Solid Minerals Reporter Handbook

Production and Royalty Report (Form ONRR-4430)

Office of Natural Resources Revenue

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Reference and Reporting Management
Solid Minerals

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Additional information may be found on www.onrr.gov
Active ***Chapter*** internet/**web** links provide **additional** topic specific information.
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Abbreviations

ACH	Automated Clearing House
ARC	adjustment reason code
BIA	Bureau of Indian Affairs
BLM	Bureau of Land Management
CFR	*Code of Federal Regulations*
DOI	Department of the Interior
EFT	Electronic funds transfer
FR	*Federal Register*
Fedwire	Federal Reserve Wire
Form ONRR-2014	Report of Sales and Royalty Remittance
Form ONRR-4430	Solid Minerals Production and Royalty Report
ONRR	Office of Natural Resources Revenue
P&R	Production and Royalty Report, Form ONRR-4430
PAR	Production and Royalty Report, Form ONRR-4430
RSMS	Reporting and Solid Minerals Services
SMFR	Solid Minerals Facilities Report, Form ONRR-4060 (obsolete)
SMOR	Solid Minerals Operations Report, Form ONRR-4059 (obsolete)
TC	transaction code

Glossary

Term	Definition
Adjustment	Correction made on Form ONRR-2014 or Form ONRR-4430 to previously reported lines. An adjustment may be made to pay additional monies, to recoup overpaid amounts, or to change information that has no effect on payments. Lease type (Federal or Indian) affects the way an adjustment is reported.
Advance Royalty	A payment under a Federal lease in advance of actual production when authorized by the authorized officer (BLM) to be made in lieu of continued operation. Payments made under the minimum production clause, in lieu of actual production from a Federal lease issued prior to August 4, 1976, and not readjusted after August 4, 1976, are not advance royalty under the provisions of 43 CFR 3483.4.
Allocation Ratio	Equals the Lease-level Production Available for Sale divided by the total Production Available for Sale from all leases.
BIA	Bureau of Indian Affairs, an agency in the Department of the Interior
BLM	Bureau of Land Management, an agency in the Department of the Interior
Code of Federal Regulations (CFR)	A codification of the general and permanent rules of Federal departments and agencies, initially published in the *Federal Register*
Contract Settlement	Settlement between a lessee and a third party.
Customer Document ID	An alphanumeric code of up to 8 characters created by the customer uniquely identifying a Form ONRR-4430 from all other forms previously submitted.
Customer Number	A five-character alphanumeric code assigned by ONRR and beginning with “MA.” (Previously the Payor Code.)
Deferred Bonus	Monies paid over and above any royalties due. The successful bidding company must pay one-fifth of the bonus at the time of sale and then a fifth every year for the next four years.

Term	Definition
Error	A condition identified by the reporter or ONRR on an input that prevents the reported information from entering the system for processing. Errors under the financial accounting system include the following: • Missing or incomplete data • Illegible reports (paper) • Mathematical inaccuracies • Invalid codes • Invalid report field combinations
Federal Land	All land and interests in land owned by the United States that are subject to mineral leasing laws, including mineral resources or mineral estates reserved to the United States in the conveyance of a surface or non-mineral estate.
Fee Land	Privately owned land.
Financial Accounting System	Also called the "MRM Financial System." The ONRR system responsible for collecting, accounting for, and distributing royalty payments on minerals produced from Federal and Indian lands.
Gross Proceeds	The total monies and other consideration accruing for the disposition of the produced solid minerals resources, or products derived therefrom.
Indian Land	Any lands or interest in lands of an Indian tribe or allottee held in trust by the United States, or that are subject to Federal restrictions against alienation. This includes mineral resources and mineral estates reserved to an Indian tribe or allottee in the conveyance of a surface or non-mineral estate, except that such term does not include any lands subject to eh provisions of section 3 of the Act of June 28, 1906 (30 CFR 1216.6) (34 Stat. 539) applicable to the Osage Indian Tribe. BIA monitors Indian leases.
Lease	Any contract issued or approved by the United States under a mineral leasing law that authorizes for, extraction of, or removal of solid minerals.
Lease-level Transaction	An obligation that is reported against the lease rather than a specific product or sales type.
Lessee	The entity (company or individual) entitled under solid minerals lease to explore for and produce minerals from a lease. The lessee has the responsibility for payment of

Term	Definition
	royalties but may authorize others to do so on its behalf.
Lessor	The owner of mineral rights through execution of a lease. For the purposes of the financial accounting system, the lessor is the U.S. Government, an Indian tribe, or an Indian allottee.
Lockbox Payment	A tribal lease payment that is sent directly to a bank of the tribe's choosing.
Minimum Royalty Payment	A minimum amount of annual royalty due on a per-acre basis for leases that do not meet their minimum royalty obligation from action production royalties or for non-producing leases.
Minimum Royalty Payable in Advance	If your lease has the Minimum Royalty Payable in Advance (or MRPIA) obligation, you can recoup against net royalties reported and paid, by lease, within the same lease year. One hundred percent of the current month's net royalties that you report may be used to offset the Minimum Royalty Payable in Advance, subject to no more than the minimum royalty payment.
Net Royalty	Royalty less deductions (such as allowances).
ONRR	Office of Natural Resources Revenue. ONRR operates in the Office of the Secretary, Department of the Interior. ONRR's mission is "To collect, disburse, and verify Federal and Indian energy and other natural resource revenues on behalf of all Americans."
Overreported	Amount reported on either Form ONRR-4430 OR Form ONRR-2014 greater than actually due ONRR.
P&R	Production and Royalty Report, Form ONRR-4430. This Internet reporting tool replaced the Sales and Royalty Remittance Form (Form ONRR-2014) and the Solid Minerals Operation Reports (SMOR and SMFR) for solid minerals reporting.
PAR Number	Created on the Main Payment page of the P&R Report by the ONRR financial accounting system. It consists of the pre-populated System ID of the current session prefixed by "PAR."
Payment Document	A payment document can be a commercial check drawn on a solvent bank, a certified check, a cashier's check, a money order, a bank draft drawn on a solvent bank, or a Federal Reserve check.
Payor	An entity that reports and pays to ONRR.

Term	Definition
Payor Code	A five-digit, ONRR-assigned code used by payors to report royalties.
Product	Any marketable mineral production from a lease.
Production Month	The calendar month and year in which production and/or disposition occurs.
Recoupment	An adjustment on the P&R resulting in net negative totals for transactions, with credit recovered from the balance of the report. A recoupment can occur when a payor recovers an overpaid but not overreported amount from a previous overpayment on a Federal or Indian P&R. A recoupment can occur when a payor recovers an overpaid **and** overreported Indian P&R by making adjusting entries to create a recoupable balance on an Indian P&R for lease(s) that were previous overreported **and** overpaid.
Rent	Annual amount due on leases as specified in lease terms. Rental payments are usually due on or before the lease anniversary date.
Reporter	An entity required to submit a report or form to ONRR.
Royalty	Any part of solid minerals resources or their cash value paid by a lessee and/or parties acquiring possession of royalty rights based on a certain percentage of production from the property.
Royalty Rate	The rate used to calculate royalty due on Federal or Indian production. This rate is always specified in the lease terms.
State Land	Land and interest in land owned by a State.
Tribal Land	Land owned by an entire group or tribe of Indians.

Chapter 1 About This Handbook

This handbook provides instructions and examples to assist reporters in preparing the Solid Minerals Production and Royalty Report (Form ONRR-4430) which is required by the Office of Natural Resources Revenue (ONRR) for reporting and paying revenues due on solid mineral leases. ONRR, an office within the Department of 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 Form ONRR-4430, as well as other reporting sources.

Proper reporting enables ONRR to disburse revenues timely and allows industry to reduce costly follow-up efforts and the possibility of assessment actions. This handbook is provided to help you prepare the Form ONRR-4430 accurately and completely.

1.1 Naming Conventions

We use the following naming conventions in this handbook:

- "Reporter" is a generic term for all entities that report information to ONRR. When we say reporter, we also include payor and operator.
- We use "you" and "reporter" interchangeably.
- We use the terms "ONRR" and "we" interchangeably

1.2 Distribution

Payors can access pdf versions of the current handbooks via the link below.

http://www.onrr.gov/ReportPay/solids.htm

To download the handbook, if you are using Internet Explorer, right-click the link to the handbook and use the SaveTarget As option to save the file to your system. After downloading the file, you can print as many handbooks as necessary.

1.3 Maintenance

Periodically, we issue revisions to the handbook and include a release history. You are responsible for adding or replacing revised pages as they are issued.

We recommend keeping superseded releases of ONRR handbooks for use in future reviews of transactions that occurred and were reported while those releases were in effect.

1.4 Regulatory Authority

The Code of Federal Regulations (CFR) provides a codification of the general and permanent rules published in the *Federal Register* (FR) by the executive agencies of the Government. The CFR is available for purchase from Government Printing Offices, located in most large metropolitan areas. Copies are also available in your local public library or on our website listed in Appendix A.

Regulations affecting ONRR:

- 25 CFR—Indians
  Parts 200–250: Energy and Minerals
- 30 CFR—Mineral Resources
  Part 1218: Collection of Royalties, Rentals, Bonuses and Other Monies Due to the Federal Government, Subpart E—Solid Minerals—General
- 43 CFR—Public Lands: Interior
  Part 3400: Coal Management: General
  Part 3500: Leasing of Solid Minerals Other Than Coal and Oil Shale

Chapter 2 Reporting Overview

This chapter provides a reporting overview for ONRR royalty reporters. You should carefully follow these reporting instructions to avoid delays in acceptance of your reports and payments. If you have questions about these instructions, please contact a Solid Minerals Representative. (For contact information, see Appendix A.)

2.1 Who Must Report and Pay

If you are a lessee on any Federal or Indian solid minerals lease, you are responsible for reporting and paying applicable rents, royalties, and other obligations to ONRR.

2.2 Leases Reported to ONRR

NOTE

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

Federal Leases

You must report to ONRR all Federal **producing** mineral leases on public domain, acquired, and military lands, regardless of the Federal agency administering the surface activities.

Indian Leases

Indian leases are those leases owned by any individual Indian or Alaska Native, Indian tribe, band, nation, pueblo, community, rancheria, colony, or other tribal group. These persons or individuals own lands or interest in the minerals, and title to these rights is either held in trust or subject to restriction against alienation by the United States.

You must report to ONRR all Indian producing leases, permits, or contracts on Indian tribal or allotted lands.

2.3 Which Form to Submit

2.3.1 Form ONRR-4430, Solid Minerals Production and Royalty Report

The Production & Royalty (P&R) Report is the tool that solid mineral lessees of Federal and/or Indian properties use to report production, sales, royalty owed, and other obligations such as rent, advance royalty, etc. It is also used to make recoupments, and to make adjustments to previous reports. This system was designed to make reporting easier and quicker for you (our reporters), to streamline our business of matching money to reported payments, and as an aid in doing compliance on your properties.

The P&R reporting system consists of four parts:

- Original P&R Report
- Value Adjustments
- Other Obligations
- P&R Volume/Value Adjustment Report

The P&R reporting system is an internet-based electronic system that saves both you and us time and therefore money. It does this because of up-front error correction, and less document handling and processing. This system does not allow a lot of the common mistakes that we spent so much time correcting in the past. The reason many of the common mistakes do not occur is because most of the data is pre-populated and cross-referenced against our reference data base, which is the foundation of the system. Whenever things don't match, an error will occur. Also, being electronic, the P&R reporting system does not rely on the postal service, and it saves paper.

The P&R Report replaced the Form ONRR-2014, Report of Sales and Royalty Remittance, as well as parts of the obsolete Form ONRR-4059, Solid Minerals Operations Report (SMOR), and the obsolete Form ONRR-4060, Solid Minerals Facilities Report (SMFR) that were required prior to September 2001. There are only a few situations where Form ONRR-2014 is still required. If you are required to submit a Form ONRR- 2014, refer to the Royalty Reporter Handbook or contact your Solid Minerals Representative for more information.

We now require production and sales reporting of all leases, including state and private leases, even though we do not calculate royalty owed on state or private leases. We require this additional state and fee lease volume information so we can make sure that you have properly calculated your sales volume and sales value allocations amongst all the leases within the mine.

The foundation of this system is our reference database. Most of what you input into the system is cross-referenced with our database, and that's how many errors are detected prior to

submission. We spend a lot of time ensuring the accuracy of this data, but every once in a while, reporting problems can still be traced to inaccurate reference data. Whenever circumstances change at your mine, such as a new lease addition or royalty rate, you must let us know so we can contact the Bureau of Land Management or Bureau of Indian Affairs for confirmation, and then update the reference data base.

Unless your lease terms specify a different frequency for royalty payments, the P&R Report for sales must be submitted by the end of the month following the sales month on which you are reporting. ***Remember, it is the reporter's responsibility to report timely and correctly.***

2.3.2 Form ONRR-2014, Report of Sales and Royalty Remittance (special circumstances only)

If you need to make adjustments and/or recoupments to reports that were originally reported on the Form ONRR-2014, those adjustments and/or recoupments must be completed on Form ONRR-2014. Please refer to the Royalty Reporter Handbook or contact a Solid Minerals Representative with questions on Form ONRR-2014.

2.4 Authorized Reporting Formats

We require most reporters to submit data electronically. (See Electronic Reporting, Final Rule, 64 FR 38116, July 15, 1999, at our website, listed in Appendix A.)

If you are not required to report electronically, you may print copies of Form ONRR-4430 from our website, which is listed in Appendix A. The copies must be 8½ inches high by 11 inches wide.

2.5 Record Retention Requirement

You are required to report to ONRR electronically. This does not change the requirement under 30 CFR 1212.50, which states that all Federal and Indian Records must be retained for a period of 6 years after the records are generated, unless the record holder is notified in writing that records must be maintained for a longer period.

2.6 Payment Requirements

Payments are authorized by 30 CFR 1218.50.

We do not accept cash payments.

NOTE

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

Electronic payments Our regulations require the use of electronic funds transfer (EFT), such as Automated Clearing House (ACH), Fedwire or https://www.Pay.gov, to the extent it is cost-effective and practical for payment of **any** royalty liability. For information or assistance with electronic payments, see Appendix A for contact information or click https://www.onrr.gov/ReportPay/payments.htm.

If you are not required to use EFT, use one of the payment documents outlined in 30 CFR 1218.51.

2.7 Due Dates for Reports and Payments

Royalties. Form ONRR-4430 and related payments are due to ONRR by 4:00 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. For example, the report(s) and payment(s) for products sold or removed during November 2019 are due by 4:00 p.m. on December 31, 2019.

Rental and Minimum Royalties Payable in Advance. Reports and payments for rentals and minimum royalties payable in advance are due to ONRR by 4:00 p.m. Mountain Time on or before the lease anniversary date, unless regulations state otherwise.

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.

NOTE

If the last day of the month falls on a weekend or Federal holiday, send us the report and payment by 4:00 p.m. Mountain Time the next business day.

NOTE

We credit Form ONRR-4430 and/or Form ONRR-2014 reports and payments when we physically receive them at the appropriate address listed in Appendix A. The receipt date is the date we receive a document; the postmark does not apply.

2.8 Report Acceptance

ONRR accepts the financial information contained on reports and payments as correct, subject to an audit and/or compliance review. Do not send supporting documentation with your reports and payments unless we specifically request it. If requested, indicate the contact person who asked for the information on all supporting documentation.

Chapter 3 Paper Form ONRR-4430 Field Descriptions and Explanations

Form ONRR-4430, Production and Royalty Report (P&R), 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, which 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 collecting revenues promptly)

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-4430.*

With few exceptions, you must report electronically (see 30 CFR 1210).

If you report by paper Form ONRR-4430, the data you enter on the printed form must be either typed or printed legibly in black ink.

3.1 Field-by-field Explanations

Reporting Tips To ensure that the royalty information you report on Form ONRR-4430 is accurate and complete, it is important to:

- Report all sales and royalty information in the gross amount.
- Use a minus sign (-) to denote a credit (negative) entry. Do not use brackets.

- Show rental, advance royalties, minimum royalty, and minimum royalty payable in advance in the Other Financial Obligations section.
- Submit separate forms to report royalties and other financial obligations.
- Submit separate forms for Federal and Indian royalty information.

The combination of customer number and customer document ID makes each report unique. These data elements are defined below.

3.1.1 Customer Number

The customer number is a unique, five-character, ONRR-assigned number that identifies the payor (company). We require a payor code on page 1 of your Form ONRR-4430. Payor codes for solid mineral leases begin with "MA."

3.1.2 Customer Document ID

The customer document ID is a unique, eight-number identifier that you create and include on your payment. The customer document ID may be any combination of up to eight numbers that you select each month. This eight-number ID must be unique and used one time only for any royalty report/payment combination

3.2 Filling Out the Form ONRR-4430

If you have questions about filling out a paper Form ONRR-4430, contact a Solid Minerals Representative. See "How to Contact ONRR" in Appendix A.

3.2.1 Page 1

The following instructions explain the information you must complete on page 1 of a paper Form ONRR-4430. Each explanation is sequentially numbered and keyed to the illustration on page 3-4.

Field No.	Field Title	Instructions
1	Customer Name	The company or individual responsible for the mining operation.
2	Customer Number	A five-character alphanumeric code assigned by ONRR and beginning with "MA." Previously identified as the Payor Code.
3	Customer Document ID	An alphanumeric code of up to 8 characters created by the customer

		uniquely identifying this Form ONRR-4430 from all other forms previously submitted by the customer.
4	Mine Name	The name of the mining operation.
Field No.	**Field Title**	**Instructions**
5	Business Unit	Circle *Federal/State/Fee* if your mining operation encompasses any Federal leases. Circle *Indian/State/Fee* if your mining operation encompasses any Indian leases. Do **not** circle both.
6	Original Data Total	The sum of the *Mine Data Summary Total* and *Remote Data Summary Total* on page 3.
7	Other Financial Obligations Total	The *Other Financial Obligations Detail Total* found on page 3.
8	Value & Volume Adjustment Total	Add the totals of *Federal or Indian Royalty Net Change* for *Summary of Changes For the Mine* on page four and *Summary of Changes for the Remote* on page 5.
9	Credit Amount	Do not fill out this field.
10	Credit ID	Do not fill out this field.
11	Grand Total	Add the Original Data Total plus the Other Financial Obligations Total plus the Value & Volume Adjustment Total
12	Payment Method	Check the method that describes how you are making the payment that accompanies this month's form.
13	Name of Preparer	Please print the name.
14	Date	Please print the date completed.
15	Signature of Preparer	Please sign.
16	Phone Number	Please provide a telephone number where you can be reached if there are any issues with your submitted report.

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

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OMB Approval Expires December 31, 2016

FOR ONRR USE ONLY

U.S. Department of the Interior
Office of Natural Resources Revenue
Solid Minerals Production and Royalty Report

(1) **Customer Name:** _____
(2) **Customer Number:** _____
(3) **Customer Document ID:** _____
(4) **Mine Name:** _____

(5) **Business Unit:**
(Circle one)
Federal/State/Fee
-or-
Indian/State/Fee

Payment Due:
(6) **Original Data Total:** $ _____
(7) **Other Financial Obligation Total:** _____
(8) **Value & Volume Adjustment Total:** _____
(9) **Credit Amount:** < _____ > **Credit ID:** (10) _____
(11) **GRAND TOTAL:** _____

(12) **Payment Method** (check one):
_____ Electronic Funds Transfer
_____ Check to ONRR
_____ Indian Direct Pay
_____ Indian Lockbox

Name of Preparer: (13) _____ **Date:** (14) _____

Signature of Preparer: (15) _____ **Phone Number:** (16) _____

The Paperwork Reduction Act of 1995 requires us to inform you that we collect this information from all Federal and Indian solid mineral lessees. We estimate the burden is 20 minutes per report per month reporting electronically. Proprietary information is protected under the Freedom of Information Act (5 U.S.C. 552 (b) (4), the Trade Secrets Act (18 U.S.C. 1832) and Department regulations (43 CFR 2). An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB Control Number. Direct any comments regarding the burden estimate or any other aspect of this torm to Office of Natural Resources Revenue, Attn: Rules & Regs Team, MS 61030A, PO Box 25165, Denver CO 80225-0165.

Form ONRR-4430 (Rev. 6/2013) Page 1

3.2.2 Page 2 – Original Data Lease Level Detail

This section provides detailed instructions for entering the information needed to report and pay your royalties. Each explanation is sequentially numbered and keyed to the illustration on page 3-7.

Field No.	Field Title	Instructions
17	Lease Number	Use the appropriate table on page 2 depending on whether you report on a Federal, Indian, State or Fee lease. Use a second page 2 if you report on more than two Federal or Indian Leases, or more than one State or Fee lease. Use the agency-assigned lease number. (It is no longer necessary to use the ONRR-converted number.)
18	Sales Month/Year	The month and year the product was produced and/or sold from this lease.
19	Sales Point	The physical location your product is considered sold or title transfers.
20	Gross Proceeds	All payments or other consideration received from the purchaser for the sale of the product for this sales month and lease/product combination.
21	Allowed Transportation Cost	The authorized transportation costs for this sales month and lease/product combination. Allowed transportation costs may include the reasonable actual costs to move the product from the mine to a remote location prior to sale. You must first complete Form ONRR-4293, Coal Transportation Allowance Report, if you deduct transportation costs from coal mined on Indian lands.
22	Allowed Processing Cost	The authorized coal washing costs for this sales month and lease/product combination. Only report the washing costs for the coal you sold this sales month. Allowed washing costs are the reasonable actual costs to wash coal prior to sale. You must first complete Form ONRR-4292, Coal Washing Allowance Report, if you deduct coal washing costs from coal mined on Indian lands.

