.</p> <p>Leave the field blank for lease-level transactions, such as rental, minimum royalty, rent recoupment, or estimated royalty payments. See individual transaction code explanations in Chapter 4, Reporting Instructions by Transaction Code.</p>
11	Sales Type	<p>We require separate lines of royalty detail based on the nature of the sale. Report the disposition of production by the contract type. The sales type code for pooled sales allows reporting of both arm's-length and non-arm's-length sales under a single code.</p> <p>The sales type code applies only to sales contracts and not to the transportation or processing agreements.</p> <p>Leave the field blank for lease-level transactions, such as rental, minimum royalty, rent recoupment, or estimated royalty payments. See individual transaction code explanations in Chapter 4, Reporting Instructions by Transaction Code.</p> <p>For a list of sales type codes and help in determining which sales type code you should use (for example, arm's-length [ARMS] or percentage-of-proceeds [POP] contracts), see Appendix D. For additional guidance, see Appendix A for contact information.</p>
12	Sales MO/YR (MMCCYY)	<p>The six-digit number corresponding to the month, century, and year in MMCCYY format, for example, enter 102012 for October 2012. Use the following definitions of sales month/year when you report on Form ONRR-2014.</p>

3 Form ONRR-2014 Field Descriptions and Explanations

Field number	Field name	Field entry information
12	Sales MO/YR (MMCCYY) <i>(continued)</i>	<p><b>Royalties:</b> The month/year the product was sold or removed from the lease or used for geothermal resources.</p> <p><b>Rentals:</b> The month/year the rental is due; for example, a rental due date of December 1, 2012, corresponding to a lease year that runs from December 1, 2012, through November 30, 2013, is reported as 122012. A rental due date of March 15, 2013, corresponding to a lease year running from March 15, 2013, through March 14, 2014, is reported with a sales month/year of 032013.</p> <p><b>Minimum royalties:</b> The last month/year of the lease year that your minimum royalty obligation is due. A lease year running from December 1, 2012, through November 30, 2013, has a minimum royalty due date of November 30, 2013, and is reported with a sales month year of 112013.</p>
13	Transaction Code	<p>The two-digit code that describes the reported transaction.</p> <p>The transaction code is required on all lines and determines which fields on the line must be completed.</p> <p>For detailed instructions on reporting transaction codes, see Chapter 4. For a list of transaction codes, see Appendix E.</p>
14	Adjustment Reason Code	<p>A two-digit code that identifies the reason for the adjustment.</p> <p>For further information about adjustments, see Chapter 6. For a list of adjustment reason codes, see Appendix F.</p>



Field number	Field name	Field entry information
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15 Sales Volume The volume of product that is sold or removed from the lease and is attributable to the lease or to the lease-agreement combination, sales type code, product code, and sales month you report. The sales volume (or quantity, if geothermal) you report corresponds to the portion of the total production from your lease or from your lease-agreement combination.

For information on Takes or Entitlements, see Chapter 2.

The sales volume for natural gas is measured in thousand cubic feet (Mcf), for oil in barrels (bbl), for plant products in gallons (gal), and for sulfur in long tons. Report gas volumes at a standard pressure base of 14.73 pounds per square inch absolute (psia), a standard temperature base of 60 °F, and the same degree of water saturation as used to report the Btu on the Oil and Gas Operations Report (OGOR). (See the pressure base conversion table below.)

**Geothermal reporters:** Enter your geothermal sales volume in thousands of pounds, kilowatt-hours (kWh), million British thermal units (MMBtu), hundreds of gallons, or other measurement units approved by ONRR, as determined by your valuation method.

You may receive sales information that is at the standard temperature but not at the standard pressure. In this case, you must **convert the volume** to the standard pressure of 14.73. The following table provides the conversion factors used to perform the conversions for the most commonly given pressure bases. This table assumes the gas is measured under standard temperature conditions of 60 degrees F.

