

Chapter 8

Volume/Value Adjustment Report

The P&R Volume/Value Adjustment Detail Page loads according to reporter selected information from the P&R Volume/Value Adjustment Summary Page. You must specify late interest information for the entire adjustment. A separate data entry table is displayed for each lease number/ (royalty rate/fixed rate) combination for the selected sales month, sales point, and product. 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 adjustments are reflected in this value. The Computed Differences column calculates and displays values based on re-allocations of volume across lease number/ (royalty rate/fixed rate) combinations. These re-allocations only trigger if the beginning inventories of the lease number/ (royalty rate/fixed rate) combinations are changed because of something entered on the previous month.

8.1 Volume/Value Adjustment

This report is completely independent from the Original P&R Report (although you access it through the same Mine Name and Report Type Page). Click on the 'P & R Volume/Value Adjustment' button.

You use this report to make volume and any corresponding value adjustments for any previously submitted P&R. 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.

Again, all adjustments are net adjustments.

8.1.1 **How to Complete a Volume/Value Adjustment Report**

- Enter the Month and Year of the earliest adjustment.
- Enter the Product name (if more than one).
- Enter the Sales Point (if more than one). (April 2007 is used in the example shown below.)
- Click the **Open Adjustment** button.

8 Volume/Value Adjustment Report

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

In order to create the volume adjustment indicated on the previous page, please complete an adjustment for each of the following months. These adjustments must be completed in order to bring the mine profile up-to-date. Do you wish to continue with this adjustment?

[Click here if you do not wish to continue](#)

	Sales Month/Year	Completed?	Royalty Payment
<input checked="" type="radio"/>	04/30/2007	No	\$ 0
<input type="radio"/>	05/31/2007	No	\$ 0
	Total:		\$ 0.00

8.1.2

Volume/Value Adjustment Detail Page

The Current Values column shows the current values that the P&R has in the system, including any adjustments made on previous reports.

The Computed Differences column shows the net adjustments for any changes made during this session, from previous months.

Enter all adjustments by lease in the User Entered Differences column.

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.

- 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 300.
- 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.

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 <input type="radio"/> No <input checked="" type="radio"/>		
Interest From Date:		Day: 31 Month: August Year: 2007		
Initiated By:		MMS <input type="radio"/> Customer <input checked="" type="radio"/>		
<input type="button" value="Calculate Royalty Due"/>				
<input type="button" value="Complete Sales Month Adjustment"/>				
Allocate New Values				
Total Sales Volume Difference:	<input type="text" value="0"/>	Total Units Transferred Difference:	<input type="text" value="0"/>	<input type="button" value="Allocate Volume"/>
Total Sales Value Difference:	\$ <input type="text" value="0"/>	Total Allowed Processing Cost Difference:	\$ <input type="text" value="0"/>	<input type="button" value="Allocate Value"/>
Total Allowed Transportation Cost Difference:	\$ <input type="text" value="0"/>			
Lease Number: MTM11112 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	<input type="text" value="-200"/>	0
Inventory/Volume Adjustment	0	N/A	<input type="text" value="0"/>	0
Production Available for Sale:	1,000	0	<input type="text" value="-200"/>	0
Units Transferred :	0	0	<input type="text" value="0"/>	0
Units Sold:	500	0	<input type="text" value="300"/>	0
Allowed Transportation Cost:	\$ 100.00	\$ 0.00	\$ <input type="text" value="75.00"/>	\$ 0.00
Allowed Processing Cost:	\$ 500.00	\$ 0.00	\$ <input type="text" value="25.00"/>	\$ 0.00
Gross Proceeds:	\$ 8,000.00	\$ 0.00	\$ <input type="text" value="4200.00"/>	\$ 0.00
Ending Inventory:	500	0	<input type="text" value="-500"/>	0
Royalty Rate/Fixed Rate:	4.00%		Royalty Payment:	\$ 0.00
Enter your comments here for the above lease:				
<input type="text"/>				

There are three buttons at the bottom of this page.

- **Calculate Royalty Due** will calculate the royalty due. In this case, an additional \$164.00 is owed.
- **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 this you will not be able to clear any data from this month without canceling the entire month.

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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: 2007

Initiated By: MMS Customer

Allocate New Values

Total Sales Volume Difference: 0 Total Units Transferred Difference: 0

Total Sales Value Difference: \$ 0 Total Allowed Processing Cost Difference: \$ 0

Total Allowed Transportation Cost Difference: \$ 0

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	200	300
Inventory/Volume Adjustment	0	N/A	0	0
Production Available for Sale:	1,000	0	200	200
Units Transferred :	0	0	0	0
Units Sold:	500	0	200	300
Allowed Transportation Cost:	\$ 100.00	\$ 0.00	\$ 75.00	\$ 75.00
Allowed Processing Cost:	\$ 500.00	\$ 0.00	\$ 25.00	\$ 25.00
Gross Proceeds:	\$ 8,000.00	\$ 0.00	\$ 4,200.00	\$ 4,200.00
Ending Inventory:	500	0	0	0
Royalty Rate/Fixed Rate:	1.00%		Royalty Payment:	\$ 164.00

8.1.3

Volume/Value Adjustment Summary Page

In the example below, the adjustment for 04/30/2007 is completed with a net royalty payment of \$164.00, and the adjustment for 05/31/2007 is not completed, but ready to be opened. Click on the **Open Adjustment** button to open the next adjustment.

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

In order to create the volume adjustment indicated on the previous page, please complete an adjustment for each of the following months. These adjustments must be completed in order to bring the mine profile up-to-date. Do you wish to continue with this adjustment?

[Click here if you do not wish to continue](#)

	Sales Month/Year	Completed?	Royalty Payment
<input type="radio"/>	04/30/2007	Yes	\$ 164.00
<input checked="" type="radio"/>	05/31/2007	No	\$ 0
	Total:		\$ 164.00

As stated before, 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.

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. Again, 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.

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Mine Name	Business Unit
MARTIN COAL MINE	Federal/State/Fee
Main Payment	
Submission ID:	PAR29687
Customer Number:	MAB39
Customer Document ID:	PAR29687
Payment Method:	Electronic Funds Transfer ▾
Federal/Indian Indicator:	FED01
Volume/Value Adjustment Total:	\$ -28.00
Sub Total:	\$ -28.00
Credit 1 Amount:	\$ 0.00
Credit 1 Doc ID:	-
Grand Total:	\$ -28.00

Enter your comments here for the above Mine Payment:

8.2.1

Main Payment Page

Ensure that you select the correct payment method type. For Federal lessees the only payment method code you should select is for either Checks to ONRR or Electronic Funds Transfer.

For Indian lessees, the only payment method code you should select is for either Indian Direct Pay or Indian Lockbox.