



**INFORMATION THAT
COULD SAVE YOU MONEY**



Information That Could Save You Money

Accurate and timely royalty reporting and payment will keep your “Lease in Good Standing”

- Lease-level obligations
- Royalty payments
- Connecting the accounting dots will save you money!



Information That Could Save You Money

A lease in good standing will speed the BLM's review and issuances of these actions:

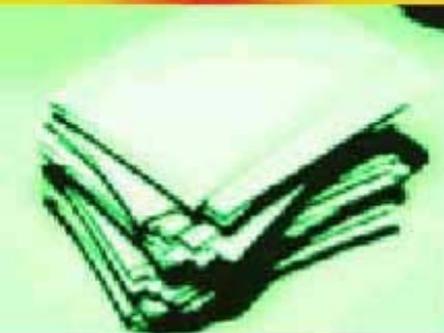
- Royalty Rate Reductions
- Lease Assignment
- Lease Relinquishment

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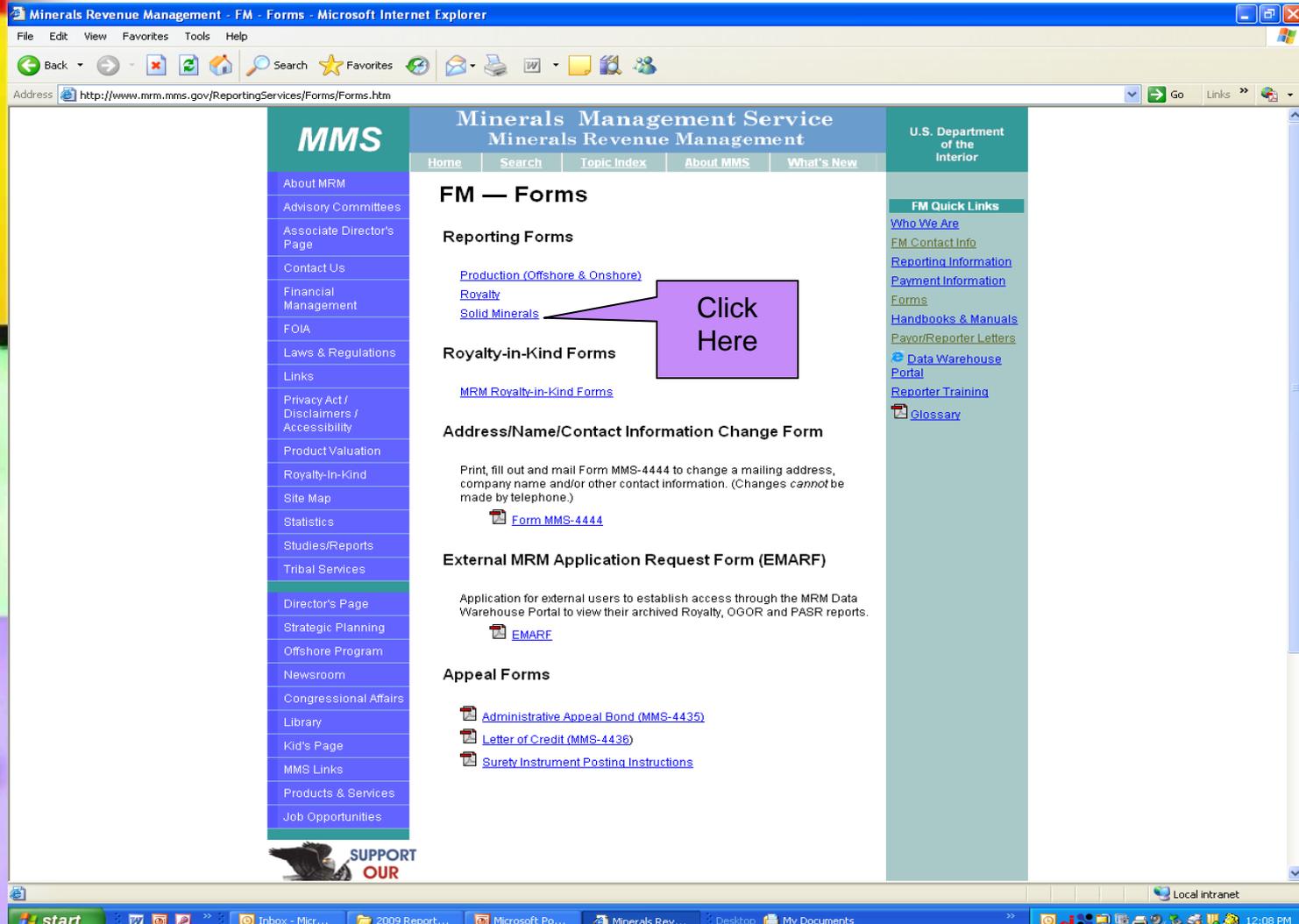
Information That Could Save You Money