23	Royalty Rate	The royalty rate as specified in lease terms. For cents-per ton lease terms provide the cents or dollars and the unit measure. Do not complete this field on the State or Fee lease number tables.
24	Royalty Payment Due	Subtract any applicable *Allowed Transportation Cost* or *Allowed Processing Cost* from the *Gross Proceeds*. Multiply the difference by the *Royalty Rate*. Do not complete this field on the State or Fee lease number tables.
25	Product	A product mined from this lease. Complete a separate Lease Level Detail table for each product produced or sold from a lease.
26	Beginning Inventory	The product inventory in whole numbers at the mine or remote location site on the first day of the sales month. This quantity MUST equal the ending inventory for this product for the prior sales month.
27	Inventory/Volume Adjustment	The net change in whole numbers to the beginning inventory if you determine an adjustment is necessary to maintain the accuracy of the stockpile.
28	Units Produced	The number of units in whole numbers that are mined from the lease, produced at the wash plant, or received at remote storage during the sales month.
29	Units Transferred	The number of units in whole numbers transferred to a remote storage or wash plant (if the wash plant is remote from the mine) during the sales month.
30	Production Available for Sale	The *Beginning Inventory* plus or minus the *Inventory /Volume Adjustment* plus the *Units Produced in whole numbers.*
31	Unit Sold	The number of units in whole numbers sold from this Sales Point for this lease for this Sales Month.
32	Ending Inventory	The *Production Available for Sale* minus the *Units Transferred* minus the *Units Sold in whole numbers*. This figure must equal the Beginning Inventory for this Lease/Product/Sales Point

		combination for the next immediate Sales Month.
33	Comments	Any additional information you feel will be helpful in processing this report.

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

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Solid Minerals Production and Royalty Report
Original Data Lease Level Detail

Federal or Indian Lease Number	Sales Month/ Year	Sales Point	Gross Proceeds	Allowed Transportation Cost	Allowed Processing Costs	Royalty Rate	Royalty Payment Due
(17)	(18)	(19)	$ (20)	$ (21)	$ (21)	(23)	$ (24)
Product	Beginning Inventory	Inventory/ Volume Adjustment	Units Produced	Units Transferred	Production Available for Sale	Units Sold	Ending Inventory
(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)

Comments: (33)

Federal or Indian Lease Number	Sales Month/ Year	Sales Point	Gross Proceeds	Allowed Transportation Cost	Allowed Processing Costs	Royalty Rate	Royalty Payment Due
			$	$	$		$
Product	Beginning Inventory	Inventory/ Volume Adjustment	Units Produced	Units Transferred	Production Available for Sale	Units Sold	Ending Inventory

Comments:

State Lease Number	Sales Month/ Year	Sales Point	Gross Proceeds	Allowed Transportation Cost	Allowed Processing Costs	Royalty Rate	Royalty Payment Due
			$	$	$		$
Product	Beginning Inventory	Inventory/ Volume Adjustment	Units Produced	Units Transferred	Production Available for Sale	Units Sold	Ending Inventory

Comments:

Fee Lease Number	Sales Month/ Year	Sales Point	Gross Proceeds	Allowed Transportation Cost	Allowed Processing Costs	Royalty Rate	Royalty Payment Due
			$	$	$		$
Product	Beginning Inventory	Inventory/ Volume Adjustment	Units Produced	Units Transferred	Production Available for Sale	Units Sold	Ending Inventory

Comments:

Form ONRR-4430 Page 2

3.2.3 Page 3 – Summary and Other Financial Obligations

This section provides detailed instructions for entering the information needed to report the Summary and Other Financial Obligations. Each explanation is sequentially numbered and keyed to the illustration on page 3-11.

Field No.	Field Title	Instructions
34	Sales Month/Year	The month and year the product was produced and/or sold from the mining operation.
35	Product	A product mined from this lease.
36	Units Produced	The units mined from this mining operation, and all clean coal produced from an on-site wash plant, during the sales month. This whole number must equal the sum of all the *Units Produced* fields for this product on the Original Data Lease Level Detail page (page 2) when the *Sales Point* field is identified as the mine.
37	Units Sold	The whole number units sold from this mining operation during the sales month. This whole number must equal the sum of all the *Units Sold* fields for this product on the Original Data Lease Level Detail page (page 2) when the *Sales Point* field is identified as the mine.
38	Gross Proceeds	The gross proceeds (exact amount) from the entire mining operation during the sales month. This number must equal the sum of all the *Gross Proceeds* fields for this product on the Original Data Lease Level Detail page (page 2) when the *Sales Point* field is identified as the mine.
39	Total Allowed Cost	The total allowed transportation and processing costs for the entire mining operation during the sales month. This number must equal the sum of all the *Allowed Transportation Cost* and *Allowed Processing Cost* fields for this product on the Original Data Lease Level Detail page (page 2) when the *Sales Point* field is identified as the mine.

Field No.	Field Title	Instructions
40	Royalty Payment	The sum of all the *Royalty Payment Due* fields for this product on the Original Data Lease Level Detail page (page 2) when the *Sales Point* field is identified as the mine (Federal or Indian leases only).
41	Sales Month/Year	The month and year the product was sold from a remote storage or remote wash plant.
42	Product	A product sold from a remote storage or remote wash plant.
43	Units Produced	The whole number units transferred to a remote storage or remote wash plant during the sales month. This number must equal the sum of all the *Units Produced* fields for this product on the Original Data Lease Level Detail page (page 2) when the *Sales Point* field is identified as a remote storage or wash plant.
44	Units Sold	The whole number units sold from a remote storage or remote wash plant during the sales month. This number must equal the sum of all the *Units Sold* fields for this product on the Original Data Lease Level Detail page (page 2) when the *Sales Point* field is identified as a remote storage or remote wash plant.
45	Gross Proceeds	The gross proceeds (exact amount) realized from a remote storage or remote wash plant during the sales month. This number must equal the sum of all the *Gross Proceeds* fields for this product on the Original Data Lease Level Detail page (page 2) when the *Sales Point* field is identified as a remote storage or remote wash plant.

Field No.	Field Title	Instructions
46	Total Allowed Cost	The total allowed transportation and processing costs for a remote storage or remote wash plant during the sales month. This number must equal the sum of all the *Allowed Transportation Cost* and *Allowed Processing Cost* fields for this product on the Original Data Lease Level Detail page (page 2) when the *Sales Point* field is identified as a remote storage or remote wash plant.
47	Royalty Payment	The sum of all the *Royalty Payment Due* fields for this product on the Original Data Lease Level Detail page (page 2) when the *Sales Point* field is identified as a remote storage or remote wash plant (Federal or Indian leases only).
48	Obligation Due Date	The date by which you must pay this obligation as per lease terms or Federal regulations.
49	Lease Number	The Federal or Indian lease number on which you owe this financial obligation.
50	Obligation Type	Enter one of the following; Rent, Recoupable Rent, Advance Royalty, Minimum Royalty, Deferred Bonus, Bonus, Minimum Royalty (payable in advance), Recoup Rent, Recoup Minimum Royalty Payable in Advance, Contract Settlement payment, ONRR Settlement Agreement, or Fair Market Value.
51	Obligation Amount	The financial amount due or/and if recoupable amounts, this field would be a negative (-) number.

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

OMB Control Number 1012-0010
OMB Approval Expires December 31, 2016

Solid Minerals Production and Royalty Report

Mine Data Summary:

Sales Month/Year	Product	Units Produced	Units Sold	Gross Proceeds	Total Allowed Cost	Royalty Payment
(34)	(35)	(36)	(37)	$ (38)	$ (39)	$ (40)
				$	$	$
				$	$	$
				$	$	$
	Totals:	_____	_____	$_____	$_____	$_____

Remote Data Summary:

Sales Month/Year	Product	Units Produced	Units Sold	Gross Proceeds	Total Allowed Cost	Royalty Payment
(41)	(42)	(43)	(44)	$ (45)	$ (46)	$ (47)
				$	$	$
				$	$	$
				$	$	$
	Totals:	_____	_____	$_____	$_____	$_____

Other Financial Obligations Detail:

Other financial obligations are any payment obligations other than production royalty, e.g.; Recoupable Rent, Advance Royalty, Minimum Royalty, Deferred Bonuses, and Minimum Royalty payable in advance.

Obligation Due Date (MMDDYY)	Lease Number	Obligation Type	Obligation Amount
(48)	(49)	(50)	$ (51)
			$
			$
			$
			$
			$
		Total:	$ _____

Form ONRR-4430

Page 3

3.2.4 Page 4 – Value and Volume Adjustments

This section provides detailed instructions for entering the information needed to report Value and Volume Adjustments. Each explanation is sequentially numbered and keyed to the illustration on page 3-14.

Field No.	Field Title	Instructions
52	Sales Month/Year	The month and year to which you are making a value or volume adjustment. Make adjustments to no more than four sales months on each page 4.
53	Product	The product to which you are applying the adjustment.
54	ONRR/Company Initiated	Enter “ONRR” if the Office of Natural Resources Revenue ordered this adjustment. Enter “Company” if you or your company initiated the adjustment.
55	Interest Bearing (Yes/No)	Enter “Yes” if this is a value adjustment that will be defined as a late payment. Enter “No” if this is a change that will not accrue interest.
56	Interest From Date	If you entered “Yes” in the prior field, enter the date the adjustment was effective.
57	Gross Proceeds Net Change	The net positive or negative difference from the *Gross Proceeds* amount completed as Original Data for this Sales Month and mine.
58	Transportation Cost Net Change	The net positive or negative difference from the *Allowed Transportation Cost* amount completed as Original Data for this Sales Month and mine.
59	Processing Cost Net Change	The net positive or negative difference from the *Allowed Processing Cost* amount completed as Original Data for this Sales Month and mine.
60	Units Produced Net Change	The net positive or negative difference from the *Units Produced* amount completed as Original Data for this Sales Month and mine.
61	Units Transferred Net Change	The net positive or negative difference from the *Units Transferred* amount completed as Original Data for this Sales Month and mine.

Field No.	Field Title	Instructions
62	Units Sold Net Change	The net positive or negative difference from the *Units Sold* amount completed as Original Data for this Sales Month and mine.
63	Federal or Indian Royalty Net Change	The net positive or negative difference from the *Royalty Payment* amount completed as Original Data for this Sales Month and mine.
64	Sales Month/Year	The month and year to which you are making a value or volume adjustment.
65	Product	The product to which you are applying the adjustment.
66	Federal or State Lease Number or Fee Property	The lease or property number to which this adjustment applies.
67	Gross Proceeds Net Change	The net positive or negative difference from the *Gross Proceeds* amount completed as Original Data for this Sales Month and lease.
68	Transportation Cost Net Change	The net positive or negative difference from the *Allowed Transportation Cost* amount completed as Original Data for this Sales Month and lease.
69	Processing Cost Net Change	The net positive or negative difference from the *Allowed Processing Cost* amount completed as Original Data for this Sales Month and lease.
70	Units Produced Net Change	The net positive or negative in whole numbers difference from the *Units Produced* amount completed as Original Data for this Sales Month and lease.
71	Units Transferred Net Change	The net positive or negative in whole numbers difference from the *Units Transferred* amount completed as Original Data for this Sales Month and lease.
72	Units Sold Net Change	The net positive or negative difference from the *Units Sold* amount completed as Original Data for this Sales Month and lease.
73	Federal or Indian Royalty Net Change	The net positive or negative difference from the *Royalty Payment Due* amount completed as Original Data for this Sales Month and lease.
74	Cascading Changes	If volume changes in whole numbers cause changes in mine or lease-level inventories or lease-level allocation ratios for subsequent months, then you will need to submit volume adjustments for all months after the month you reported the changes for through the most recent month for which you have submitted original data.

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

Solid Minerals Production and Royalty Report
Value and Volume Adjustments

OMB Control Number 1012-0010
OMB Approval Expires December 31, 2016

Summary of Changes for the Mine:

	Sales Month/Year	Product	ONRR/Company Initiated?	Interest Bearing (Yes/No)	Interest From Date	Gross Proceeds Net Change	Transportation Cost Net Change	Processing Cost Net Change	Units Produced Net Change	Units Transferred Net Change	Units Sold Net Change	Federal or Indian Royalty Net Change
1	(52)	(53)	(54)	(55)	(56)	$ (57)	$ (58)	$ (59)	(60)	(61)	(62)	$ (63)
2						$	$	$				$
3						$	$	$				$
4						$	$	$				$
					Totals:	$	$	$				$

Note: Totals for the mine (above) should equal totals for leases and properties (below).

Above Changes for Mine Affect These Leases and Properties:

	Sales Month/Year	Product	Federal or State Lease Number or Fee Property	Gross Proceeds Net Change	Transportation Cost Net Change	Processing Cost Net Change	Units Produced Net Change	Units Transferred Net Change	Units Sold Net Change	Federal or Indian Royalty Net Change
1	(64)	(65)	(66)	$ (67)	$ (68)	$ (69)	(70)	(71)	(72)	$ (73)
2				$	$	$				$
3				$	$	$				$
4				$	$	$				$
5				$	$	$				$
6				$	$	$				$
7				$	$	$				$
8				$	$	$				$
9				$	$	$				$
10				$	$	$				$
11				$	$	$				$
12				$	$	$				$
13				$	$	$				$
14				$	$	$				$
15				$	$	$				$
16				$	$	$				$
			Totals:	$	$	$				$

Do you have cascading changes? (74)

Most changes to mine and lease volumes (lease production, transfers, sales) in one month will cause volume changes (to sales, transfers, lease allocations) in subsequent months (cascading effect). Do any of the volume changes reported above cause changes in mine or lease-level inventories or lease-level allocation ratios for subsequent months? (Yes/No) _____
If the answer is "Yes," prepare another Volume and Value Adjustment page for each affected month. In all likelihood, you will need to submit volume adjustments for all months after the month you reported changes for (above) through the most recent month for which you submitted original data.

Form ONRR-4430 Page 4

3.2.5 Page 5 – Value and Volume Adjustments

This section provides detailed instructions for entering the information needed to report Value and Volume Adjustments. Each explanation is sequentially numbered and keyed to the illustration on page 3-17.

Field No.	Field Title	Instructions
75	Sales Month/Year	The month and year to which you are making a value or volume adjustment. Make adjustments to no more than four sales months on each page 5.
76	Product	The product to which you are applying the adjustment.
77	ONRR/Company Initiated?	Enter “ONRR” if the Office of Natural Resources Revenue ordered this adjustment. Enter “Company” if you or your company initiated the adjustment.
78	Interest Bearing	Enter “Yes” if this is a value adjustment that will be defined as a late payment. Enter “No” if this is a change that will not accrue interest.
79	Interest From Date	If you entered “Yes” in the prior field, enter the date the adjustment was effective.
80	Gross Proceeds Net Change	The net positive or negative difference from the *Gross Proceeds* amount completed as Original Data for this Sales Month and remote storage or remote wash plant.
81	Transportation Cost Net Change	The net positive or negative difference from the *Allowed Transportation Cost* amount completed as Original Data for this Sales Month and remote storage or remote wash plant.
82	Processing Cost Net Change	The net positive or negative difference from the *Allowed Processing Cost* amount completed as Original Data for this Sales Month and remote storage or remote wash plant.
83	Units Produced Net Change	The net positive or negative difference from the *Units Produced* amount completed as Original Data for this Sales Month and remote storage or remote wash plant.

Field No.	Field Title	Instructions
84	Units Transferred Net Change	The net positive or negative difference from the *Units Transferred* amount completed as Original Data for this Sales Month and remote storage or remote wash plant.
85	Units Sold Net Change	The net positive or negative difference from the *Units Sold* amount completed as Original Data for this Sales Month and remote storage or remote wash plant.
86	Federal or Indian Royalty Net Change	The net positive or negative difference from the *Royalty Payment* amount completed as Original Data for this Sales Month and remote storage or remote wash plant.
87	Sales Month/Year	The month and year to which you are making a value or volume adjustment.
88	Product	The product to which you are applying the adjustment.
89	Federal or State Lease Number or Fee Property	The lease or property number to which this adjustment applies.
90	Gross Proceeds Net Change	The net positive or negative difference from the *Gross Proceeds* amount completed as Original Data for this Sales Month and lease.
91	Transportation Cost Net Change	The net positive or negative difference from the *Allowed Transportation Cost* amount completed as Original Data for this Sales Month and lease.
92	Processing Cost Net Change	The net positive or negative difference from the *Allowed Processing Cost* amount completed as Original Data for this Sales Month and lease.
93	Units Produced Net Change	The net positive or negative difference from the *Units Produced* amount completed as Original Data for this Sales Month and lease.
94	Units Transferred Net Change	The net positive or negative difference from the *Units Transferred* amount completed as Original Data for this Sales Month and lease.
95	Units Sold Net Change	The net positive or negative difference from the *Units Sold* amount completed as Original Data for this Sales Month and lease.

Field No.	Field Title	Instructions
96	Federal or Indian Royalty Net Change	The net positive or negative difference from the *Royalty Payment Due* amount completed as Original Data for this Sales Month and lease.
97	Cascading Changes	Most changes to remote and lease volumes (lease production, transfers, sales) in one month will cause volume changes (to sales, transfers, lease allocations) in subsequent months (cascading effect). If you answer yes to this question, you must prepare another Volume/Value Adjustment page for each affected month. In all likelihood, you will need to submit volume adjustments for all months after the month you reported changes (above) through the most recent month for which you have submitted original data.

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

Solid Minerals Production and Royalty Report
Value and Volume Adjustments

OMB Control Number 1012-0010
OMB Approval Expires December 31, 2016

Summary of Changes for the Remote:

	Sales Month/Year	Product	ONRR/Company Initiated?	Interest Bearing (Yes/No)	Interest From Date	Gross Proceeds Net Change	Transportation Cost Net Change	Processing Cost Net Change	Units Produced Net Change	Units Transferred Net Change	Units Sold Net Change	Federal or Indian Royalty Net Change
1	(75)	(76)	(77)	(78)	(79)	$ (80)	$ (81)	$ (82)	(83)	(84)	(85)	$ (86)
2						$	$	$				$
3						$	$	$				$
4						$	$	$				$
					Totals:	$	$	$				$

Note: Totals for the remote (above) should equal totals for leases and properties (below).

Above Changes for Remote Affect These Leases and Properties:

	Sales Month/Year	Product	Federal or State Lease Number or Fee Property	Gross Proceeds Net Change	Transportation Cost Net Change	Processing Cost Net Change	Units Produced Net Change	Units Transferred Net Change	Units Sold Net Change	Federal or Indian Royalty Net Change
1	(87)	(88)	(89)	$ (90)	$ (91)	$ (92)	(93)	(94)	(95)	$ (96)
2				$	$	$				$
3				$	$	$				$
4				$	$	$				$
5				$	$	$				$
6				$	$	$				$
7				$	$	$				$
8				$	$	$				$
9				$	$	$				$
10				$	$	$				$
11				$	$	$				$
12				$	$	$				$
13				$	$	$				$
14				$	$	$				$
15				$	$	$				$
16				$	$	$				$
			Totals:	$	$	$				$

Do you have cascading changes? (97)

Most changes to remote and lease volumes (lease production, transfers, sales) in one month will cause volume changes (to sales, transfers, lease allocations) in subsequent months (cascading effect). Do any of the volume changes reported above cause changes in mine or lease-level inventories or lease-level allocation ratios for subsequent months? (Yes/No) _____
If the answer is "Yes," prepare another Volume and Value Adjustment page for each affected month. In all likelihood, you will need to submit volume adjustments for all months after the month you reported changes for (above) through the most recent month for which you submitted original data.

Form ONRR-4430 Page 5

3.3 Where to Send Your Completed Paper Form ONRR-4430

Companies using this reporting method must mail their documentation to ONRR via one of these methods.

For U.S. Postal Service delivery, mail to:

Office of Natural Resources Revenue
Reference and Reporting Management
Attn: Solid Minerals
PO Box 25165, MS63300B
Denver CO 80225-0165

Physical delivery address (via courier or in person*):

Office of Natural Resources Revenue
Bldg 85, Entrance N-1, Room 322
Denver Federal Center
Sixth Avenue and Kipling St
Denver CO 80225

Note: If you mail documentation to our physical address – even via USPS express delivery – it will be sorted into PO Box 25165. The USPS does not deliver any mail to Building 85.

Chapter 4 Volume/Value Adjustment Report

The Solid Minerals Section of the Reference and Reporting Management is responsible for processing all information related to Federal and Indian Mineral leases. To aid the processing of Solid Minerals reporting, ONRR developed an Internet reporting tool for capturing Production and Royalty (P&R) data. The information collected by this web-based tool is processed by the MRM Financial System to generate receivables, match and distribute payments, calculate late penalties, and evaluate Indian over-recoupment exceptions.

The P&R report replaced the Sales and Royalty Remittance Report (Form ONRR-2014) and the Solid Minerals Operation Reports (SMOR).

