Objective

- Understanding the different types of ONRR Invoices and why they are issued
- Recognize Interest invoices and why and how they are calculated
- Knowledge on Indian Over Recoupment

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ONRR INVOICE

Monthly or routine invoices:

INT late payment - royalty reports or invoices
FIN lease term obligations –unpaid or underpaid
IOR Indian Over Recoupment-taken too much

OTH invoices on nonrecurring basis:
Liquidated damages
Civil penalty

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OTH Invoice

OTH invoices on nonrecurring basis:

- Liquidated damages
- Civil penalty
  30CFR 1241.50-80

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PAYOR PLAYER

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PAYOR PLAYER

What are the types of Lease Level Obligations for a FIN invoice?

1 2 3 4 5

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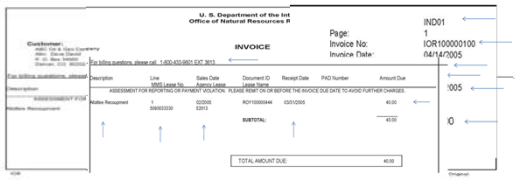
Invoice


U. S. Department of the Int
Office of Natural Resources R

INVOICE

Page: IND01
Invoice No: 1
Invoice Date: IOR100000100
04/14/2005

Customer:
ABC Oil & Gas Company
Attn: Dave David
P. O. Box 34560
Denver, CO 80202

For billing questions, please call 1-800-433-9821 EXT 3613

Description	Line / MMS Lease No.	Sales Date / Agency Lease	Document ID / Lease Name	Receipt Date	PAD Number	Amount Due
ASSESSMENT FOR REPORTING OR PAYMENT VIOLATION. PLEASE REMIT ON OR BEFORE THE INVOICE DUE DATE TO AVOID FURTHER CHARGES.						
Notice Recoupment	1 / 5060033330	02/2005 / 52013	ROY100000444	03/31/2005		40.00
			SUBTOTAL:			40.00

TOTAL AMOUNT DUE: 40.00

DO NOT SUBMIT A FORM ONRR-2014

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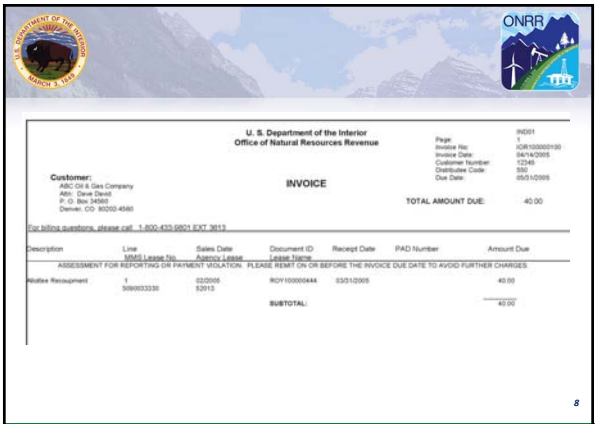
U. S. Department of the Interior
Office of Natural Resources Revenue

INVOICE

Page: IND01
Invoice No: 1
Invoice Date: IOR100000100
Customer Number: 04/14/2005
Distribution Code: 12345
Due Date: 550
05/31/2005

Customer:
ABC Oil & Gas Company
Attn: Dave David
P. O. Box 34560
Denver, CO 80202-4560

TOTAL AMOUNT DUE: 40.00

For billing questions, please call 1-800-433-9821 EXT 3613

Description	Line / MMS Lease No.	Sales Date / Agency Lease	Document ID / Lease Name	Receipt Date	PAD Number	Amount Due
ASSESSMENT FOR REPORTING OR PAYMENT VIOLATION. PLEASE REMIT ON OR BEFORE THE INVOICE DUE DATE TO AVOID FURTHER CHARGES.						
Notice Recoupment	1 / 5060033330	02/2005 / 52013	ROY100000444	03/31/2005		40.00
			SUBTOTAL:			40.00