- 
1. When to use the Report of Sales and Royalty Remittance Form MMS-2014 (2014) for:
 - Reporting lease-level obligations
 - Reporting adjustments
 2. P&R Reporting Tips
 3. Payment Tips (wires & checks)
 4. Interest Invoices
 5. Ready for Treasury
 6. Contact Information



1. Where is the 2014 located?

<http://www.mrm.mms.gov/ReportingServices/Forms/Forms.htm>



The screenshot shows a Microsoft Internet Explorer browser window displaying the Minerals Management Service (MMS) website. The page title is "Minerals Management Service Minerals Revenue Management". The main navigation menu includes "Home", "Search", "Topic Index", "About MMS", and "What's New". The "FM — Forms" section is highlighted, and the "Reporting Forms" subsection is expanded. A callout box with the text "Click Here" points to the "Solid Minerals" link. Other links in the "Reporting Forms" section include "Production (Offshore & Onshore)", "Royalty", and "MRM Royalty-in-Kind Forms". The "Royalty-in-Kind Forms" section is also expanded, showing "Address/Name/Contact Information Change Form" and "External MRM Application Request Form (EMARF)". The "Appeal Forms" section is also visible, with links for "Administrative Appeal Bond (MMS-4435)", "Letter of Credit (MMS-4436)", and "Surety Instrument Posting Instructions". The left sidebar contains a list of navigation links, and the right sidebar contains "FM Quick Links". The bottom of the page features a "SUPPORT OUR" logo and a taskbar with various application icons.

1. Where is the 2014 located? (cont)



The screenshot shows a Microsoft Internet Explorer browser window displaying the Minerals Management Service (MMS) website. The address bar shows the URL: http://www.mrm.mms.gov/ReportingServices/Forms/AF55ol_Min.htm. The page title is "Minerals Management Service Minerals Revenue Management". The main content area is titled "FM - Royalty Reporting Forms". Under the "Solid Minerals" section, the link "MMS-2014 — Report of Sales & Royalty Remittance (expires November 30, 2009)" is highlighted. A callout box with the text "Click Here" points to this link. Other sections include "Coal Washing Allowance" and "Coal Transportation Allowance". The left sidebar contains a navigation menu with items like "About MRM", "Advisory Committees", "Associate Director's Page", "Financial Management", "FOIA", "Laws & Regulations", "Links", "Privacy Act / Disclaimers / Accessibility", "Product Valuation", "Royalty-In-Kind", "Site Map", "Statistics", "Studies/Reports", "Tribal Services", "Director's Page", "Strategic Planning", "Offshore Program", "Newsroom", "Congressional Affairs", "Library", "Kid's Page", "MMS Links", "Products & Services", and "Job Opportunities". The right sidebar contains "U.S. Department of the Interior" and "FM Quick Links" with various links like "Who We Are", "FM Contact Info", "Reporting Information", "Payment Information", "Forms", "Handbooks & Manuals", "Payor/Reporter Letters", "Data Warehouse Portal", "Reporter Training", and "Glossary". The bottom of the browser shows the Windows taskbar with the start button and several open applications including "Inbox - Mic...", "2009 Report...", "Microsoft Po...", "Minerals Rev...", "Desktop", and "My Documents". The system clock shows "12:08 PM".