4.1 Form ONRR-4430 Objectives

The P&R internet application was designed to meet the following objectives:

- Improve data quality
- Eliminate paper-based reporting processes
- Eliminate correction tasks by ONRR personnel due to incorrect calculations
- Reduce correction tasks by ONRR personnel due to user error
- Pre-populate reports with accurate and up-to-date reference data
- Perform up-front electronic edit checks to avoid re-submission and delay
- Handle complex data calculation to avoid user error and confusion
- Enforce reporting processes and business rules to help ensure compliance with ONRR regulations and guidelines

4.2 P&R Report Summary

The P&R application contains two report types:

- Original P&R/Value Adjustment/Other Obligations
- P&R Volume/Value Adjustment Report.

The Original P&R consists of four main pages:

- Main Payment
- P&R Original
- Value Adjustment
- Other Obligation

To access these pages, click on the appropriate tab within the Original P&R.

The P&R Volume/Value Adjustment Report consists of two main pages:

- The Volume/Value adjustment page that lists all the months that need to be completed based upon criteria entered by the reporter, and
- The Main Payment page.

Within the P&R Volume/Value Adjustment Report, navigate from one page to another, based upon the period of time selected, by clicking on the Main Payment page.

NOTE

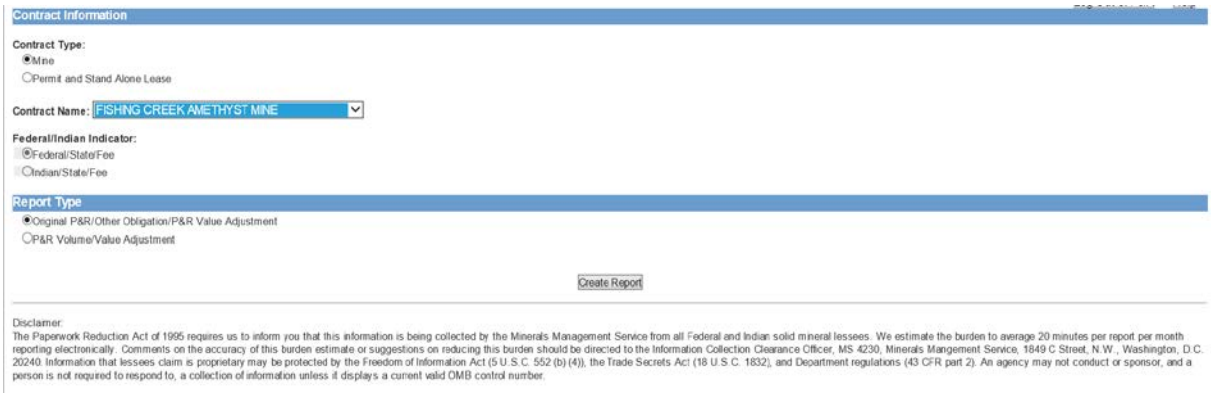
Only one Original P&R/Value Adjustment/Other Obligations report type per mine or payor code, or one P&R Volume/Value Adjustment report type per product/sales point combination may be submitted within a 24-hour period.

4.3 Mine Selection Page

The Mine Selection page is the first page that opens in the P&R application. From this page, you will begin the type of report you want to enter. To do so, select the Mine or Permit and Stand Alone Lease Contract Type using the radial button, Then, click the drop-down arrow to the right of the Contract Name field in order to select the mine name or payor code, whichever is applicable to the contract type selected, The list of possible mines or payor codes to choose from is limited to those associated to your login ID. The Federal or Indian Indicator should default to whichever one matches the selected mine or payor code, unless the mine contains both Federal and Indian leases. Finally, select the Report Type you need to submit using the radial dial, and then click the Create Report button.

NOTE

If a mine falls under both Business Units, you must submit a separate P&R for each.



4.4 Guidance on Reporting in the Remaining Screens of the P&R

The following chapters contain in-depth guidance on the various screens within the report types:

- Chapter 5, Original P&R
- Chapter 6, Value Adjustment
- Chapter 7, Other Obligation
- Chapter 8, Volume/Value Adjustment
- Chapter 9, Volume/Value Allocation Tools

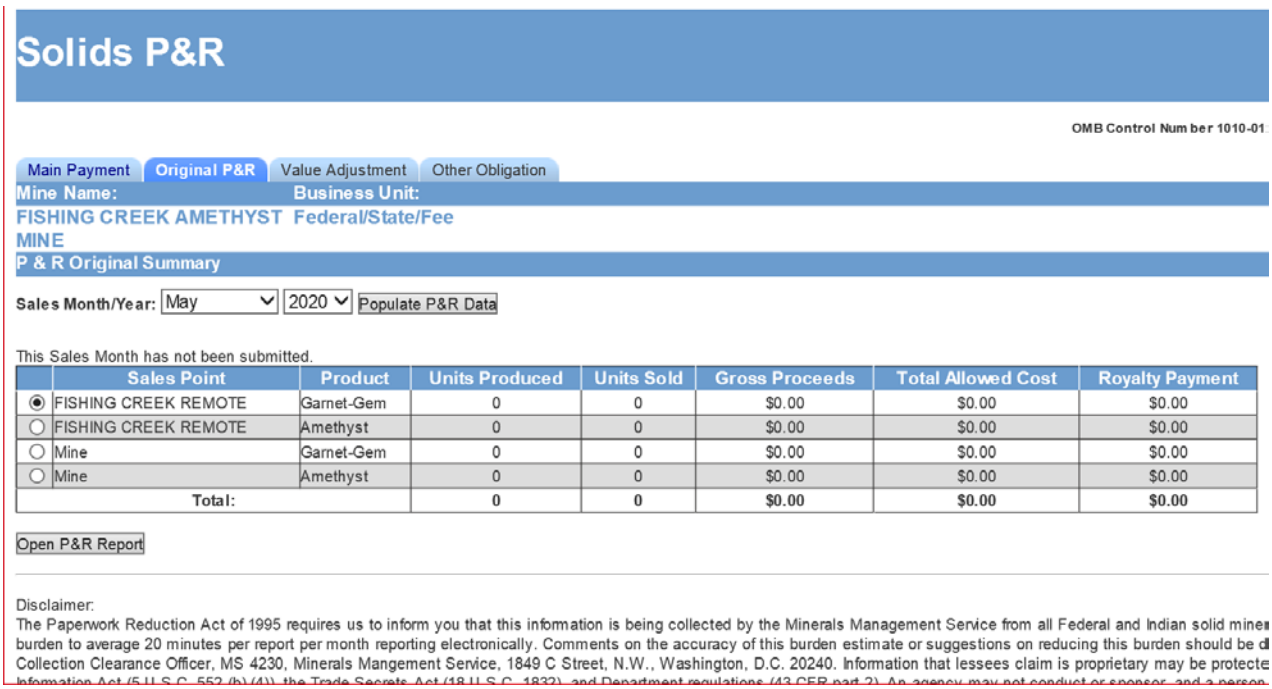
Chapter 5 Original P&R

If you choose the “Original P&R/Value Adjustment/Other Obligation” report type in the Mine Selection Page, the P&R Original Summary page will display. This chapter details how to enter your production and royalty information using the Original P&R tab. The following sections provide detailed descriptions, as well as screen shots of the Original P&R pages.

5.1 P&R Original Summary Page

The P&R Original Summary page lists all the Sales Point/Product combinations for the selected sales month and year. Each line of this page sums up the Lease Number/royalty rate combinations on the detail page. When the page first loads, the Sales Month and Year default to the next P&R due for the mine.

The screen print below depicts the Sales Point, Product Name, and the Summary of input data. The summary data is all zeros at this point, as nothing has been entered. If you have remote sales sites, they will be listed in a separate row.



Solids P&R

OMB Control Number 1010-01

Main Payment | Original P&R | Value Adjustment | Other Obligation

Mine Name: FISHING CREEK AMETHYST MINE

Business Unit: Federal/State/Fee

P & R Original Summary

Sales Month/Year: May 2020 Populate P&R Data

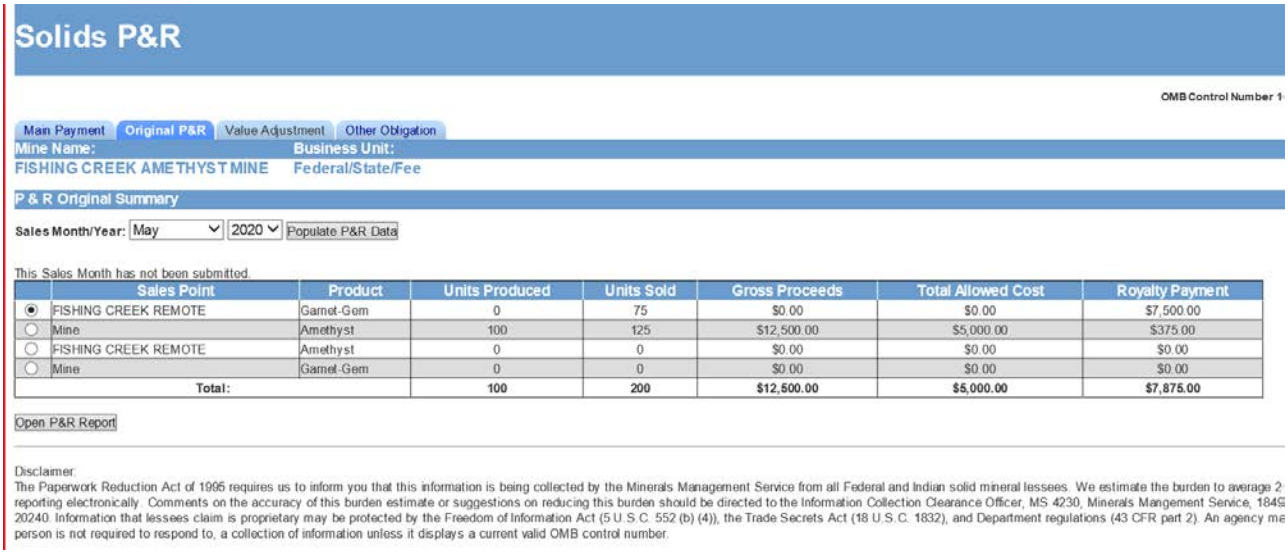
This Sales Month has not been submitted.

	Sales Point	Product	Units Produced	Units Sold	Gross Proceeds	Total Allowed Cost	Royalty Payment
◉	FISHING CREEK REMOTE	Garnet-Gem	0	0	$0.00	$0.00	$0.00
○	FISHING CREEK REMOTE	Amethyst	0	0	$0.00	$0.00	$0.00
○	Mine	Garnet-Gem	0	0	$0.00	$0.00	$0.00
○	Mine	Amethyst	0	0	$0.00	$0.00	$0.00
	Total:		0	0	$0.00	$0.00	$0.00

Open P&R Report

Disclaimer:
The Paperwork Reduction Act of 1995 requires us to inform you that this information is being collected by the Minerals Management Service from all Federal and Indian solid mine
burden to average 20 minutes per report per month reporting electronically. Comments on the accuracy of this burden estimate or suggestions on reducing this burden should be d
Collection Clearance Officer, MS 4230, Minerals Mangement Service, 1849 C Street, N.W., Washington, D.C. 20240. Information that lessees claim is proprietary may be protecte

Once information has been entered in the P&R Original Detail page, that information will be displayed in summary form on this screen as per the below screen shot.



Solids P&R

OMB Control Number 1

Main Payment | Original P&R | Value Adjustment | Other Obligation

Mine Name: FISHING CREEK AMETHYST MINE

Business Unit: Federal/State/Fee

P & R Original Summary

Sales Month/Year: May 2020 Populate P&R Data

This Sales Month has not been submitted.

	Sales Point	Product	Units Produced	Units Sold	Gross Proceeds	Total Allowed Cost	Royalty Payment
◉	FISHING CREEK REMOTE	Garnet-Gem	0	75	$0.00	$0.00	$7,500.00
○	Mine	Amethyst	100	125	$12,500.00	$5,000.00	$375.00
○	FISHING CREEK REMOTE	Amethyst	0	0	$0.00	$0.00	$0.00
○	Mine	Garnet-Gem	0	0	$0.00	$0.00	$0.00
	Total:		100	200	$12,500.00	$5,000.00	$7,875.00

Open P&R Report

Disclaimer:
The Paperwork Reduction Act of 1995 requires us to inform you that this information is being collected by the Minerals Management Service from all Federal and Indian solid mineral lessees. We estimate the burden to average 2 reporting electronically. Comments on the accuracy of this burden estimate or suggestions on reducing this burden should be directed to the Information Collection Clearance Officer, MS 4230, Minerals Mangement Service, 1849 20240. Information that lessees claim is proprietary may be protected by the Freedom of Information Act (5 U.S.C. 552 (b) (4)), the Trade Secrets Act (18 U.S.C. 1832), and Department regulations (43 CFR part 2). An agency me person is not required to respond to, a collection of information unless it displays a current valid OMB control number.

To enter production and royalty information into the Detail page, select the Sales Point/Product combination desired using the radial dial, then click the Open P&R Report button.

5.2 Lease Level Detail Page

The P&R Original Detail page displays lease-level information for the sales point/product combination selected on the Summary page. A separate data entry table displays for each lease number/royalty rate combination. Only the agency-assigned lease number displays to the user. Additionally, a separate data entry table displays for each lease number/calculation method (ad valorem or value per unit) combination.

The prepopulated data at the top of this page includes the Mine Name, Business Unit, Sales Month/Year, Sales Point, and Product. Other pre-populated data includes: lease numbers, beginning inventory, production available for sale, royalty rate, and the land class for each lease. The screen print below shows only one lease, but if there are more, you can scroll down to the others.

5.2.1 Lease Level Data Input

The following is a description of the lease level data input fields.

Field	Description
Inventory Volume Adjustment	The incidental changes to the inventory that occurred.
Units Produced	Will depend upon what you are producing: • If you sell raw coal (crushed), you report mined coal as produced coal. • If you sell clean coal that comes out of the wash plant, you reported clean coal as produced coal. • Sodium, potassium and gilsonite producers report salable products as produced sodium, potassium, and gilsonite. • Western phosphate producers report shipped phosphate as produced phosphate. • Lead, zinc, and copper producers report each concentrate as produced. • Report sand & gravel as per lease terms (tons or cubic yards).
Field	**Description**
Units Transferred	Any volume transferred to a remote sales point.
Units Sold	The units sold from each lease.
Gross Proceeds	The proceeds received from the sale of the product for the reporting period for the specified product/lease combination.

Allowed Transportation Cost	The transportation costs for the reporting period for the specified product/lease combination.
Allowed Processing Cost	The processing costs for the reporting period for the specified product/lease combination.

NOTES

The gross proceeds, allowed transportation cost, and allowed processing cost are only required if you have an ad valorem royalty rate.

If you report from a remote sales point (instead of the mine) you must enter the same value in the Inventory Volume Adjustment field at the remote site that was entered as Units Transferred at the mine site. The reason for doing so is that the two reports are independent; therefore, the mine report showing the transfer does not automatically populate the remote sales site report.

Notice the Comment section below each lease. You may write any comments you want to help explain what you entered for each lease in this box. If you attempt to enter gross proceeds with no sales volume, you will get a warning message and it will not let you save the entry.

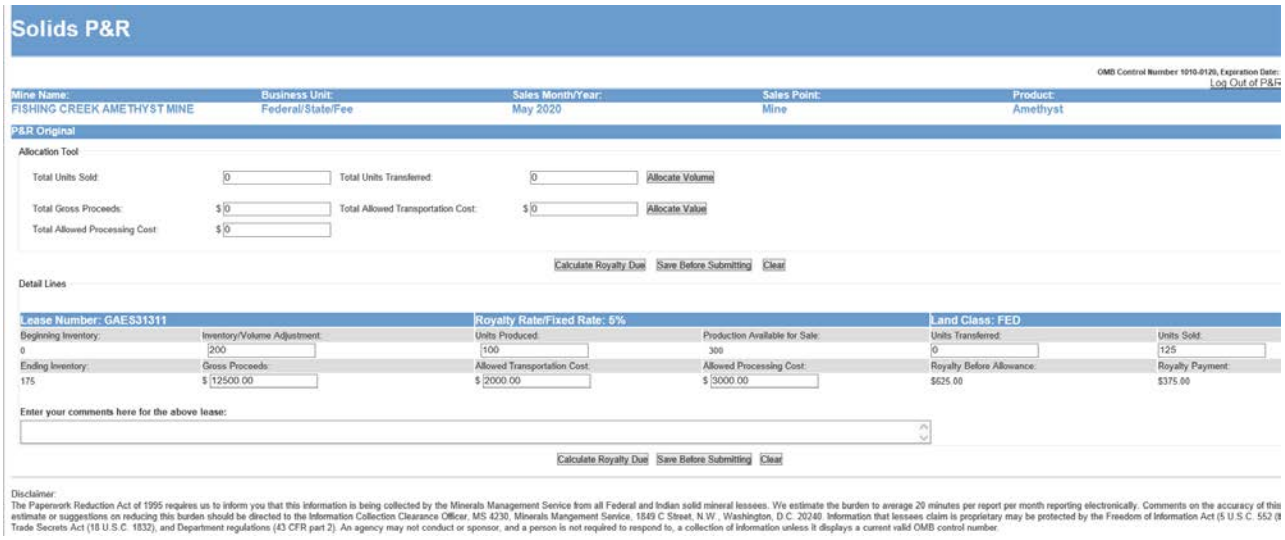
EXAMPLE

Lease level data input and royalty calculation example. This example shows how to report and pay royalties on an Original P&R.

Assumptions:

- You had an inventory volume adjustment equal to a positive 200 units.
- You produced 100 units.
- You did not transfer any units.
- You sold 125 units.
- Your gross proceeds equal $12,500.00.
- You had transportation costs of $2,000.00.
- You had processing costs of $3,000.00.

The screen print below shows a lease level data input example.



NOTE

The P&R system was developed to acknowledge that Transportation and Processing Costs or Allowances and Units Transferred are a reduction to the Gross Proceeds or Volumes; therefore, you would input these numbers without a negative sign.

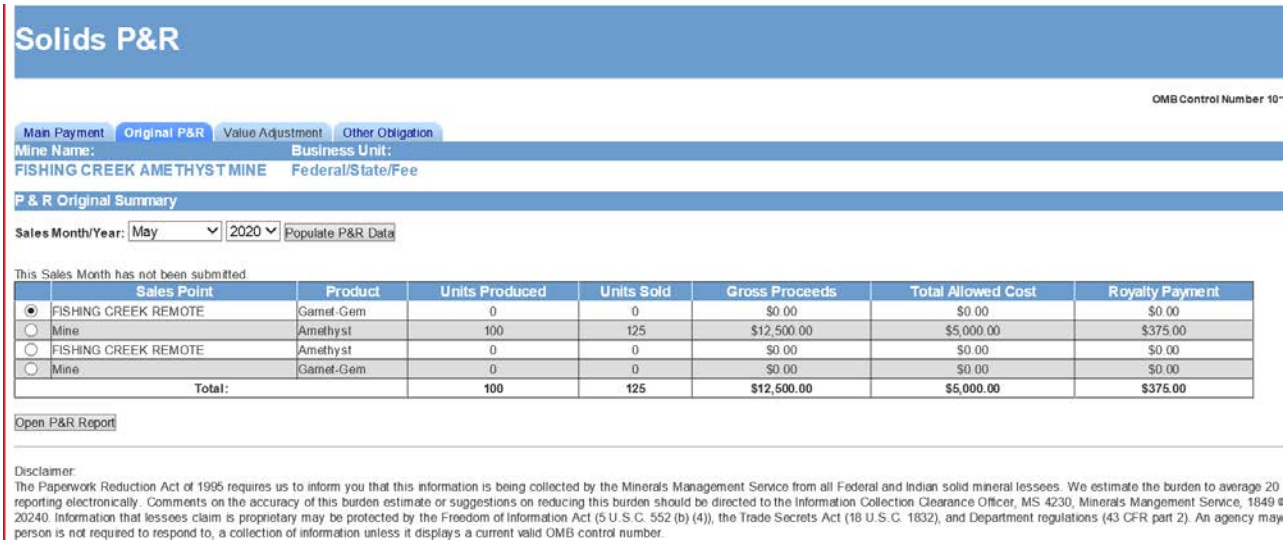
Click on the **Calculate Royalty Due** button at the bottom of the page to calculate the Royalty Before Allowance and the Royalty Payment.

NOTE

*You can calculate royalty due by pressing the **Calculate Royalty Due** button after you input data for each individual lease, or you can wait until you have input the data for all leases. If you have numerous leases and royalty rate combinations, we recommend that you press the **Calculate Royalty Due** button frequently to avoid getting "timed out" from the internet application.*

Royalties are only calculated for Federal or Indian leases.

Click on the **Save before Submitting** button to return to the Mine-Level Summary Page.



Solids P&R

OMB Control Number 10

Main Payment | Original P&R | Value Adjustment | Other Obligation

Mine Name: FISHING CREEK AMETHYST MINE
Business Unit: Federal/State/Fee

P & R Original Summary

Sales Month/Year: May 2020 Populate P&R Data

This Sales Month has not been submitted.