**Pressure Base Conversion Table**

Given Pressure Base	Conversion Factor to 14.73
14.65	.9946
15.025	1.0200

Field number	Field name	Field entry information
15	Sales Volume (continued)	<p>Follow these steps to convert your volume to ONRR pressure.</p> <p><b>Step 1.</b> Find the given pressure base in the left column.</p> <p><b>Step 2.</b> Find the corresponding conversion factor for 14.73 psia.</p> <p><b>Step 3. Multiply</b> your given volume by the conversion factor.</p> <p><b>Example:</b> Convert 3500 Mcf at 14.65 psia to 14.73 psia. 2500 Mcf <b>multiplied by</b> .9946 = 3481.10 Mcf at 14.73 psia.</p>
16	Gas MMBtu	<p>The MMBtu contained in the gas stream when sold or removed from the lease or from the lease-agreement combination. If you report product codes 03, 04, 12, 15, 16, or 39 you must report both sales volume and gas MMBtu.</p> <p>Adjust the gas volumes and British thermal unit (Btu) heating value to:</p> <ul style="list-style-type: none"> <li>• A standard pressure base of 14.73psia,</li> <li>• a standard temperature base of 60 °F, and</li> <li>• the same degree of water saturation as used to report the Btu on the Oil and Gas Operations report (OGOR).</li> </ul> <p>(See the Pressure Base Conversion Table on the following page.)</p> <p>Then calculate MMBtu by multiplying:  <math display="block">\text{Mcf} \times \text{MMBtu/Mcf} = \text{MMBtu}</math></p>

Field number	Field name	Field entry information
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15 Sales Volume  
*(continued)*

You may receive sales volume information that is at the standard temperature but not at the standard pressure. In this case, you must **the gas volume** to the standard pressure base of 14.73. The following table provides the conversion factors used to perform the conversions for the most commonly given pressure bases. This table assumes the gas is measured under standard temperature conditions of 60 degrees F.

**Pressure Base Conversion Table**

Given Pressure Base	To Pressure base at 14.73
14.65	.0994569
15.25	1.020027

Follow these steps to convert your Mcf volume to ONRR standard pressure:

**Step 1:** Find the given pressure base in the left column.

**Step 2:** Find the corresponding conversion factor for 14.73 psia.

**Step 4:** **Divide** your given volume by the conversion factor.

**Example:**

Convert Btu/cu.ft. at 14.65 psia to 14.73 psia.

983 Mcf **multiplied by** .9946=988 Mcf at 14.73 psia.

17 Sales Value

**If you report product codes 03, 04, 12, 15, 16, or 39** use the MMBtu price. Sales value equals gas MMBtu multiplied by price.

**If you report any other oil or gas product codes,** use the bbl, Mcf, gal, and long ton price. Sales value equals sales volume multiplied by price.

Field number	Field name	Field entry information
17	Sales Value (continued)	<p>See 30 CFR 1206 and the <i>Oil and Gas Payor Handbook, Volume III—Product Valuation</i> for specific guidance on valuation</p> <p><b>If you report Indian leases:</b> For gas prices in an index zone, see Appendix A. For monthly major portion prices and due dates, see Appendix A.</p> <p><b>If you report geothermal production,</b> see Chapter 7 of this handbook or the <i>Geothermal Payor Handbook—Product Valuation</i> for specific reporting guidance</p>
18	Intentionally left blank	Do not use this field
19	Royalty Value Prior to Allowances	<p>This is an optional field that may be completed or left blank.</p> <p>The result of the sales value multiplied by the royalty rate.</p> <p><b>Geothermal reporters:</b> This field applies only to geothermal byproduct royalties.</p>
<b>NOTE</b>	<p><i>It is critical that you 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. Do not confuse royalty rate with your division order percent (DOP). The royalty rate is a component of DOP. If you are uncertain of your royalty rate, contact Reporting Services. (For contact information, see Appendix A.)</i></p>	
	20	Transportation Allowance

Field number	Field name	Field entry information
20	Transportation Allowance <i>(continued)</i>	<p>ONRR encourages you to report your transportation allowance deduction as part of your royalty transaction. If you are reporting a transportation allowance deduction associated with a royalty-in-kind (RIK) lease, see Chapter 8.</p> <p><b>Geothermal reporters:</b> This field applies only to geothermal byproduct royalties.</p>
21	Processing Allowance Deduction	<p>A deduction from royalty due for the reasonable, actual costs of extracting and recovering gas plant products from a gas stream.</p> <p>For specific guidelines, see 30 CFR 1206 and the <i>Oil and Gas Payor Handbook, Volume III—Product Valuation</i>.</p> <p>ONRR encourages you to report your processing allowance deduction as part of your royalty transaction</p> <p><b>Geothermal reporters:</b> This field does not apply to geothermal resources.</p>
22	Royalty Value Less Allowances	<p>Royalty value after you deduct transportation and/or processing allowances.</p>
23	Payment Method Code	<p>A one-digit code identifying how and to whom you make the payment. This is the amount of payment due ONRR.</p> <p>For a list of payment method codes, see Appendix G.</p>

3.2.3 **Trailer Fields**

For electronic reporting, see Chapter 9.