1. When to use 2014?

Use the 2014 to:

- Report lease-level obligations not reported on your P&R (note the exception!)
- Report adjustments to sales month/years not originally reported on a P&R



1. When to use 2014? - obligations

If you do not open your P&R the month prior to the due date of:

- ✓ Rent
- ✓ Deferred Bonus
- ✓ Minimum Royalty Payable in Advance (MRPIA)



These terms will not pre-populate on P&R again



1. When to use 2014? - obligations (cont'd)

- If you miss the P&R reporting window for pre-populated lease-level obligations, you must report those obligations on the 2014 (remember the exception!)
- Using the paper 2014 is manual and requires 2-3 weeks process time

REPORT OF SALES AND ROYALTY REMITTANCE
FORM MMS-2014

1 PAYOR NAME: Solid Corporation

2 PAYOR CODE: MA999

3 FEDERAL/INDIAN REPORT INDICATOR **F** (F or I)

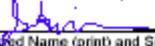
4 PAYOR-ASSIGNED DOCUMENT NUMBER 2004OBLI



For MMS Use Only

5	6	7	10	11	12	13	14	15	16	17	18	23
LINE NUMBER	RESERVED FOR PREPARER'S USE	MMS LEASE NUMBER	PRODUCT CODE	SALES TYPE CODE	SALES MOYR (MMCCYY)	TRANSACTION CODE	ADJUSTMENT REASON CODE	SALES VOLUME (Mcf/bbl/gallon ton)	GAS MMBtu	SALES VALUE \$	INTENTIONALLY LEFT BLANK	PAYMENT METHOD CODE
8	API WELL NUMBER	MMS AGREEMENT NUMBER						19	20	21	22	
								ROYALTY VALUE PRIOR TO ALLOWANCES \$	TRANSPORTATION ALLOWANCE DEDUCTION \$	PROCESSING ALLOWANCE DEDUCTION \$	ROYALTY VALUE LESS ALLOWANCES \$	
1		MOO676767	0		01/2004	05					5000.00	03
2		MOO989898	0		01/2004	02					2000.00	03
3												
4												

I have read and examined the statements in this report and agree they are accurate and complete.

Jan Smit  12/15/2003
Authorized Name (print) and Signature Date

If company contact information has changed, please indicate below: (Please print)

Contact Name _____ Phone Number _____
Street _____ P.O. Box _____ Suite or Other Identifier _____
City _____ State _____ Zip Code _____
Fax Number _____ Email Address _____

PAYMENT INFORMATION

Checks To MMS (PM1)	_____
*Indian Direct Pay (PM2)	_____
EFT Payments (PM3)	<u>7,000.00</u>
*Royalty-In-Kind (PM4)	_____
Checks To MMS For BIA (PM5)	_____
Other (For Future Use) (PM6)	_____
*Indian Lockbox (PM7)	_____
Total All Payments:	<u>7,000.00</u>
Less Available Credits: (*Credits may not be applied to PM2, PM4, PM6)	_____
Doc. ID: _____	_____
Doc. ID: _____	_____
Doc. ID: _____	_____
Net Payment for this Report:	<u>7,000.00</u>

PAGE TOTAL	<u>7000</u>	<u>00</u>
REPORT TOTAL	<u>7000</u>	<u>00</u>



- For a complete list of transaction codes and payment codes, go to:

<http://www.mms.gov/ReportingServices/PDFDocs/2014CT.pdf>



1. When to use 2014? - obligations (cont'd)

- Not establishing lease level obligations **correctly** will generate a “FIN” or Invoice Bill
- This is one of the leading causes for an out-of-balance account (Not in good standing)



1. When to use 2014? - adjustments



Types of adjustments requiring 2014 because the Original P&R was not submitted:

- 
- Value adjustments
 - Retroactive Royalty Rate Reductions
 - Establish a credit for sales month/year
- 



1. When to use 2014? - adjustments

- You can use the “Value Adjustment” tab on the P&R if you submit original P&R prior to August 2001
- If not, you must use the MMS-2014



1. When to use 2014? - adjustments

Royalty Rate Reduction (RRR) Tips:

- Continue to report and pay lease-level obligations and royalties at the original rate when applying for a RRR
- Failure to report a RRR properly will not establish a **CREDIT** for your account



1. When to use 2014? - adjustments

Use the P&R to report various types of credits for a lease account

- Recouping Rent
- Recoup Advance Royalty
- Recoup MRPIA
- **but**, if the original obligation was reported on a 2014, you must use the 2014 to credit the lease account

2. P&R Reporting Tips

- Do not change the Customer Document ID on P&R
- Use the same Payment Method Type on the P&R as your Payment



P&R Reporting Tips (cont'd)

Main Payment

P&R Original

Value Adjustment

Other Obligation

[Log Out of P&R](#)

Mine Name

Business Unit

Sales Month

Mine No. 1

Federal/State/Fee

November, 2003

Main Payment



Warning:

Your Mine Level Total Production Units has a 25% or more variance last reporting period. If you accept the fact that there is a variance of 25% or more, please by-pass the validation.



Do not change this ID

Submission ID:	PAR17422
Customer Number:	MA989
Customer Document ID:	<input type="text" value="PAR17422"/>
Payment Method:	<input type="text" value="Electronic Funds Transfer"/>
Federal/Indian Indicator:	FED01
<u>Production & Royalty Total:</u>	\$ 750.00
<u>Other Obligation Total:</u>	\$ 0.00
<u>Value Adjustment Total:</u>	\$ 0.00
Sub Total:	\$ 750.00
Credit 1 Amount:	<input type="text" value="\$0.00"/>
Credit 1 Doc ID:	<input type="text" value="-"/>
Grand Total:	\$ 750.00

Make sure this is the same as the payment you send

P&R Other Obligations Page:

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

[Log Out of P&R](#) [Help](#)

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

Mine Name Business Unit
470UNC ERNIE COLOROW ALLOTMINE Indian/State/Fee

Other Obligations

Sales Month/Year	Lease Number	Payment Type	Interest Bearing Indicator	Interest From Date	Payment Amount
August <input type="text"/>	1420H624654 <input type="text"/>	Advance Royalty <input type="text"/>	Yes <input type="radio"/>	August <input type="text"/>	\$0 <input type="text"/>
2001 <input type="text"/>			No <input checked="" type="radio"/>	31 <input type="text"/> 2001 <input type="text"/>	
Total :					\$ 0.00

- Advance Royalty
- Minimum Royalty Payment
- Recouping Rent
- Recoup Minimum Royalty Paid in Advance
- Recoup Advance Royalty
- MMS Settlement Agreement
- Indian Recoupable Taken
- Contract Settlements Payment
- Indian Recoupable Balance



3. Payment Tips

Critical Electronic Wire Payment and check information includes:

- ✓ Customer Name
- ✓ Customer ID (MA____)
- ✓ Customer Document ID used on P&R or Payor-Assigned Document Number used on MMS-2014 (box 4)



4. Interest Invoices

- Interest will be calculated and invoiced on all late payments received by MMS
- All interest invoices undergo a review process before being issued to ensure the validity of the invoice
- If you disagree, you have the right to appeal
- Appeal documentation must be received 30 days from the date you received the invoice



5. Ready for Treasury

- You do not want to receive a ready for treasury notification
 - Company implications if a debt is referred to treasury:
 - Corporate credit is affected
 - Additional 28% penalty is assessed by the Department of Treasury

Information That Could Save You Money

Accountant's View Point:

- Time is Money
- Do it right the first time and it won't come back to haunt you
- If you need help - call





6. Contact Information

- Accounting and Reference Team:

Lee-Ann Martin, Supervisor – (303) 231-3313

Patrick Mulcahy, Accountant – (303) 231-3330

Minnie O'Quinn, Accountant – (303) 231-3343

Mary Ann Atkinson, Accountant – (303) 231-3321

Michael Anspach, Accountant – (303) 231-3618

Vickie Stolns, Accountant – (303) 231-3648

Michael Rausch, Reference Analyst – (303) 231-3336

Anthony Stephens, Reference Analyst – (303) 231-3521