	Sales Point	Product	Units Produced	Units Sold	Gross Proceeds	Total Allowed Cost	Royalty Payment
◉	FISHING CREEK REMOTE	Garnet-Gem	0	0	$0.00	$0.00	$0.00
○	Mine	Amethyst	100	125	$12,500.00	$5,000.00	$375.00
○	FISHING CREEK REMOTE	Amethyst	0	0	$0.00	$0.00	$0.00
○	Mine	Garnet-Gem	0	0	$0.00	$0.00	$0.00
	Total:		100	125	$12,500.00	$5,000.00	$375.00

Open P&R Report

Disclaimer:
The Paperwork Reduction Act of 1995 requires us to inform you that this information is being collected by the Minerals Management Service from all Federal and Indian solid mineral lessees. We estimate the burden to average 20 reporting electronically. Comments on the accuracy of this burden estimate or suggestions on reducing this burden should be directed to the Information Collection Clearance Officer, MS 4230, Minerals Mangement Service, 1849 20240. Information that lessees claim is proprietary may be protected by the Freedom of Information Act (5 U.S.C. 552 (b) (4)), the Trade Secrets Act (18 U.S.C. 1832), and Department regulations (43 CFR part 2). An agency may person is not required to respond to, a collection of information unless it displays a current valid OMB control number.

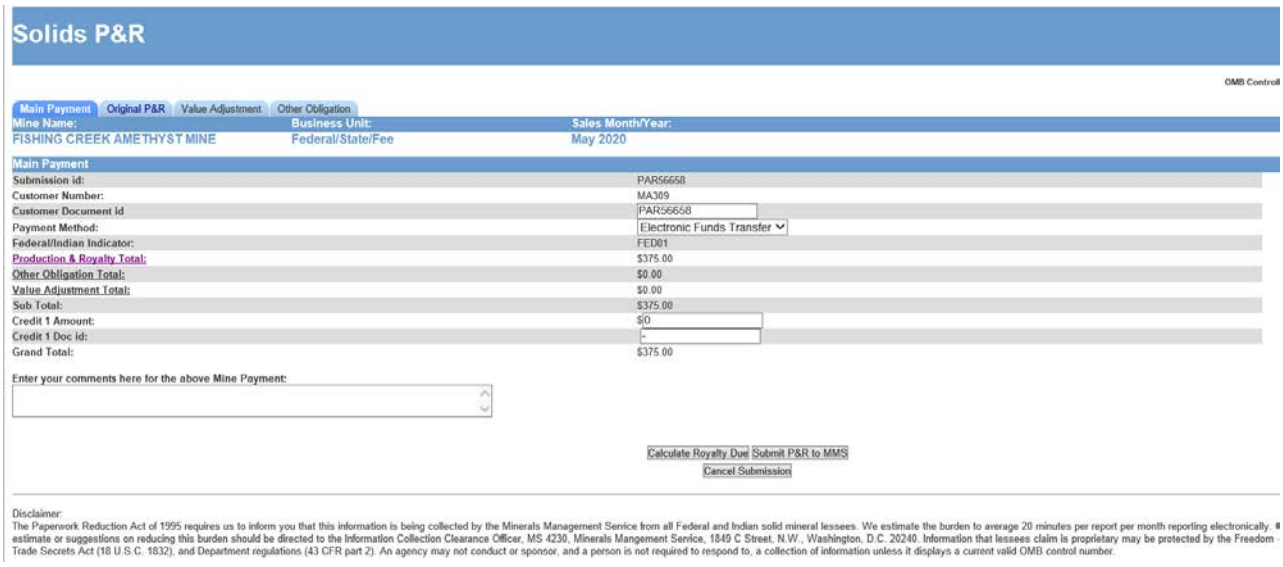
If you do not have a value adjustment or other obligation to report, click on the “Main Payment tab” at the top of the page.

5.3 Main Payment Page

The Main Payment page displays all payment information created by the current session and enables you to save and submit the official submission to ONRR. The Customer Document ID is pre-populated with the Submission ID of the current session prefixed by “PAR.” You can enter your own payor-assigned document number into this field, if you do not wish to keep the system-generated number. You must select a payment method before your final submission.

The page displays differently according to the report type originally selected on the Mine Selection page. A link to the appropriate page is available next to the corresponding subtotal from that particular page. If you select the “Original P&R/Other Obligation/P&R Value Adjustment” option on the Mine Selection page, then totals and links for all three of those pages display. Otherwise, if you select the “Volume/Value Adjustment” option, then only the Volume/Value Adjustment link and total are visible.

There are 3 buttons available at the bottom of the Main Payment Page. Clicking the Calculate Royalty Due button saves this report without submitting it. Clicking the **Submit P&R to MMS** button submits your data to ONRR and takes you to the Confirmation page. Clicking the **Cancel Submission** button, erases any data you already saved for the current submission and allows you to start a new report from scratch. You should use the Cancel Submission button if there are any mistakes or issues with pre-populated reference data, such as lease numbers, financial terms, or royalty rates.



NOTE

Notice the Mine Level Production warning on the above example. This is a warning that your production is at least 25% more or less than the previous month. You must acknowledge that you know and accept this as true by checking the box.

The following is a description of the Main Payment page fields.

Field	Description
Submission ID	Submission ID is generated by the system. It is used as an identifier to a submission.
Customer Number	The Customer Number associated to the Mine.
Customer Document ID	The Customer Document ID defaults to the Submission ID number. This number can be changed, but please do not change it unless instructed by ONRR or STRAC as a result of a compliance or audit issue. (Then you would use the UFI that is provided to you.)
Payment Method	Method used to pay the total due (e.g., EFT, Check). This field will default to Electronic Funds Transfer (EFT). If you pay by other means, make sure you use the dropdown list and pick the appropriate method. **Note: For Indian reports, the only options available are Indian Direct Pay and Lockbox Payment. Be sure to select the correct Indian Payment Method, or you will have to reverse out your P&R submission and resubmit it using the correct Payment Method.**

Federal/Indian Indicator	This specifies the business unit of the financial transaction as either FED01 (Federal) or IND01 (Indian).
Production & Royalty Total	This is the total royalties you are reporting to ONRR on this report.
Other Obligation Total	This is the total other obligations you are reporting to ONRR on this report.
Value Adjustment Total	This is the total value adjustment you are reporting to ONRR on this report.
Subtotal	Total of Production & Royalty plus Other Obligation plus Value Adjustment.
Credit 1 Amount	DO NOT USE
Credit 1 Doc ID	DO NOT USE
Grand Total	The Grand total equals the Subtotal amount.

Click the **Submit P&R to ONRR** button to submit your report to ONRR. You will receive a Confirmation page informing you that the report has been successfully submitted.

Click the **Cancel Submission** button to cancel everything you entered on this report. You will lose all your data and will have to start over.

NOTE

Print the Main Payment page and the Confirmation page for your records. If you want to print other pages of the report, you should print them prior to printing the Main Payment page.

Chapter 6 Value Adjustment

The P&R Value Adjustment Summary page gives you the ability to adjust dollar values on any previously submitted P&R report. The page displays a table to show a summary of all adjustments made in the current session, along with the corresponding net payment amount required because of this adjustment. The payment amount also serves as a link to the Value Adjustment Detail page for that particular adjustment.

If you click on the **Create New Value Adjustment** button, a table appears on the bottom of the screen. Enter information in this table to specify the Sales Month, Sales Point and Product for which to create a value adjustment.

The **Populate Value Adjustment Page** button opens the Value Adjustment Detail page for the selected Sales Month, Sales Point and Product. If no P&R formatted data exists for the specified criteria, the Value Adjustment Summary page reloads with a warning message indicating this error. You cannot create volume adjustments from this page.

Use this page to adjust dollar *values* for any previously submitted P&R. You *cannot* make volume adjustments on the Value Adjustment page. You must make volume adjustments on the independent Volume/Value Adjustment Report that is detailed in a later chapter.

The Value Adjustment Summary page displays a summary table of all adjustments made during the current adjustment session. The total royalty payment will be the *net* total payment, which could be negative.

The automated allocation tool is available for your use and will be detailed in a later chapter.

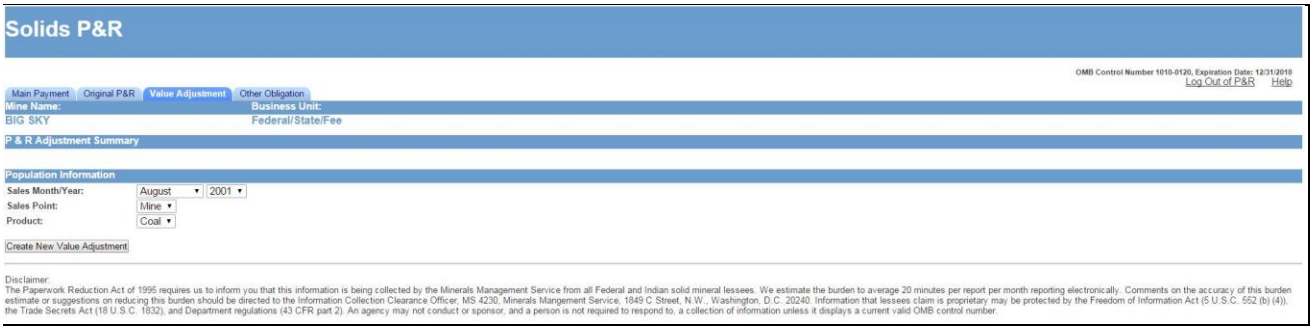
NOTE

If you attempt to enter a sales value adjustment for a lease/royalty rate combination that does not have sales volume associated to it, you will be required to submit a volume/value adjustment rather than a value adjustment.

6.1 Value Adjustment Steps

Follow the steps below to submit a Value Adjustment:

- After entering the Original P&R/Other Obligation/P&R Value Adjustment report type from the Mine Selection page, click on the Value adjustment tab.
- Select the month and year of the adjustment.
- Select the Sales Point, if there is more than one.
- Select the product, if there is more than one.
- Click on the **Create New Value Adjustment** button to go to the Value Adjustment Detail page.

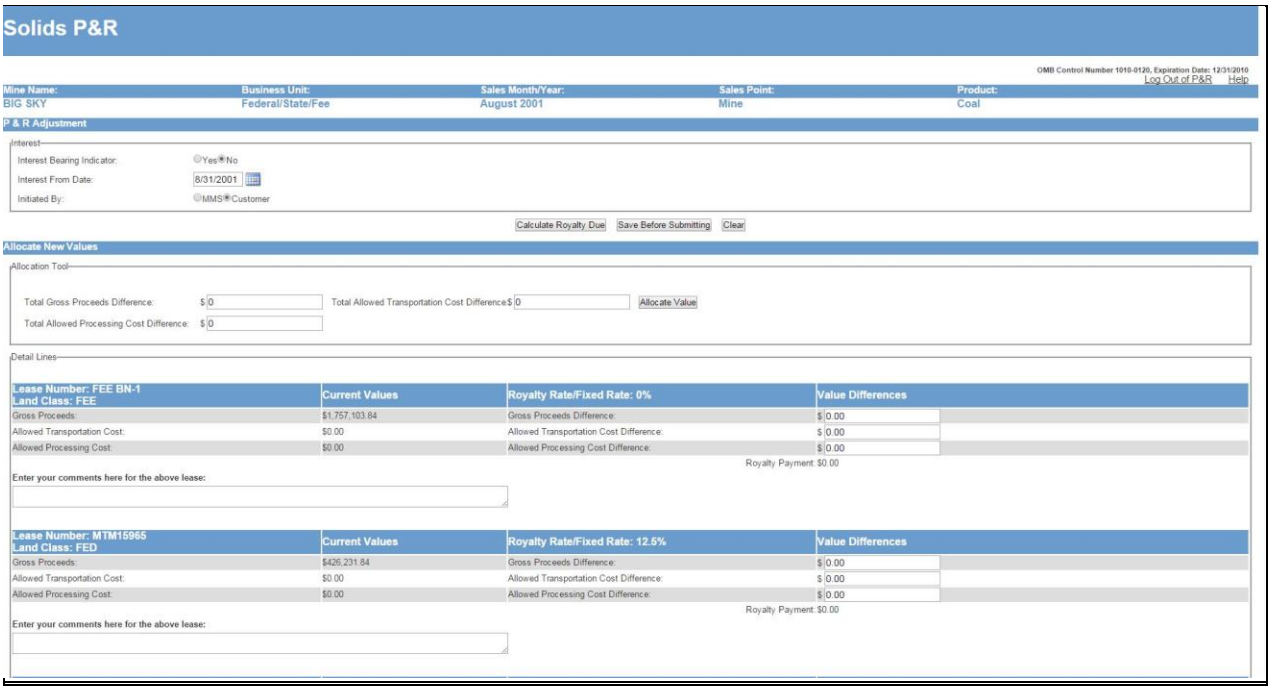


6.2 Value Adjustment Detail Page

The bottom set of rows is the lease level data and is repeated for each lease associated with the mine being reported (see example below).

The Current Values are the net values of the original and any adjustments currently on the system for this lease. These could be positive or negative entries.

- Enter either the Allocation value differences or the Lease Level Value differences. Notice they are net differences (+/-).
- If these adjustments are required due to an ONRR or STRAC identified audit or compliance issue, change the Initiated default button from **Customer** to **ONRR**.
- Enter lease-level comments.
- Click on the **Calculate Royalty Due** button to determine the net Royalty Payment due for each lease.
- Click on the **Save Before Submitting** button to return to the Value Adjustment Summary page.



NOTES

Here you can check the summary of any adjustments you have made during this session. If you want revise an adjustment to any previous adjustment available on the summary, select the same Sales Month/Year, Sales Point and Product combination, and click on the ***Create New Value Adjustment*** *button.*

If you want to make additional adjustments to other months, select a new Sales Month/Year, Sales Point and Product combination, and click on the ***Create New Value Adjustment*** *button.*

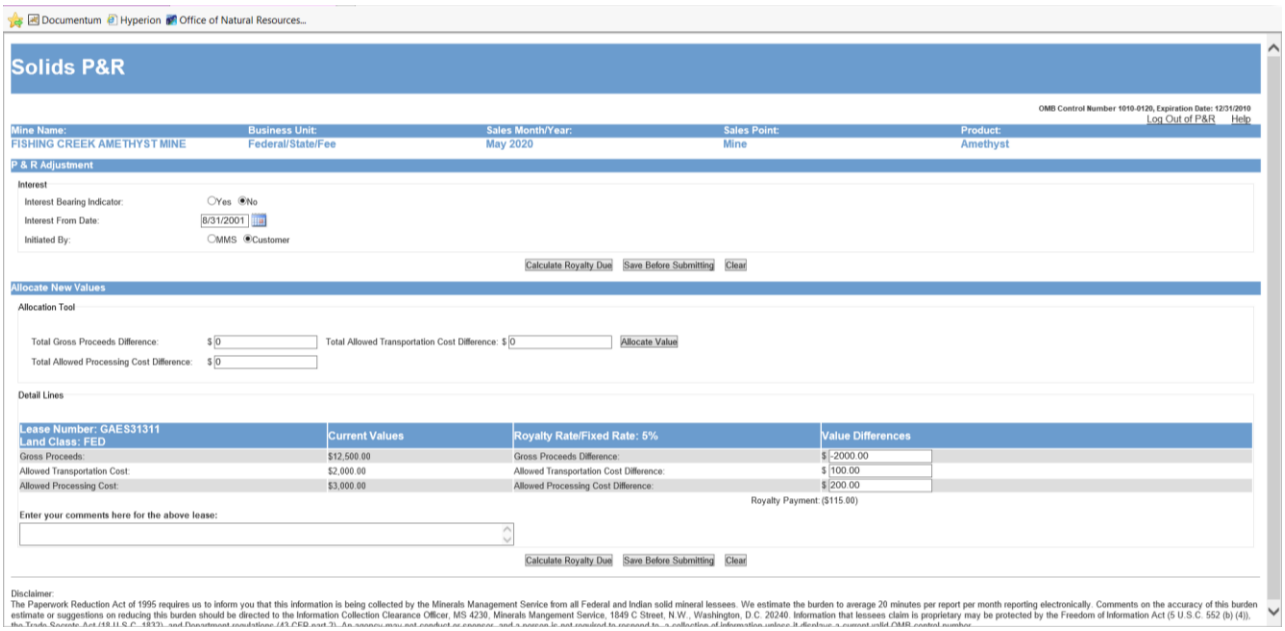
EXAMPLE

Value Adjustment. This example shows how to report and pay royalties for a value adjustment.

Assumptions:

- You had a gross proceeds difference of negative $2,000.00.
- You had an allowed transportation cost difference of negative $100.00.
- You had an allowed processing cost difference of a positive $200.00.
- This is customer initiated.

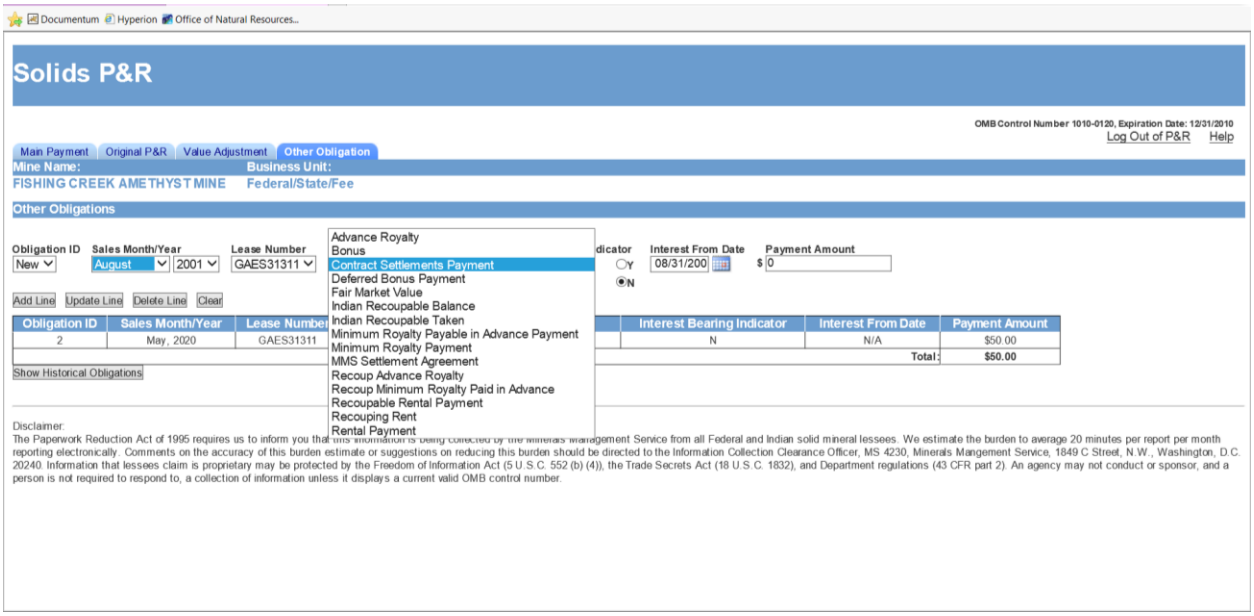
The screen print below shows a value adjustment data input example.



Once you have entered all required value adjustments, from the Value Adjustment Summary page, navigate to the Main Payment page to save, submit, or cancel your submission. (See Main Payment Page section of chapter 5 for more information.)

Chapter 7 Other Obligations

Lease-level obligations are non-Royalty payments due for the lease. These obligations include Advance Royalty, Bonus, Contract Settlements Payment, Deferred Bonus Payment, Fair Market Value, Minimum Royalty Payable in Advance Payment, Minimum Royalty Payment, Recoupable Rental Payment, and Rental Payment. These obligations, and any available recoupments of these obligations are reported on the Other Obligations tab of the P&R Original Report Type. (See screenshot below)



The Other Obligations page displays pre-populated unsatisfied financial term obligations (e.g. Rent, Bonus) as well as all other obligation types already saved during the current submission. It should only be accessed through the Original P&R/Other Obligation/P&R Value Adjustment report type on the Mine Selection page.

7.1 How to Report and Pay Lease-Level Obligations

ONRR highly recommends that payors report Other Obligations on a separate P&R Report from their Royalties due to the differing due dates.

Some other obligations will prepopulate and will be discussed later. Therefore, it is suggested that you go into the P&R at least one day prior to when you want to submit your royalties.

To submit your other obligations P&R, from the Mine Selection page, you will begin the type of report you want to enter. To do so, select the Mine or Permit and Stand Alone Lease Contract Type using the radial button, Then, click the drop-down arrow to the right of the Contract Name field in order to select the mine name or payor code, whichever is applicable to the contract type selected, The list of possible mines or payor codes to choose from is limited to those associated to your login ID. The Federal or Indian Indicator should default to whichever one matches the selected mine or payor code, unless the mine contains both Federal and Indian leases. Finally, select the Report Type you need to submit (Original P&R/Other Obligation/P&R Value Adjustment) using the radial dial, and then click the Create Report button.

The Original P&R tab is selected and open. Click on the "Other Obligations" tab, review the screen to see if there are any prepopulated obligations. At this point you may add, update, delete obligations and then proceed to the Main Payment page for submission. Once this P&R is submitted you will have to wait a day in order to submit your P&R royalties.

When entering other obligations every input field is required in order to properly save the obligation: Sales Month/Year, Agency Assigned Lease Number, Payment Type, Interest Bearing Indicator, Interest From Date, and Payment Amount. All active leases for the given Sales Month/Year are displayed in the Lease Number select box.