For paper reporting, complete the Payment Information fields of the trailer section on only the first page of a multipage report.

PAYMENT INFORMATION	Checks to ONRR (PM1)	14754.25
	*Indian Direct Pay (PM2)	
	EFT Payments (PM3)	
	*Royalty In Kind (PM4)	
	Checks To ONRR For BIA	
	(PM5) Other (For Future Use)	
	(PM6)	
	*Indian Lockbox (PM7)	
	Total All Payments:	= 14754.25
	Less Available Credits: (Credits may not be applied to PM2, PM4, PM7)	
Doc. ID: INT 12345	- 1000.00	
Doc. ID:	-	
Doc. ID:	-	
Net Payment for this Report:	= 13754.25	

**NOTE**

*ONRR does not accept cash payments under any circumstances.*

Field name	Field entry information
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Page Total	If you report on paper Form ONRR-2014, enter the dollar amount reported on each page.
Report Total	If you report on paper Form ONRR-2014, enter the dollar amount of the total for all page totals included in a single report. Enter this amount on the first page only of a multi-page report.

For both electronic and paper reporting, the report total must agree with the amount entered on the Total All Payments line in the Payment Information field.

Payment Information: Checks to ONRR (PM1)	Use PM1 when you pay by check on a Federal lease. Include the following information on your check: <ul style="list-style-type: none"> <li>• DOI—ONRR</li> <li>• Your five-digit payor code</li> <li>• Your eight-digit PAD number</li> </ul>
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Send your payment to the appropriate address listed in Appendix A.

Field name	Field entry information
Payment Information: Indian Direct Pay (PM2)	Use PM2 for payments mailed directly to an individual Indian allottee or to CIRI. Also, use PM2 when authorized by BIA or the tribe and ONRR.
Payment Information: EFT Payments (PM3)	Use PM3 if you report Federal and/or Indian leases that are paid by EFT to ONRR.
Payment Information: Royalty In Kind (PM4)	Use PM4 to report the total value of royalty oil taken (small refiner Navajo Nation leases only).
Payment Information: ONRR for BIA due (PM5)	<p>Use PM5 when paying by check on an Indian lease.</p> <ul style="list-style-type: none"> <li>• A separate check must be sent for the total to each tribe or BIA agency/area office.</li> <li>• Allotted lease payments to ONRR must specify “allotted” and the administering BIA agency/area office.</li> <li>• Include the following information on your check: <ul style="list-style-type: none"> <li>– DOI—ONRR for BIA</li> <li>– Specific name of the tribe that owns the lease or specific agency/area office responsible for the lease</li> <li>– Your five-digit payor code</li> <li>– Your eight-digit PAD number</li> </ul> </li> </ul>
Payment Information: Other (For Future Use) (PM6)	Do not use PM6; it is held in reserve for future use.
Payment Information: Indian Lockbox (PM7)	<p>Use PM7 for payments made to Indian tribes that have active lockbox lease payment agreements. The following tribes currently have these arrangements:</p> <ul style="list-style-type: none"> <li>• Blackfeet Nation</li> <li>• Jicarilla Apache Tribe</li> <li>• Navajo Nation</li> <li>• Southern Ute Indian Tribe</li> <li>• Ute Indian Tribe</li> </ul>

For tribal lock box addresses, see Appendix A.

**NOTE**

*For additional information on payment options, see 30 CFR 1218.*

### 3 Form ONRR-2014 Field Descriptions and Explanations

Field name	Field entry information
Payment Information: Total All Payments	The total dollar value of all payments must match the amount in the Report Total field.
Payment Information: Less Available Credits (credits may not be applied to PM2, PM4, PM7): Doc. ID	Identifies a credit you have with ONRR to reduce the amount paid on Form ONRR-2014. A credit can result from an overpaid Form ONRR-2014, credit from a bill, overpaid interest, etc. (For contact information, see Appendix A.)
	You may report credits only if you report one or more of these payment method codes: PM1, PM3, or PM5. You can take up to three credits on each report.
Payment Information: Net Payment for this Report	From the Total All Payments field, subtract available credits and payment methods 2, 4, and 7 to obtain the amount of the Net Payment for this Report. Enter the amount of your actual cash payment due to ONRR.
Authorized Name, Signature, and Date	For paper reporting, an original signature of the company official authorizing the report and the date.
	ONRR requires the following information if you are reporting on Form ONRR-2014 for the first time, or if you have a change in the information. Otherwise, enter only the authorized name, signature, and date.
Contact Name/ Phone Number	The name and office telephone number of the person who is designated as the company contact.