

# Sales Contracts



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## *The Authority*

- 30CFR§210.10(c)(20)  
Information Collection
- 30CFR§210.203  
How do I submit sales contracts?

# Sales Contracts

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- **Who must submit?**
  - Companies that sell coal and metals produced from Federal and Indian leases with ad valorem royalty terms
- **Who could be asked to submit?**
  - Companies that sell sodium, potassium, phosphate, and other ad valorem solid minerals

# Sales Contracts

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- Submit by March 30<sup>th</sup> and September 30<sup>th</sup> of each year
- Only required to submit updates
- If no changes – send ONRR a letter

# Sales Contracts

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## *What to Submit*

- Legal documents that affect the value of the contract:
  - Master contracts
  - Agreements
  - Sub-contracts
  - Amendments
  - Confirmation letters
  - Spot coal purchases/contracts

# Sales Contracts

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## *What not to Submit*

- Information that doesn't allow auditors/specialists to make a connection to the P&R Report and other data
- Letters of intent (if a contract was never entered into)

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## Key Elements:

- The source mine and substitute mines
- Price per ton
- Period covered
- Minimum/maximum tonnages
- Quality parameters
- Point of delivery
- Any allowances or adjustments
- Any other pertinent information that is reflective of the sales that have been made

# Sales Contracts

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➤ Mail complete, dated and **signed** copies to:

Office of Natural Resources Revenue

Solid Minerals & Geothermal ACM

P.O. Box 25165

Mail Stop 62300B

Denver, CO 80225-0165

➤ Mail “no change” letters to the same address

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## *Why are Sales Contracts Needed:*

- Establish selling arrangement relationships
  - Price sold
  - Sales quantity
  - Quality
  - Adjustments
- Identify valuation issues

# P&R Reports, Sales Summaries, Facility Data & Sales Contracts

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- Are confidential and not available for public inspection
- Are exempt from disclosure under FOIA



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# Questions