If for some reason you forget to report during the calendar month that an obligation pre-populates, you will have the ability to report those obligations on the P&R. For example, your company's policy is that you open, create and submit your royalties on the 25th day of each month. On March 25, 2020 you submitted your February 2020 royalties, and on March 26, 2020 you logged back in to the P&R to review your previous submission. If you log out instead of cancelling the submission, then the next time you log in to report your March 2020 royalties

on April 25, 2020, your May 2020 pre-populated Other Obligations will ***not*** pre-populate. Similarly, if for some reason the system was to become inaccessible for a month or more and an obligation was due to pre-populate during this period, it would not pre-populate and you will have to manually enter those obligations in the "Other Obligation" tab.

Remember, it is your responsibility to know when your other obligations are due, and their associated amounts. If you don't see an obligation that you expected to prepopulate, go to the Main Payment Page and cancel your submission. Start the process over again, and if the obligation is still missing, contact your Solid Minerals Representative. Additionally, contact your Solid Minerals Representative if you have questions and/or need help in reporting. (For contact information, see Appendix A.)

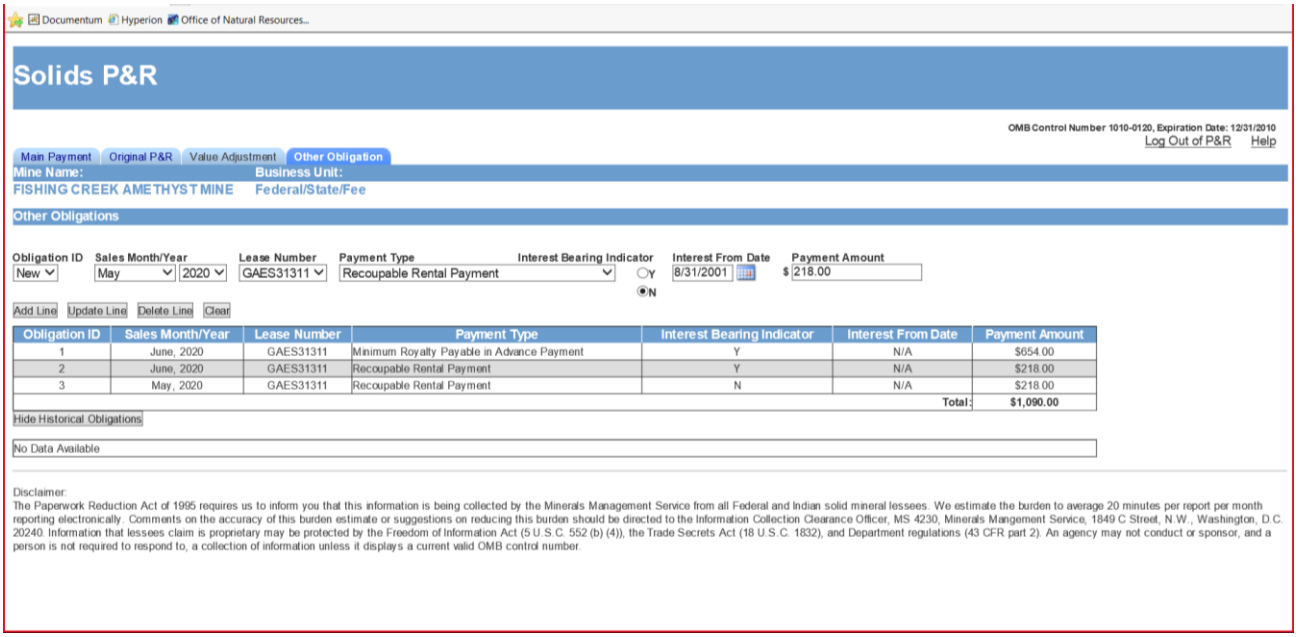
7.1.1 Reporting Rent, Minimum Royalty, Minimum Royalty Payable in Advance (MRPIA), Bonus and Deferred Bonus Payment Types

These lease-level obligations will pre-populate on the P&R in the Other Obligations tab the month prior to the due date, except Bonus and Minimum Royalty. For example, April rents would pre-populate in March. Reminder: If you do not open the P&R during the month prior to when the obligation is due, you have missed the window for pre-population to occur, and you will now need to manually enter the lease-level obligations that are due. Minimum Royalty does not prepopulate because it is paid at the end of the year if production royalties do not exceed the minimum royalty requirement.

To manually report your lease-level obligations, navigate to the Other Obligations tab. In that screen, select the sales month, lease number, and payment type, and enter the Payment Amount for the obligation you are reporting. Then select the Add Line button to left.

If you need to update/correct a line, then select the Obligation ID number for the line that needs updating, make the necessary correction to the field and then select the Update Line button. If you need to Delete a line, select the Obligation ID for the line that needs deleting, then select the Delete button.

After you review and determine that the obligations are entered correctly, navigate to the Main Payment page and submit the report. You do not need to submit payment until the obligation is due.



7.1.2 Reporting Advance Royalty and Fair Market Value Payment Types

These lease-level obligations will not pre-populate because the amounts are not known prior to the reporting month. In order to report these obligations, you will need to contact your Solid Mineral Analyst to discuss the amounts due. Once the Solid Mineral Analyst has entered the amount due for the reporting period, you will be able to manually enter the obligations in the P&R.

To manually report these lease-level obligations, navigate to the Other Obligations tab. In that screen, select the sales month, lease number, and payment type, and enter the Payment Amount for the obligation you are reporting. Then select the Add Line button to left.

If you need to update/correct a line, then select the Obligation ID number for the line that needs updating, make the necessary correction to the field and then select the Update Line button. If you need to Delete a line, select the Obligation ID for the line that needs deleting, then select the Delete button.

After you review and determine that the obligations are entered correctly, navigate to the Main Payment page and submit the report. You do not need to submit payment until the obligation is due.

7.1.3 Reporting Contract Settlement Payment Type

Use Contract Settlement to report royalty due on contract settlement payments between you and a third party. Normally, the settlements reported under this transaction are between lessees and purchasers. Do ***not*** report settlements between payors and ONRR utilizing this obligation type.

Two types of settlements are reported under Contract Settlement.

Past Pricing Disputes

Royalty is due on settlement payments made to resolve disputes regarding the correct price owed for minerals produced and sold from the lease for periods before the settlement agreement (including but not limited to, reimbursements for production-related costs, tax reimbursements, or nonpayment of contract purchase price by the purchaser, etc.). Payment is due at the end of the month following the month the lessee receives the payment.

Contract Buydowns

Royalty is due on payments made to reduce the price the original purchaser pays when they take future production under an amended or successor contract. This buydown amount of the total settlement must be allocated to ongoing production taken during the remaining term of the original contract.

If you determine royalties are due because settlement payments are allocable to ongoing production, and production has already occurred since the date of settlement, you should report and pay royalties on that production. You should continue to report royalties on future production in the same manner; or alternatively, you may elect to make a lump sum payment.

To manually report this lease-level obligation, navigate to the Other Obligations tab. In that screen, select the sales month, lease number, and payment type, and enter the Payment Amount for the obligation you are reporting. Then select the Add Line button to left.

If you need to update/correct a line, then select the Obligation ID number for the line that needs updating, make the necessary correction to the field and then select the Update Line button. If you need to Delete a line, select the Obligation ID for the line that needs deleting, then select the Delete button.

After you review and determine that the obligations are entered correctly, navigate to the Main Payment page and submit the report. You do not need to submit payment until the obligation is due.

7.1.4 Recouping Recoupable Obligations

You cannot recoup your rent until you have paid and/or reported either your advance royalty, your minimum royalty payable in advance, or your royalties. You may need to wait up to one month after reporting the obligations of recoupable rent and minimum royalty payable in advance/advance royalty in order to be able to recoup your rent.

To recoup from a lease account, you must enter a negative amount for one of the recouping obligations types. You must also select the exact month/year of the obligation due date from which you wish to recoup.

If your lease has the Minimum Royalty Payable in Advance (or MRPIA) obligation, you can recoup against net royalties reported and paid, by lease, within the same lease year. One hundred percent of the current month's net royalties that you report may be used to offset the Minimum Royalty Payable in Advance, without exceeding the total minimum royalty payment.

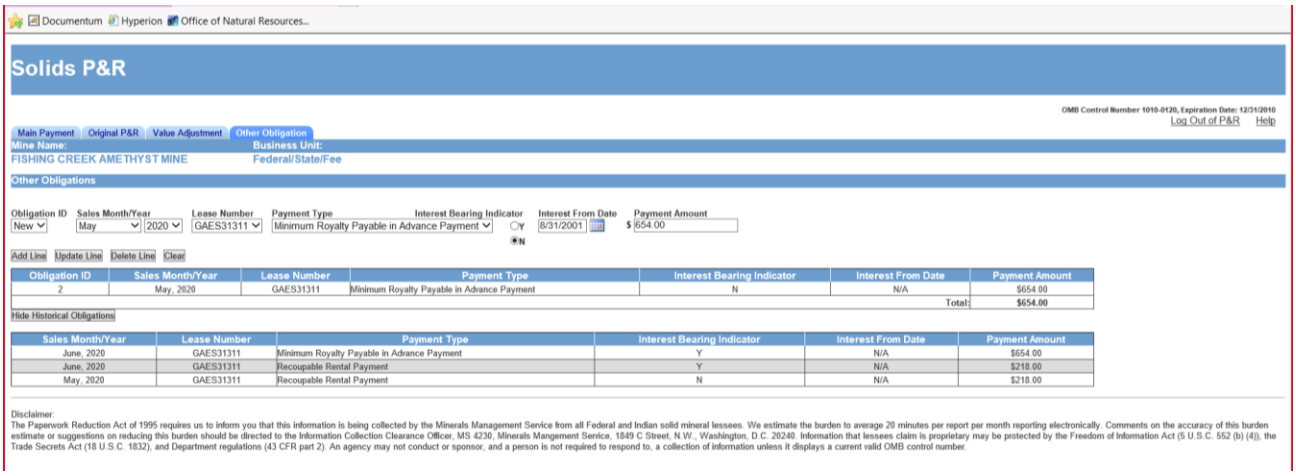
If, at the end of the lease year, the royalty payment amount you paid is less than the minimum royalty payable in advance amount, you cannot recoup the remaining balance against royalties in future years.

Navigate to the Other Obligations page and select the same sales month as you did to report the obligation, the same lease and the obligation type of Recouping Rent or Recoup Minimum Royalty Payable in Advance. Enter the recoupment amount with a negative sign in front of the amount.

NOTE

Make sure you are using the proper recoupment Payment Types. Otherwise, if you select the wrong Payment Type, you may inadvertently reverse your original reporting of your obligations.

If you are recouping on an Indian lease, contact your Solid Minerals Representative for more information on additional steps you may need to follow and see below for additional information.



Documentum Hyperion Office of Natural Resources...

Solids P&R

OMB Control Number 1010-0120, Expiration Date: 12/31/2010
Log Out of P&R Help

Main Payment | Original P&R | Value Adjustment | Other Obligation

Mine Name: FISHING CREEK AMETHYST MINE
Business Unit: Federal/State/Fee

Other Obligations

Obligation ID: New | Sales Month/Year: May 2020 | Lease Number: GAES31311 | Payment Type: Minimum Royalty Payable in Advance Payment | Interest Bearing Indicator: Y / N | Interest From Date: 8/31/2001 | Payment Amount: $ 654.00

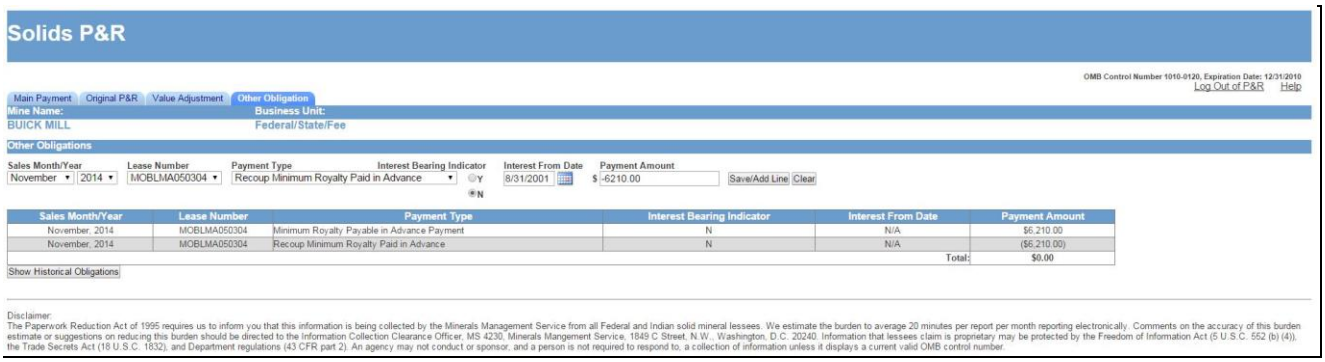
Add Line | Update Line | Delete Line | Clear

Obligation ID	Sales Month/Year	Lease Number	Payment Type	Interest Bearing Indicator	Interest From Date	Payment Amount
2	May, 2020	GAES31311	Minimum Royalty Payable in Adrance Payment	N	N/A	$654.00
					Total:	$654.00

Hide Historical Obligations

Sales Month/Year	Lease Number	Payment Type	Interest Bearing Indicator	Interest From Date	Payment Amount
June, 2020	GAES31311	Minimum Royalty Payable in Adrance Payment	Y	N/A	$654.00
June, 2020	GAES31311	Recoupable Rental Payment	Y	N/A	$218.00
May, 2020	GAES31311	Recoupable Rental Payment	N	N/A	$218.00

Disclaimer:
The Paperwork Reduction Act of 1995 requires us to inform you that this information is being collected by the Minerals Management Service from all Federal and Indian solid mineral lessees. We estimate the burden to average 20 minutes per report per month reporting electronically. Comments on the accuracy of this burden estimate or suggestions on reducing this burden should be directed to the Information Collection Clearance Officer, MS 4230, Minerals Mangement Service, 1849 C Street, N.W., Washington, D.C. 20240. Information that lessees claim is proprietary may be protected by the Freedom of Information Act (5 U.S.C. 552 (b) (4)), the Trade Secrets Act (18 U.S.C. 1832), and Department regulations (43 CFR part 2). An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a current valid OMB control number.



Solids P&R

OMB Control Number 1010-0120, Expiration Date: 12/31/2010
Log Out of P&R Help

Main Payment | Original P&R | Value Adjustment | Other Obligation

Mine Name: BUICK MILL
Business Unit: Federal/State/Fee

Other Obligations

Sales Month/Year: November 2014 | Lease Number: MOBLMA050304 | Payment Type: Recoup Minimum Royalty Paid in Advance | Interest Bearing Indicator: Y / N | Interest From Date: 8/31/2001 | Payment Amount: $ -6210.00 | Save/Add Line | Clear

Sales Month/Year	Lease Number	Payment Type	Interest Bearing Indicator	Interest From Date	Payment Amount
November, 2014	MOBLMA050304	Minimum Royalty Payable in Advance Payment	N	N/A	$6,210.00
November, 2014	MOBLMA050304	Recoup Minimum Royalty Paid in Advance	N	N/A	($6,210.00)
				Total:	$0.00

Show Historical Obligations

Disclaimer:
The Paperwork Reduction Act of 1995 requires us to inform you that this information is being collected by the Minerals Management Service from all Federal and Indian solid mineral lessees. We estimate the burden to average 20 minutes per report per month reporting electronically. Comments on the accuracy of this burden estimate or suggestions on reducing this burden should be directed to the Information Collection Clearance Officer, MS 4230, Minerals Mangement Service, 1849 C Street, N.W., Washington, D.C. 20240. Information that lessees claim is proprietary may be protected by the Freedom of Information Act (5 U.S.C. 552 (b) (4)), the Trade Secrets Act (18 U.S.C. 1832), and Department regulations (43 CFR part 2). An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a current valid OMB control number.

7.1.5 Recouping Indian Overpayments

You may recoup overpayments on Indian leases (with certain restrictions) depending on the type of lease you have:

Tribal Lease

You can recoup prior overpayments as a credit against the current month's rent or royalties due on the same lease. If you receive Tribal approval, you can recoup against other leases owned by the same Tribe. You must send a written Tribal approval to us and submit Form ONRR-4430 if you are recouping against other leases and not the lease the overpayment occurred. You may recoup up to 100 percent of only the current net royalties. You cannot create a "negative" lease payment.

Allotted Lease

You can recoup prior overpayments as a credit against current month's rent or royalties due on the same lease. Your recoupment cannot reduce the allottee's current net royalties by more than 50 percent.

If the overpayment you are recovering exceeds the limit for a single report month, you may recoup the overpayment each month following the above rules until the balance has been recovered.

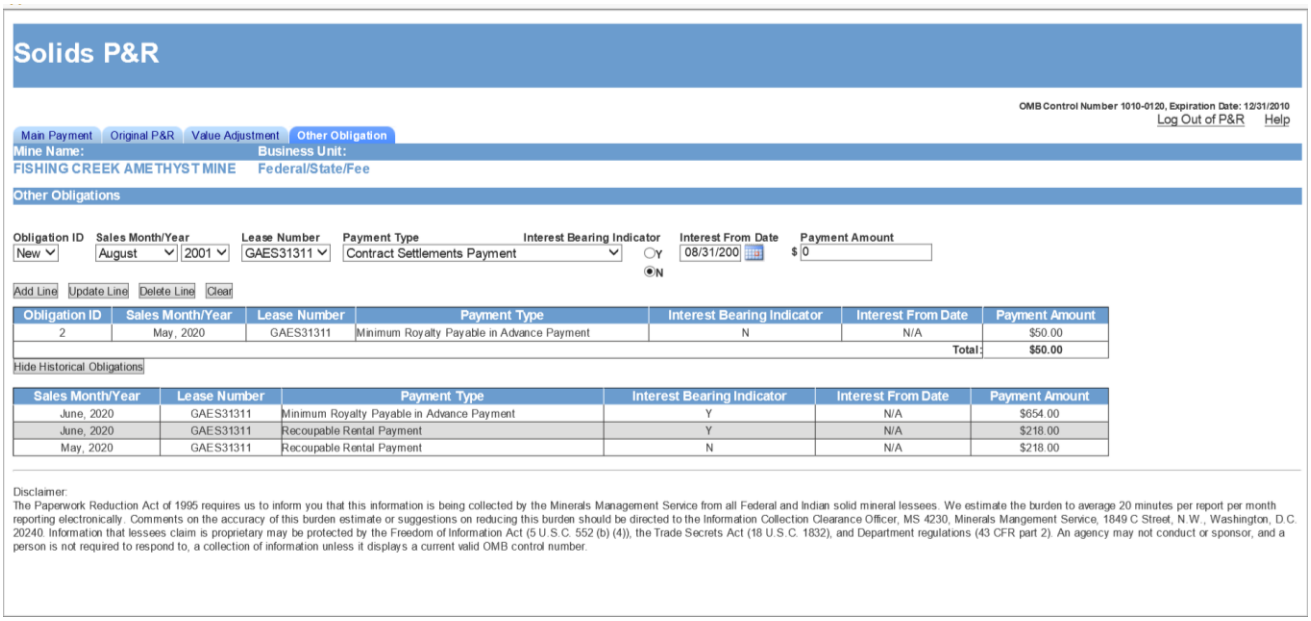
If you need to recoup on an Indian lease, contact your Solid Mineral Representative for information.

7.2 Obligation Reversal

Once you submit a P&R and the lease level obligation payment amount is identified as incorrect (either by you or ONRR), the P&R will allow you to go into a subsequent P&R on the next day or later and enter a negative payment for that particular payment type, and enter a positive payment for that particular recoupable payment type.

7.3 Historical Obligations

Click on the **Show Historical Obligations** button to view all lease level obligations reported, recouped, and backed out of the system. This will also allow you to determine if obligations were reported, what amounts may be due, or when obligations may be due.



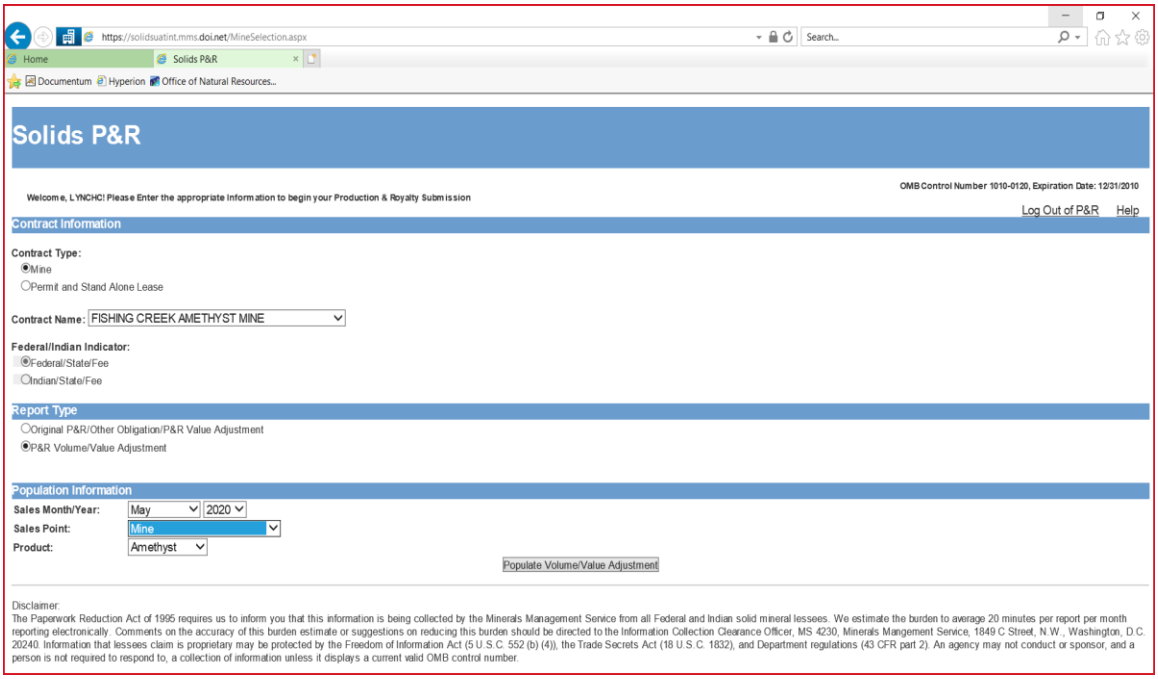
Once you have entered all required other obligations, from the Other Obligations tab, navigate to the Main Payment page to save, submit, or cancel your submission. (See Main Payment Page section of chapter 5 for more information.)

Chapter 8 Volume/Value Adjustment Report

If you choose the "Volume/Value Adjustment" report type in the Mine Selection Page, the Volume/Value Summary page will display. This chapter details how to enter your production and royalty adjustment information using the Volume/Value Adjustment report type. The following sections provide detailed descriptions, as well as screen shots of the Volume/Value Adjustment pages.

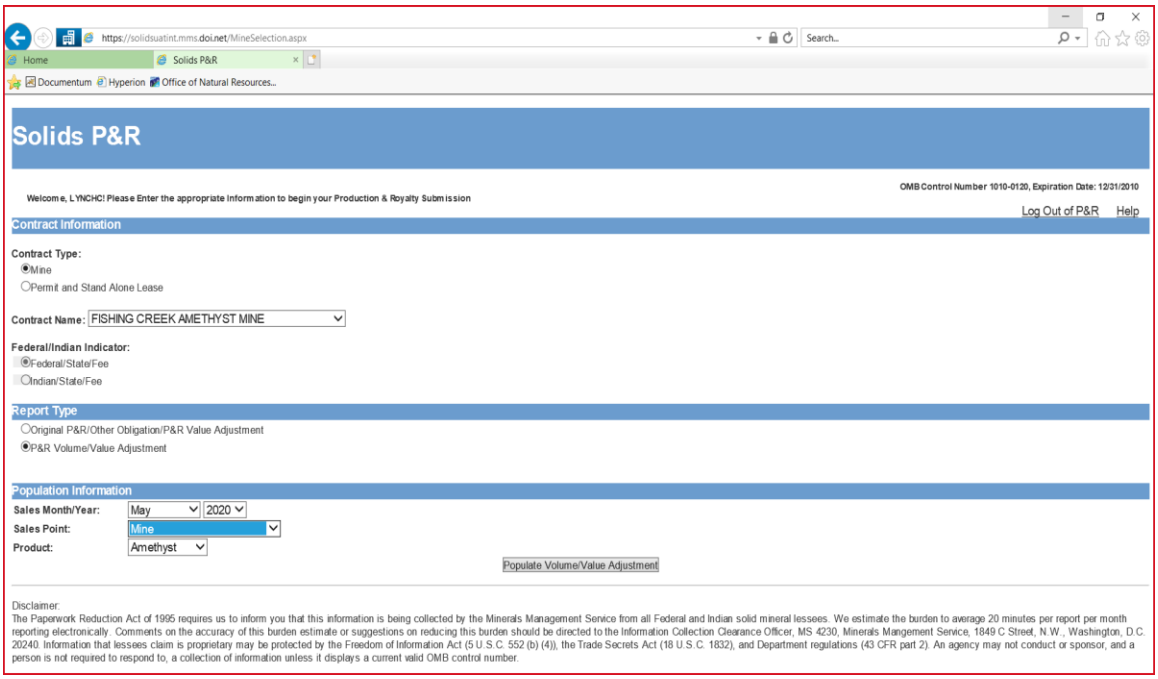
This report is completely independent from the Original P&R Report. You use this report to make volume and any corresponding value adjustments for any previously submitted P&R. All adjustments are net adjustments. Changing the volume of any previous P&R will change its ending inventory and therefore the next month's beginning inventory. This means that all subsequent P&R reports will have to be adjusted as well.

Multiple Volume/Value Adjustments can be submitted per day, provided that they are for different sales point/product combinations.



8.1 How to Complete a Volume/Value Adjustment Report

- Enter the Sales Month and Year of the earliest adjustment required. (May 2020 is used in the example shown below.)
- Enter the Sales Point (if more than one). (Mine is used in the example shown below.)
- Enter the Product name (if more than one). (Amethyst is used in the example shown below.)
- Click the Populate Volume/Value Adjustment button.



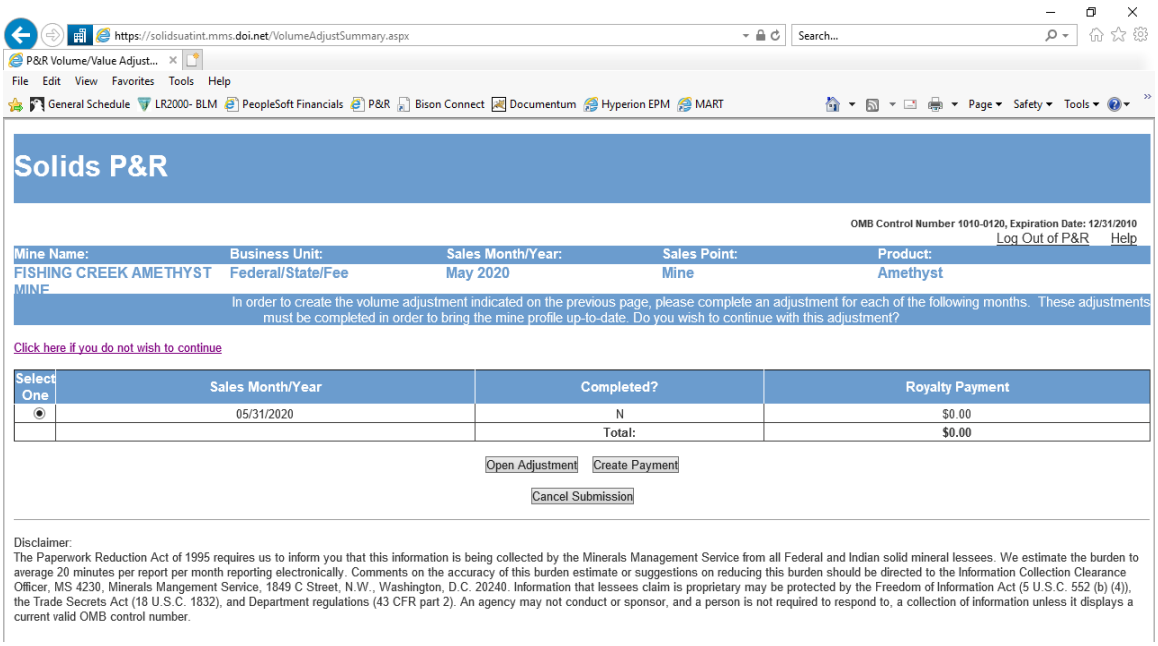
8.1.1 Volume/Value Summary Page

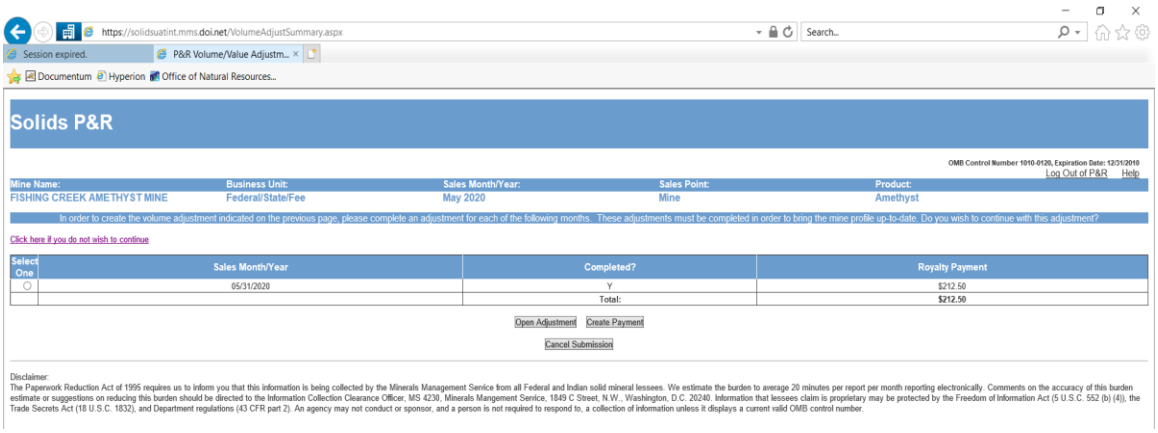
After selecting the Populate Volume/Value Adjustment button, the Volume Value Summary Page is open and displayed. The radial dial for the first sales month/year you need to update is automatically selected. To enter the adjustment information in the Volume/Value Detail screen, click the Open Adjustment button.

Once you have made your adjustments to a sales month in the details page, you will be returned to the summary page. The month you just updated will have changed to completed, as indicated by a Y in the Completed? column. Any resulting royalty amounts due for that month, positive or negative, will be displayed on the summary page as well. You will repeat this process until all sales months have been completed. If you need to make a change to a sales month that has

already been completed, simply select the radial dial for the month you need to change and click the Open Adjustment button.

In the summary page, you also have the options to cancel submission or create payment. Cancelling the submission deletes everything you have entered, causing you to have to start over. Clicking the Create Payment button takes you to the Main Payment Page and allows you to submit your P&R.





8.1.2 Volume/Value Adjustment Detail Page

The P&R Volume/Value Adjustment Detail Page loads according to reporter selected information from the P&R Volume/Value Adjustment Summary Page. If directed by ONRR, you must specify late interest information for the entire adjustment. A separate data entry table

is displayed for each lease number/royalty rate combination for the selected sales month. Only the agency-assigned lease number is displayed on the data entry table.

The Current Values column represents the current values retrieved from the database. Previously submitted P&Rs, including adjustments, are reflected in this value. The Computed Differences column shows the net adjustments for any changes made during this session, from previous months. The Computed Differences column calculates and displays values based on re-allocations of volume across lease number/royalty rate combinations. These re-allocations only trigger if the beginning inventories of the lease number/royalty rate combinations are changed because of something entered on the previous month. Therefore, you must at least open the adjustment for each month listed, even if no changes need to be made, so that the inventory can be carried forward. It is possible that an unchanged month could have net royalty associated with it, because of allocation changes.

Enter all adjustments by lease in the User Entered Differences column, using the net changes.

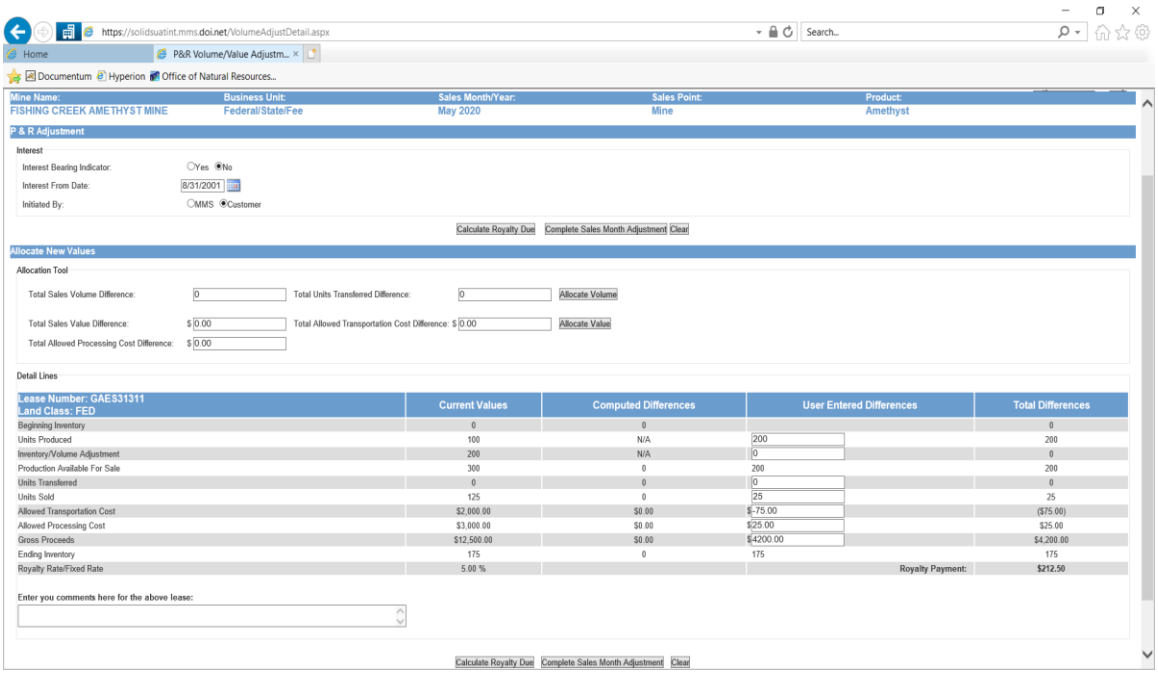
The far-right column will give the total difference for each category, which is the sum of the Computed Differences and the User Entered Differences.

If you attempt to enter a sales value (Gross Proceeds) adjustment for a lease/royalty rate combination that does not have sales volume associated to it, you will get a warning message and it will not let you save the entry.

Example

This example shows how to report volume and value changes on the Details Screen with the following data.

- A positive 200 tons was entered in Units Produced. This means that 200 more tons were produced than were previously reported. The Production Available for Sale is calculated to be a positive 200 tons.
- No additional Units were transferred to a remote.
- The additional units sold were 25.
- The additional Allowed Transportation Cost entered was $75.00
- The additional Allowed Processing Cost entered was $25.00
- The additional Gross Proceeds entered were $4,200.00.



There are three buttons at the bottom of this page.

- **Calculate Royalty Due** will calculate the royalty due and save the entry.
- **Clear** will clear the data if you have not clicked on the **Save Before Submitting** button.
- **Save Before Submitting** will save all the data and send you back to the Volume/Value Adjustment Summary page.

After completing the adjustments for all the months, click on the **Create Payment** button, and you will go to the Main Payment page where you may submit the report or cancel the report.

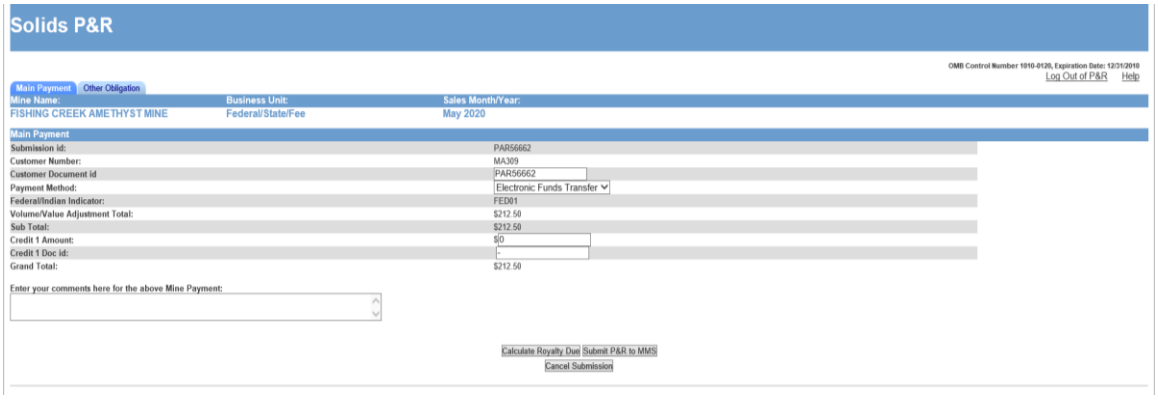
8.2 Volume/Value Main Payment Page

The page shown below is similar to the P&R Original Main Payment page in that it has the Submission ID, the Customer Document ID, the Payment Method, the totals for this report, the Credit 1 box, and the Grand Total. The only total for this report is the Volume/Value Adjustment Total amount. Do not change the Customer Document ID, and use the same number with your associated payment. Also, do not use the Credit 1 Amount box.

The buttons at the bottom are also the same as the P&R Original Report:

- The **Calculate Royalty Due** button is not needed.
- Clicking on the **Submit P&R to ONRR** will submit this report to ONRR and provide you with a confirmation page.

- Clicking on the **Cancel Submission** button will cancel the report and delete all data you may have submitted.



For Indian lessees, the only payment method options that should be available are Indian Direct Pay and Lockbox Payment. Be sure to select the correct payment method, or you will have to reverse out this P&R and resubmit it using the correct payment method.

Chapter 9 Volume/Value Allocation Tools

The P&R has an automated volume and value allocation tool. It uses the rolling weighted average method where the *Production Available for Sale* equals the *Beginning Inventory* plus the *Inventory Adjustment* plus the *Units Produced*.

The *Allocation Ratio* equals the *Lease-level Production Available for Sale* divided by the total *Production Available for Sale* from all leases.

You may use another allocation method such as First In First Out (FIFO), as long as you use it consistently; however, you **cannot** then use the automated P&R allocation tool.

Before using the Allocation Tools, please contact your Solid Minerals Representative for more information.

9.1 Original P&R Allocation Option Information

The advantages of using the built-in allocation tool are that you enter less data. Also, when we conduct a compliance analysis on your property and see that you have used the tool, we won't have to scrutinize your allocation methodology to determine whether you did the allocation correctly.

You can't use the allocation tool if you have more than one product such as light and dense soda ash, multiple remotes rolled up into one, or more than one royalty rate for any lease during a single sales month.

NOTE

If you have five or fewer remotes, you cannot roll them up because each of the five or fewer remote sites is required to be established as a separate remote sales point.

9.1.1 Lease Level Data Input If Using the Allocation Tools

The only lease-level data needed for input when using the allocation tools are the *Inventory/Volume Adjustment* and *Units Produced*. This will allow the *Production Available for Sale* to be calculated for each lease.

9.1.2 Mine Level Data Input If Using the Allocation Tools

The following mine-level data listed is required to use the Volume and Value Allocation tools:

Total Unit Sold

Total Units Transferred (to a remote)

Total Gross Proceeds

Total Allowed Transportation Cost

Total Allowed Processing Cost

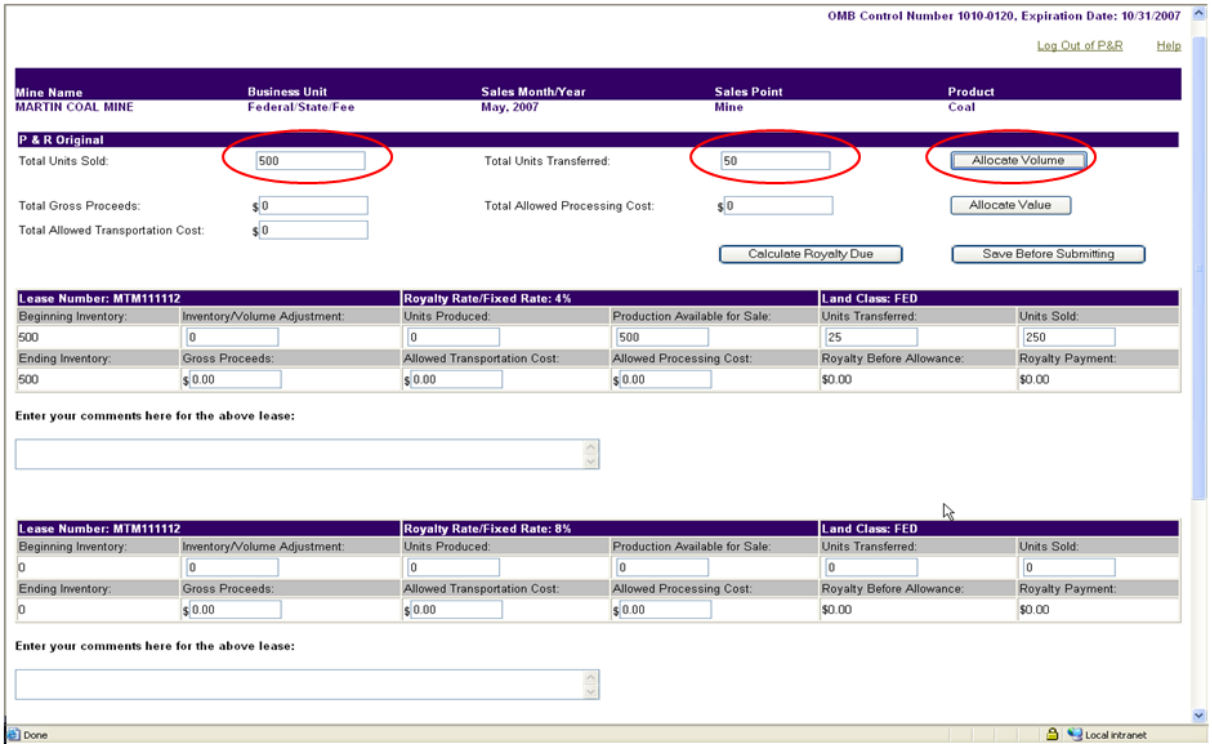
EXAMPLE

- Total Units Sold = 500 tons.
- Total Units Transferred = 50 tons.

Once you have entered the Total Units Sold and the Total Units Transferred, click on the **Allocate Volume** button. The tool will calculate the *Units Transferred* = 25 tons, the *Units Sold* = 250 tons, and the *Ending Inventory* = 500 tons.

NOTE

You must use the Volume Allocation tool prior to using the Value Allocation tool.



EXAMPLE

- The allocation ratio for Lease 1 = Production Available for Sale for Lease 1 ÷ the Mine total Production Available for Sale = 50%
- Lease 1 Units Sold = Ratio 1 × Total Units Sold (50% × 500) = 250.
- Lease 1 Units Transferred = Ratio 1 × Total Units Transferred (50% × 50) = 25

For Value Allocation:

- Enter the Total Gross Proceeds = $50,000.
- Enter the Total Allowed Processing Cost = $10,000.
- Enter the Total Allowed Transportation Cost = $5,000.

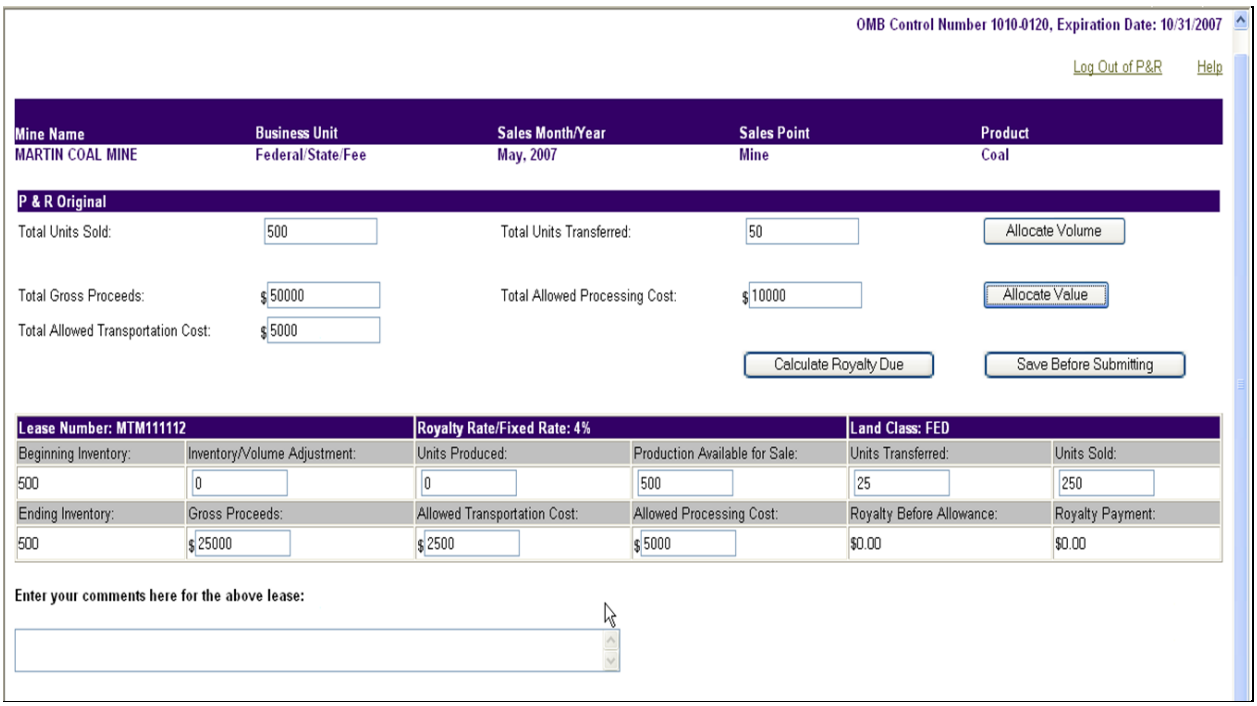
Once you have entered the Total Gross Proceeds, the Total Allowed Processing Cost, and the Total Allowed Transportation Cost, click on the **Allocate Value** button. The P&R will calculate the *Gross Proceeds*, *Allowed Processing Cost*, and *Allowed Transportation Cost* for each lease.

These results are based on the same ratios that were used in the Volume Allocation:

- Lease 1 Gross Proceeds = Ratio 1 × Total Gross Proceeds = 50% × $50,000 = $25,000.
- Lease 1 Allowed Processing Cost = 50% × $10,000 = $5,000.
- Lease 1 Allowed Transportation Cost = 50% × $5,000 = $2,500.

Click on the **Calculate Royalty Due** button to calculate *Royalty Before Allowance* and *Royalty Payment* for each lease. In this case, the lease 1 *Royalty Before Allowance* is $1,000 ($25,000 × 4% royalty rate) and the *Royalty Payment* is $700 ($30,000 – $2,500, and – $5,000 × 4% royalty rate).

After you have completed loading the lease-level data using the Allocation Tool, click on the **Save Before Submitting** button at the top or bottom of the page to navigate back to the Mine-Level Summary page.



9.2 Volume/Value P&R Allocation Option Information

The advantage of using the built-in Allocation Tool is that you enter less data. Also, when we conduct a compliance analysis on your property and see that you have used the tool, we won't have to scrutinize your allocation methodology to determine whether you did the allocation correctly.

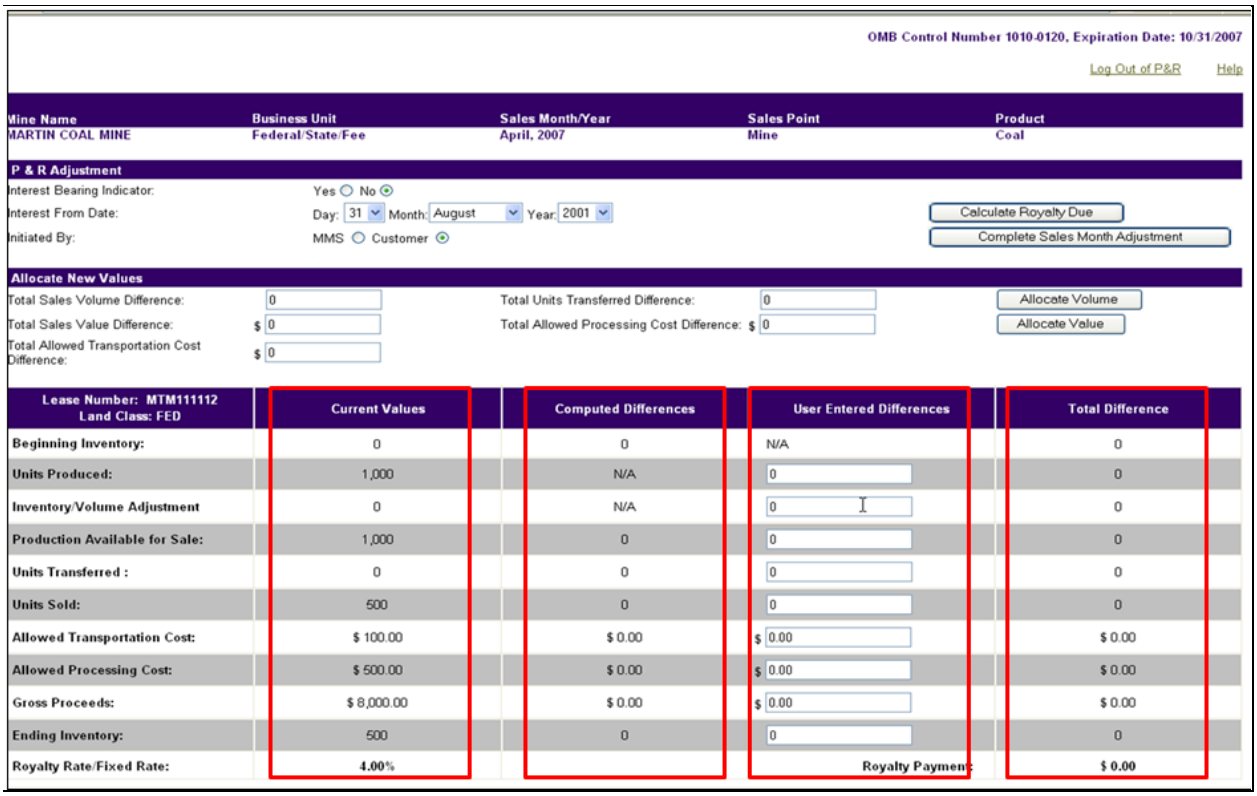
You cannot use the Allocation Tool if you have more than one product, such as light and dense soda ash, multiple remotes rolled up into one, or more than one royalty rate for any lease during a single sales month.

NOTE

If you have five or fewer remotes, you cannot roll them up because each of the five of fewer remote sites is required to be established as a separate remote sales point.

Upon opening the first sales month that a Volume/Value Adjustment will be completed for, you will see the columns shown below.

Field	Description
Current Values	This shows the current values that the P&R has in the system including any adjustments made on prior reports.
Computed Differences	This shows the net adjustments for any changes that are made during the current session.
User Entered Differences	If not using the Allocation Tools, you can enter all adjustments by lease in this field.
Total Differences	This will show the total difference for each category which is the sum of the Computed Differences Column and the User Entered Differences.



OMB Control Number 1010-0120, Expiration Date: 10/31/2007

Log Out of P&R Help

Mine Name	Business Unit	Sales Month/Year	Sales Point	Product
MARTIN COAL MINE	Federal/State/Fee	April, 2007	Mine	Coal

P & R Adjustment

Interest Bearing Indicator: Yes ○ No ◉

Interest From Date: Day: 31 Month: August Year: 2001

Initiated By: MMS ○ Customer ◉

Calculate Royalty Due

Complete Sales Month Adjustment

Allocate New Values

Total Sales Volume Difference: 0

Total Sales Value Difference: $ 0

Total Allowed Transportation Cost Difference: $ 0

Total Units Transferred Difference: 0

Total Allowed Processing Cost Difference: $ 0

Allocate Volume

Allocate Value

Lease Number: MTM111112 Land Class: FED	Current Values	Computed Differences	User Entered Differences	Total Difference
Beginning Inventory:	0	0	N/A	0
Units Produced:	1,000	N/A	0	0
Inventory/Volume Adjustment	0	N/A	0	0
Production Available for Sale:	1,000	0	0	0
Units Transferred :	0	0	0	0
Units Sold:	500	0	0	0
Allowed Transportation Cost:	$ 100.00	$ 0.00	$ 0.00	$ 0.00
Allowed Processing Cost:	$ 500.00	$ 0.00	$ 0.00	$ 0.00
Gross Proceeds:	$ 8,000.00	$ 0.00	$ 0.00	$ 0.00
Ending Inventory:	500	0	0	0
Royalty Rate/Fixed Rate:	4.00%		Royalty Payment:	$ 0.00

EXAMPLE

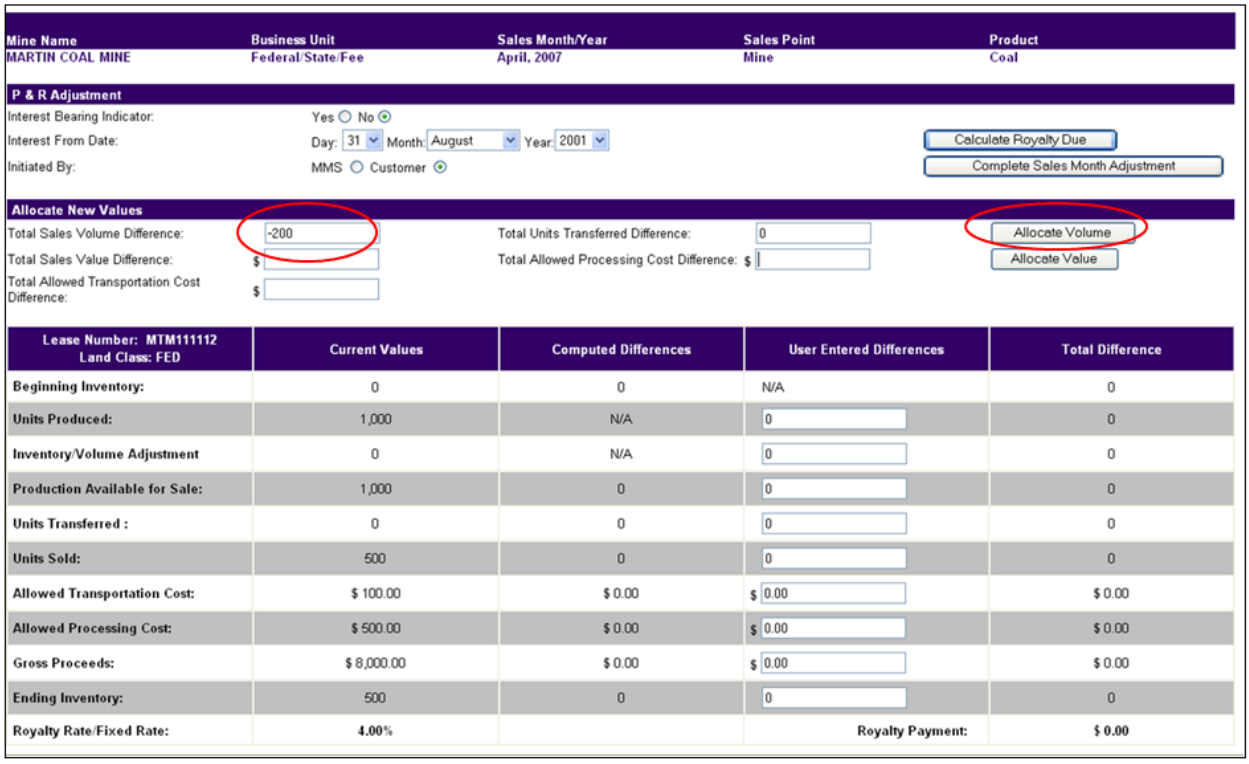
The last Original P&R submitted for this company was April 2007.

NOTE

In the first column is a list of the three months that need to be adjusted. You must open each adjustment month in order, from the earliest adjustment to the most recent. The P&R will automatically choose the month you need to adjust next.

You have a decrease in the Sales Volume of negative 200 tons. *This means that 200 fewer tons were produced than were previously reported.*

Enter the negative tons into the Total Sales Volume Difference field and click on the **Allocate Volume** button.



Mine Name	Business Unit	Sales Month/Year	Sales Point	Product
MARTIN COAL MINE	Federal/State/Fee	April, 2007	Mine	Coal

P & R Adjustment

Interest Bearing Indicator: Yes ○ No ◉

Interest From Date: Day: 31 Month: August Year: 2001

Initiated By: MMS ○ Customer ◉

Calculate Royalty Due

Complete Sales Month Adjustment

Allocate New Values

Total Sales Volume Difference: -200

Total Sales Value Difference: $

Total Allowed Transportation Cost Difference: $

Total Units Transferred Difference: 0

Total Allowed Processing Cost Difference: $

Allocate Volume

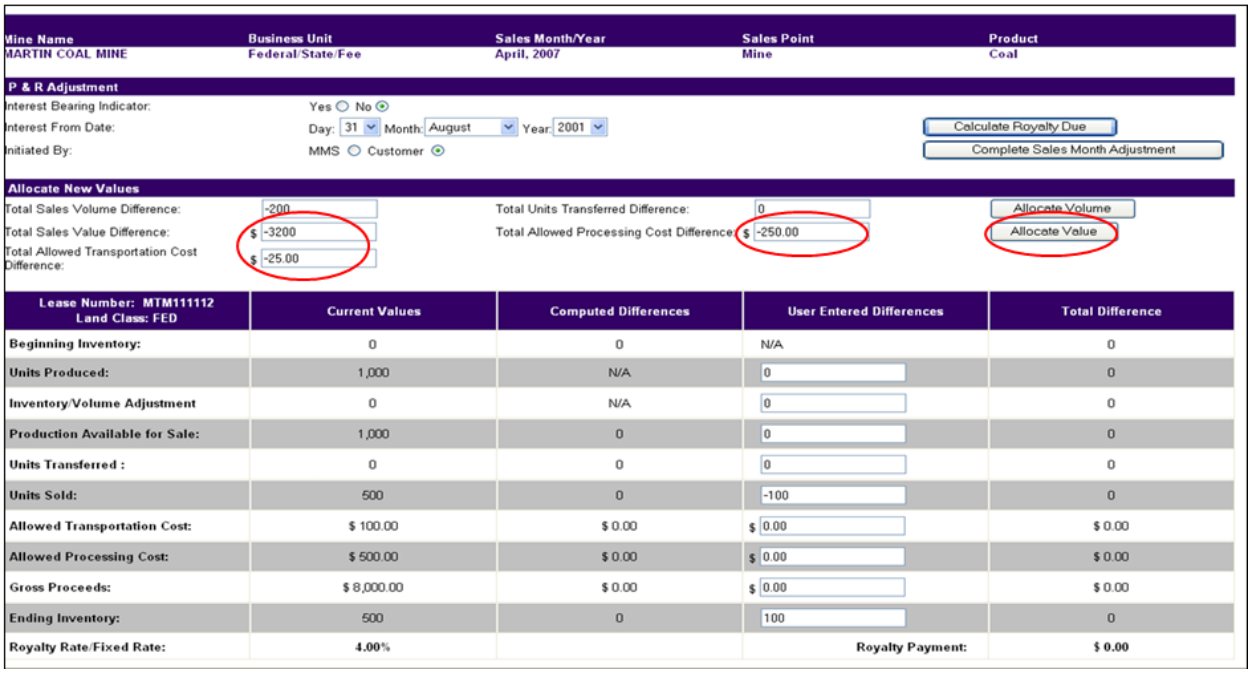
Allocate Value

Lease Number: MTM111112 Land Class: FED	Current Values	Computed Differences	User Entered Differences	Total Difference
Beginning Inventory:	0	0	N/A	0
Units Produced:	1,000	N/A	0	0
Inventory/Volume Adjustment	0	N/A	0	0
Production Available for Sale:	1,000	0	0	0
Units Transferred :	0	0	0	0
Units Sold:	500	0	0	0
Allowed Transportation Cost:	$ 100.00	$ 0.00	$ 0.00	$ 0.00
Allowed Processing Cost:	$ 500.00	$ 0.00	$ 0.00	$ 0.00
Gross Proceeds:	$ 8,000.00	$ 0.00	$ 0.00	$ 0.00
Ending Inventory:	500	0	0	0
Royalty Rate/Fixed Rate:	4.00%		Royalty Payment:	$ 0.00

The next step is to enter the value adjustments. For example:

- The Total Sales Value Difference is a negative $3200.00.
- The Total Allowed Processing Cost Difference is a negative $250.00.
- The Total Allowed Transportation Cost Difference is a negative $25.00.

Once you have entered the values as noted above, click on the **Allocate Value** button.



Mine Name	Business Unit	Sales Month/Year	Sales Point	Product
MARTIN COAL MINE	Federal/State/Fee	April, 2007	Mine	Coal

P & R Adjustment

Interest Bearing Indicator: Yes ○ No ◉

Interest From Date: Day: 31 Month: August Year: 2001

Initiated By: MMS ○ Customer ◉

Calculate Royalty Due

Complete Sales Month Adjustment

Allocate New Values

Total Sales Volume Difference: -200

Total Sales Value Difference: $ -3200

Total Allowed Transportation Cost Difference: $ -25.00

Total Units Transferred Difference: 0

Total Allowed Processing Cost Difference: $ -250.00

Allocate Volume

Allocate Value

Lease Number: MTM111112 Land Class: FED	Current Values	Computed Differences	User Entered Differences	Total Difference
Beginning Inventory:	0	0	N/A	0
Units Produced:	1,000	N/A	0	0
Inventory/Volume Adjustment	0	N/A	0	0
Production Available for Sale:	1,000	0	0	0
Units Transferred :	0	0	0	0
Units Sold:	500	0	-100	0
Allowed Transportation Cost:	$ 100.00	$ 0.00	$ 0.00	$ 0.00
Allowed Processing Cost:	$ 500.00	$ 0.00	$ 0.00	$ 0.00
Gross Proceeds:	$ 8,000.00	$ 0.00	$ 0.00	$ 0.00
Ending Inventory:	500	0	100	0
Royalty Rate/Fixed Rate:	4.00%		Royalty Payment:	$ 0.00

NOTE

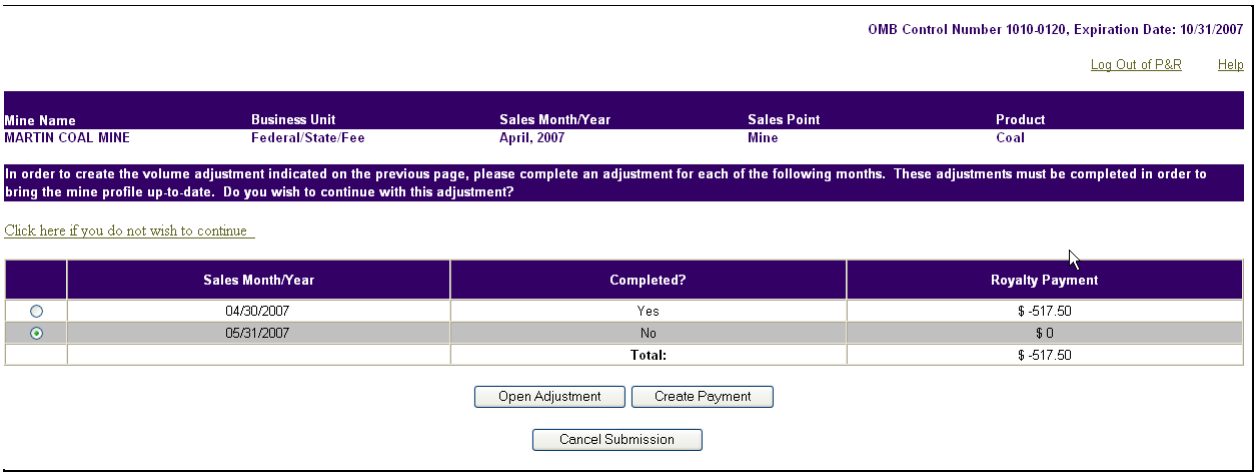
The User Entered Differences Field will populate.

Click on the **Calculate Royalty Due** button, then click on **Complete Sales Month Adjustment**.

You will be returned to the Summary Volume/Value Adjustment page, where you can see whether the month in question has been completed or not.

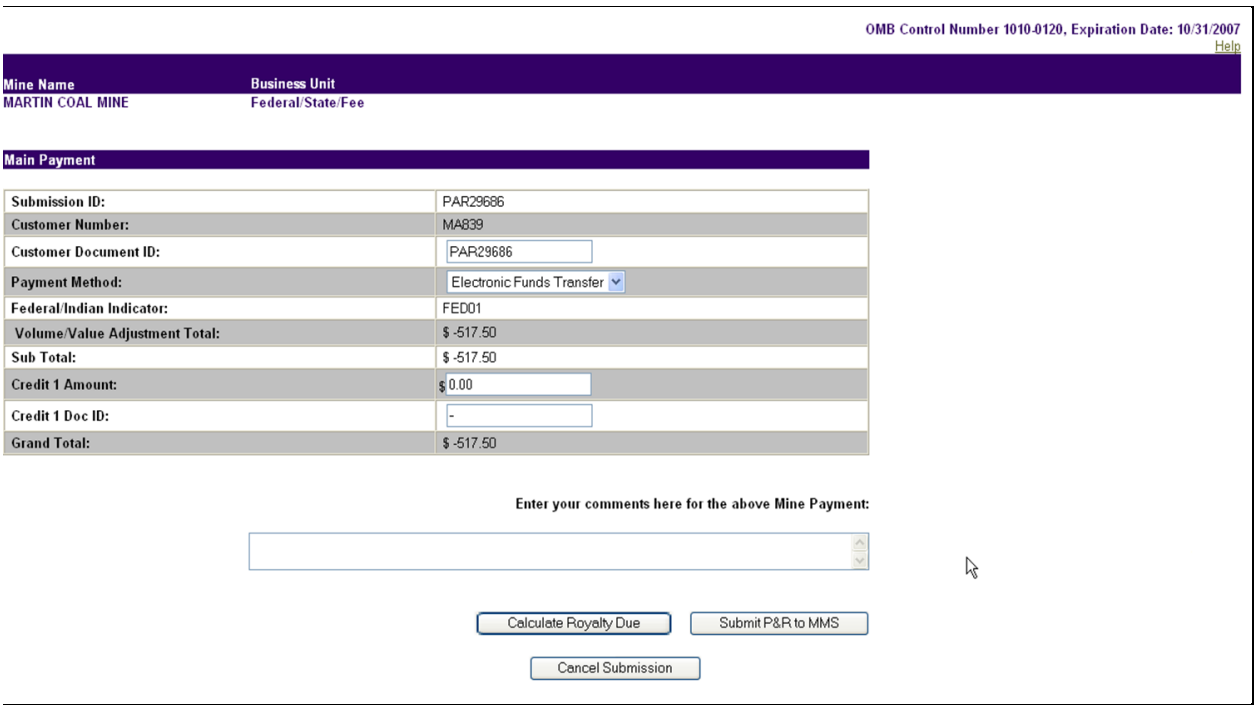
The Royalty Payment column will populate after you enter adjustment data on the next page.

If you have a subsequent month, you must click on the **Open Adjustment** button to open the Adjustment Detail page for the indicated month.



Once you have completed all months in the Volume/Value Adjustment Report:

- Click on the **Create Payment** button when all months have been adjusted and you are ready to submit the report.
- Click on the **Submit P&R to ONRR** button.



If you made a mistake or need to cancel your report, click the **Cancel Submission** button. Please note that this action will cancel the entire report and no data will be saved.

Remember the advantages of the allocation tools:

- Less data input,
- Less change of error, and
- Less compliance scrutiny.

You cannot use the volume allocation tool if you have more than one product, multiple remotes rolled up into one, or more than one royalty rate for any lease during a singles sales month.

Appendix A
Contact Information

The best source of contact information is the ONRR web site at www.ONRR.gov. The **Contact Us** link in the upper right corner of every major page contains contact lists, arranged by subject, that provide current assignments and phone numbers.

The entries below include directions to specific information on ONRR.gov.

Code of Federal Regulations (CFR)

Electronic Code of Federal Regulations, (e-CFR) web site:
http://www.ecfr.gov/cgi-bin/ECFR?page=browse

Electronic Payments

- Open www.ONRR.gov.
- Click the REPORTING/PAYING tab.
- Click *Payments*.
- Instructions for all methods of electronic payment to ONRR are available on this page.

The *Payments* page lists phone numbers for individuals and groups who support particular electronic payment methods.

Electronic Reporting

- Open www.ONRR.gov.
- Click the REPORTING/PAYING tab.
- Click *Solid Minerals Reporting*.
- In the **Reporting Forms** section, under Production & Royalty, open Form ONRR-4430 Production & Royalty (P&R) Report (electronic portal).

Call 303-231-3336 with questions

Final Rule containing exceptions to electronic reporting (64 FR Part 38116—July 15, 1999).

- Open www.ONRR.gov.
- Click the About tab.
- Click Rules & Regulations.
- On the ***Rules and Regulations*** page, under **Rules**, click MMS Revenue Rulemakings.
- In the MMS Revenue Rulemakings drop-down list, scroll down and click AC40—Electronic Reporting.
- On the ***Regulation Identifier Number 1010-AC40*** page, under **Proposed and Final Rules**, click the first link for 64 FR Part 38116 – July 15, 1999.

Form ONRR-4430 reporting instructions for Solid Minerals

- Open www.ONRR.gov.
- Click the REPORTING/PAYING tab.
- Click **Solid Minerals Reporting.**
- In the **Reporting Forms** section, under Production & Royalty, open Form ONRR-4430 Instructions (Paper).

Mail completed forms to (only for those without internet connectivity):

Office of Natural Resources Revenue
PO Box 25165
Denver CO 80225-0165

Handbooks

- Open www.ONRR.gov.
- Click the REPORTING/PAYING tab.
- Scroll down to *Handbooks*.
- All current handbooks are available electronically on this page.

Interest Statements, Current Interest Rates, Current Late Payment

- Open www.ONRR.gov.
- Click the REPORTING/PAYING tab.
- Click *Late Payment Interest*.
- All current information is available on this page.

IRS Reporting/Payment Responsibilities

- Contact the IRS directly.
- Tax ID Number for 1099's: 84-0848646

Payor Codes (New) or name changes—required to make payments to ONRR

- Open www.ONRR.gov.
- Click the REPORTING/PAYING tab.
- Click *New Solids Reporter Checklist* from the drop-down list.
- All current information is available on this page.

Reports/payments/other items—delivered by courier

Note: This address is for **courier and personal deliveries ONLY**. The U.S. Post Office does not deliver to this address; overnight or certified mail is delivered to our PO Box.

Office of Natural Resources Revenue
Building 85, Room 322

Denver Federal Center
Sixth Ave and Kipling St
Denver CO 80225

Delivery hours are 7:00am-4:00 pm weekdays (except Federal holidays)

Reports/payments/other items—delivered by US Post Office

Note: All mail—including overnight express deliveries and certified mail—is delivered to this PO Box:

Office of Natural Resources Revenue
PO Box 25165
Denver CO 80225-0165

Reports/payments/other items—delivered in person

Delivery hours are 7:00am-4:00 pm weekdays (except Federal holidays).

Office of Natural Resources Revenue
Building 85, Room 322

Denver Federal Center
Sixth Ave and Kipling St
Denver CO 80225

Use the main Federal Center entrance, Gate 1, on Kipling Avenue north of Alameda Parkway in Lakewood. You must show a valid Driver's License to enter the Federal Center. Proceed west to the second stop sign. Turn right and proceed north to another stop sign. Cross 1st Avenue and proceed past the building on the left to the north parking lot. There are two delivery parking spaces. Ring the bell beside the outer doors for service at the window.

Questions regarding reporting

1-303-231-3336

Appendix B
Payment Method Codes

Use these codes to report your payment method on Form ONRR-2014.

Code	Description
01	Checks to ONRR (PM1)
02	Indian direct pay (PM2)
03	EFT payment (PM3)
04	Royalty in kind (PM4)
05	Checks to ONRR for BIA (PM5)
06	Other (reserved for future use) (PM6)
07	Indian lockbox (PM7)

Appendix C
Lease Prefix Conversion Tables

Use tables C-1 and C-2, respectively, to convert prefixes assigned by the Bureau of Land Management (BLM) or Bureau of Indian Affairs (BIA) on a Federal or Indian mining lease to the prefix used by ONRR. When corresponding with or reporting to ONRR, always use the ONRR-assigned lease number.

Table C-1 Federal Lease Prefix Conversions

States	BLM-assigned Prefixes	ONRR Prefix
Alaska	ANCHORAGE	M01
Alaska	FAIRBANKS	M02
Arizona	AR, A,A...(ARIZONA)[a]	M11
Arkansas	BLM-A	M62
Arkansas	ES or EASTERN STATES	M63
Arkansas	BLM	M64
California	S	M03
California	R	M04
California	LA	M06
California	CA	M16
Colorado	D or DENVER	M49
Colorado	C or COLORADO	M50
Colorado	P or PU or PUEBLO	M51
Colorado	BLM-A	M54
Eastern States[b]	BLM-A	M88
Eastern States[b]	ES or EASTERN STATES	M89
Idaho	I or IDAHO	M12
Idaho	BLACKFOOT	M13
Minnesota	M or MINNESOTA	M86
Minnesota	BLM-A	M88
Minnesota	ES or EASTERN STATES	M89
Missouri	BLM-A	M62
Missouri	ES or EASTERN STATES	M63
Missouri	BLM	M64
Montana	M or MONTANA	M18
Montana	MONTANA...(GF)[a]	M20
Montana	BILLINGS or MONTANA...(BIL)[a]	M21

States	BLM-assigned Prefixes	ONRR Prefix
Montana	CASPER	M22
Montana	GREAT FALLS or GF	M25
Montana	BLM-A	M31
Montana	BLM	M32
Nevada	N	M07
Nevada	CC	M08
Nevada	BLACKFOOT[c]	M13
New Mexico	LC or LAS CRUCES	M39
New Mexico	NM or NEW MEXICO	M40
New Mexico	SF or SANTA FE	M41
New Mexico	BLM-A	M43
North Dakota	M...(ND) OR MONTANA (ND)[a]	M19
North Dakota	BISMARCK or B	M23
North Dakota	NORTH DAKOTA or ND	M24
North Dakota	BLM-A	M31
North Dakota	BLM	M32
North Dakota	BLM... (ND)[a]	M33
Oklahoma	BLM-C	M60
Oklahoma	BLM-I	M61
Oklahoma	BLM	M64
Oklahoma	NM...(OK)[a]	M65
Oklahoma	TRANS NM...(OK)[a]	M66
Oregon	O or OREGON	M05
Oregon	BLACKFOOT[c]	M13
South Dakota	M.(SD) or SOUTH DAKOTA or SD[a]	M36
Texas	T or TEXAS	M42
Texas	BLM-A	M43
Utah	SL or SALT LAKE	M72
Utah	U or UTAH	M73
Utah	BLM-A	M77
Washington	WASH	M10
Washington	OR...(WASH) [a]	M10
Wyoming	CASPER	M22
Wyoming	B or BUFALO or WYOMING...(BUFF) [a]	M29
Wyoming	BLM-A	M31
Wyoming	BLM	M32
Wyoming	C or CH or CHEYENNE or WYOMING.(CHEY) [a]	M52
Wyoming	E or EVANSTON	M74
Wyoming	W or WYOMING	M75
Offshore (Gulf of Mexico)	(Varies)	M92

[a] Three dots (an ellipsis) indicate the lease number is between the letters shown.
[b] Includes all states east of the Mississippi River.
[c] Name of the issuing office, not the tribe.

Table C-2 Indian Lease Prefix Conversions

States	BIA-assigned Prefixes	ONRR Prefixes
Alaska	All Indian prefixes	M82
Arizona, California, Idaho, Nevada, Oregon and Washington	14-20-0603 14-20-0450 All other Indian prefixes in these states	M14 M15 M09
Colorado	All Indian prefixes	M55
Montana, North Dakota, South Dakota and Wyoming	14-20-0252 All other Indian prefixes in these states	M34 M35
Minnesota	All Indian prefixes	M90
New Mexico and Texas	14-20-603 NOO-C-1420 All other Indian prefixes in these states	M45 M46 M44
Oklahoma, Arkansas and Missouri	All Indian prefixes	M67
Utah	All Indian prefixes	M78
Other states, including all states east of the Mississippi River	All Indian prefixes	M90

Appendix D
Product Codes

Use this appendix to convert the product name to the product code. "Tons" are in short tons (2,000 pounds) unless specified as long tons (2,200 pounds). Tickets are sales receipts or sales tickets. Specimens are samples of a substance.

Product Name	Product Code	Unit of Measure
Amethyst	AA	grams
Anhydrous sodium sulfate	SN	tons
Asbestos	AB	pounds
Asphalt	AD	tons
Barite	BB	tons
Basalt	BC	tons
Bentonite	BD	tons
Bitumen – processed	BF	tons
Bitumen – raw	BA	tons
Borate/potash brine	NP	tons
Borate/sulfate brine	NQ	tons
Borax – anhydrous	BH	tons
Borax – coarse	BG	tons
Borax – decahydrate	BJ	tons
Borax – pentahydrate	BL	tons
Borax ore	BW	tons
Boric acid	BM	tons
Boric oxide	BO	tons
Boric slag	BN	tons
Borrow sand and gravel	BS	tons
Brine	ND	barrels
Burkeite brine	BR	tons
Burkeite cake	BP	tons
Cadmium	CD	pounds
Calcium chloride	CA	pounds
Calcium silicate slag	CS	tons
Carbon dioxide	CO	tons
Carbonated liquor	MD	tons
Chat	CB	tons
Cinders	CC	tons

Product Name	Product Code	Unit of Measure
Clay	CG	tons
Coal	EE	tons
Coal – anthracite – processed	EA	tons
Coal – anthracite – raw	EB	tons
Coal – bituminous – processed	EC	tons
Coal – bituminous – raw	ED	tons
Coal – fines circuit	ES	tons
Coal – lignite – processed	EF	tons
Coal – lignite – raw	EG	tons
Coal – subbituminous – processed	EH	tons
Coal – subbituminous – raw	EI	tons
Coal resin	ER	tons
Coal waste (sub-economic)	EW	tons
Compactor Feed	MF	tons
Copper	CU	pounds
Copper concentrate	CH	tons
Copper concentrate (mill-equivalent)	CI	tons
Copper ore	CJ	tons
Dawsonite	DA	tons
Feldspar concentrate	FA	tons
Ferro phosphorous slag	FB	tons
Fluorspar – raw ore	FR	tons
Fluorspar concentrate – chemical	FD	tons
Fluorspar concentrate – industrial	FC	tons
Garnet – gem	GA	kilos
Garnet concession sale	GC	tickets
Garnet sands	GB	tons
Gilsonite	GF	tons
Glaserite	GL	tons
Gold	B0	ounces
Gold metal	AU	ounces
Gold ore	AV	tons
Gold placer	AP	ounces
Granite	GG	tons
Granulated langbeinite	LE	tons
Gypsum	GH	tons
Hi-carbonate brine	NS	tons
High purity dense soda ash	SV	tons
Humate	HU	tons
Ilmenite raw ore	IA	tons
Intermediate brine	IB	tons
Iron concentrate	FF	long tons
Iron ore	FE	tons
Kyanite	KA	tons

Product Name	Product Code	Unit of Measure
Langbeinite – coarse	LB	tons
Langbeinite – granular	LC	tons
Langbeinite – raw ore	LA	tons
Langbeinite – special standard	LS	tons
Langbeinite – standard	LD	tons
Lead	PB	tons
Lead concentrate	PC	tons
Lead concentrate (mill equivalent)	PE	tons
Lead ore	PF	tons
Leonardite	LT	tons
Limestone	PG	tons
LLX/BAX brine	NL	tons
Magnesium chloride brine	MG	tons
Manganese	MN	tons
Manure salts	MS	tons
Mercury	HG	pounds
Mica	MA	tons
Mine water	TW	tons
Mixed potash – raw ore	JE	tons
Mixed sulfate cake	MC	tons
Molybdenum	MO	pounds
Molybdenum concentrate	MB	tons
Muriate of potash – chemical	JC	tons
Muriate of potash – coarse	JA	tons
Muriate of potash – fine	JB	tons
Muriate of potash – granular	JL	tons
Muriate of potash – industrial	JI	tons
Muriate of potash – soluble	JS	tons
Muriate of potash – standard	JD	tons
Nahcolite	NC	tons
Nickel	NI	pounds
Olivine concentrate	OB	tons
Peat	PI	tons
Phosphate concentrate	PJ	tons
Phosphate pebble	PH	tons
Phosphate raw ore	PK	tons
Phosphate rock	PL	tons
Phosphatic clay	PM	tons
Potassium sulfate – granular	PT	tons
Potassium sulfate – special standard	PS	tons
Potassium sulfate – standard	PN	tons
Precipitation dust	PQ	tons
Purge liquor	PP	tons (equivalent)
Quartz	QA	pounds

Product Name	Product Code	Unit of Measure
Quartz crystal	QB	tickets/pounds
Rip rap	RP	tons
Salt	SA	tons
Salt – waste	SW	tons
Salt cake	SD	tons
Sand/gravel	SF	tons
Sand/gravel	SG	cubic yards
Scoria	SC	cubic yards
Silica sand	SE	tons
Silver	AG	ounces
Slag (metal)	SH	tons
Soda ash	SJ	tons
Soda ash – coarse	SK	tons
Soda ash – granular (light)	SL	tons
Soda ash – standard	SO	tons
Sodium (metal)	NA	tons
Sodium bicarbonate	SB	tons
Sodium bicarbonate – animal feed	SM	tons
Sodium bicarbonate – industrial	SI	tons
Sodium brine (NaCl)	NB	tons
Sodium decahydrate	TD	tons
Sodium sesquicarbonate	SP	tons
Sodium tripolyphosphate	SQ	tons
Spent brine	RA	tons
Sulfide	SU	tons
Sulfur	SS	long tons
Sulfuric acid	SZ	tons
Supo end liquor	ME	tons
Sylvite – raw ore	SY	tons
Tar sands	TS	tons
Tetrasodium pyrophosphate	ST	tons
Titanium oxide	TF	tons
Tripoli	TG	tons
Trona – ore (Wyoming)	TJ	tons
Trona – raw (California)	TR	tons
Tungsten	WW	tons
Uranium – raw ore	UA	pounds
Uranium concentrate (yellow cake)	UU	pounds
Vanadium	VV	tons
Wavelite	WA	specimen
Yitrium	YY	tons
Yitrium ore	YO	tons
Zinc	ZN	tons
Zinc concentrate	ZA	tons

Product Name	Product Code	Unit of Measure
Zinc concentrate (mill equivalent)	ZB	tons

Appendix E
Transaction Codes

Use this appendix to determine the proper transaction codes to use on your Forms ONRR-2014.

Description	Use	Code
Royalty Due	To report the sales quantity and sales value for a reporting period and the resulting royalty value.	01
Minimum Royalty Payment or Minimum Royalty Payable in Advance	To report the minimum royalty payment for a lease.	02
Rental Payment	To report the rental payment for a lease if you cannot use it as a credit toward future royalties.	04
Recoupable Rent	To report the rental payment for a lease if it is creditable toward future royalties.	05
Transportation Allowance claimed	To report a transportation allowance against royalty due.	11
Processing allowance claimed	To report a processing or coal washing allowance against the royalty due	15
No sales	To report no sales.	20
Recouping advance rental credit	To credit up to the amount of the rental against royalties due, if you reported rental using transaction code 05.	25
Advance royalty payment	To report advance royalties due.	32

Description	Use	Code
Recoup Advance Royalty	To credit up to the amount of the advance royalty against royalties due, if you reported advance royalty using transaction code 32.	33
Establishing recoupable balances	To set up a recoupable balance against a specific Indian lease.	50
Recouping credit balances	To recoup established recoupable credit balances on Indian leases.	51
Recoup Minimum Royalty Paid in Advance	To credit up to the amount of the minimum royalty payable in advance against royalties due.	52

Appendix F
Adjustment Reason Codes

Use this appendix to determine the proper adjustment reason codes to use on your Forms ONRR-2014.

Description	Use	Code
Other adjustments	To adjust line entries previously reported with coding or typographical errors when the adjustment results in additional royalty due.	10
Retroactive mandatory price adjustments	To adjust the price of a previously reported product for which a law, regulation, or lease term requires a pricing change.	31
Audit Adjustment	To report adjustments based upon an audit.	17