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INT
Interest Invoice

- **INTEREST RATES:**
  - Federal & Indian Oil and Gas IRS rates-compounded
  - Federal & Indian Solid Minerals US Treasury Current Value of Funds-simple
- **INTEREST CALUCLATION STARTS:**
  - **Royalty**:
    - From due date from sales date
      - 30 days no estimate
      - 60 days with an estimate
  - **Invoices:**
    - FIN-anniversary date of lease
    - INT & OTH-due date of the invoice
- **INTEREST CALCLATION ENDS:**
  - **PAYMENTS:**
    - **Multiple**
    - receipt date is the same, summed
    - receipt date is different – oldest to newest

$$I = A[(1+\frac{R}{N})^n - 1]$$

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Interest Schedule & Reports

Interest Schedule created Distributee code specifically
- Type of interest
- Lease number
- Rolled up information

Estimate Report
- Lease estimate amount
- If applicable, document received
- Variance

Late Payment Allocation
- Payments applied
- Due date for each sales month/year

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Interest Invoice

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

Please Remit To:

Page: 1
Invoice No: INT100100000
Invoice Date: 08/11/2016
Customer Number: 12345
Distributee Code: XXX
Due Date: 09/15/2016

INVOICE

TOTAL AMOUNT DUE : 474.95

Customer:

For billing questions, please call: 1-800-437-9601

Description	MMS Lease No.	Agency Lease	Line	Document ID	PAD Number	Sales Date	Lease Name	Receipt Date	AMOUNT DUE
Interest on Deposit			1						1.37
Interest on Deposit			1						3.42
Interest on Deposit			1						3.44
Interest on Deposit			1						7.00
Interest on Deposit			1						3.45
Interest on Deposit			1						7.00
Interest on Deposit			1						2.00

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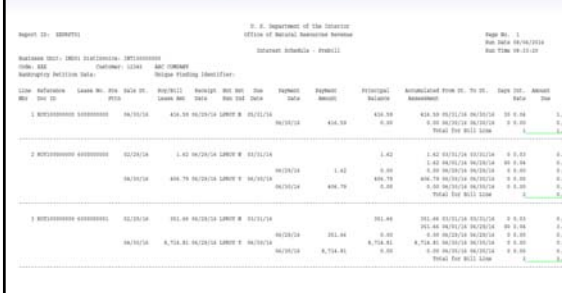
Interest Schedule


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

Interest Schedule - Product1

Report ID: SSDRPT01

Page No. 1
Run Date 08/16/2016
Run Time 08:22:20

Business Unit: IND01 Distribution: INT100000000
Code: XXX Customer: 12345 ABC COMPANY
Bankruptcy Petition Date:
Unique Finding Identifier:

Line	Reference	Lease No.	Pro	Sale St.	Orig/Bill	Receipt	Rec Det	Due	Payment	Payment	Principal	Accumulated From St. To St.	Days Int.	Amount
	Doc ID		PCtr		Lease Amt	Date	Run Id	Date	Date	Amount	Balance	Assessment	Rate	Due
1	80010000000	0000000000		06/30/16	416.59	06/28/16	LRMOT M	05/01/16			416.59	416.59 05/01/16 06/30/16	30 0.06	1.37
									06/28/16	416.59	0.00	0.00 06/28/16 06/28/16	0 0.00	0.00
												Total For Bill Line	1	1.37
2	80010000000	4000000000		02/29/16	1.42	06/28/16	LRMOT M	03/31/16			1.42	1.42 03/31/16 03/31/16	0 0.03	0.00
												1.42 06/28/16 06/28/16	89 0.06	0.02
									06/28/16	1.42	0.00	0.00 06/28/16 06/28/16	0 0.00	0.00
				06/30/16	406.79	06/28/16	LRMOT M	06/30/16			406.79	406.79 06/30/16 06/30/16	0 0.00	0.00
									06/30/16	406.79	0.00	0.00 06/30/16 06/30/16	0 0.00	0.00
												Total For Bill Line	1	0.02
3	80010000000	4000000001		02/29/16	351.66	06/28/16	LRMOT M	03/31/16			351.66	351.66 03/31/16 03/31/16	0 0.03	0.00
												351.66 06/01/16 06/28/16	89 0.06	0.48
									06/28/16	351.66	0.00	0.00 06/28/16 06/28/16	0 0.00	0.00
				06/30/16	8,714.81	06/28/16	LRMOT M	06/30/16			8,714.81	8,714.81 06/30/16 06/30/16	0 0.00	0.00
									06/30/16	8,714.81	0.00	0.00 06/30/16 06/30/16	0 0.00	0.00
												Total For Bill Line	1	0.48

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Estimate Exception Report

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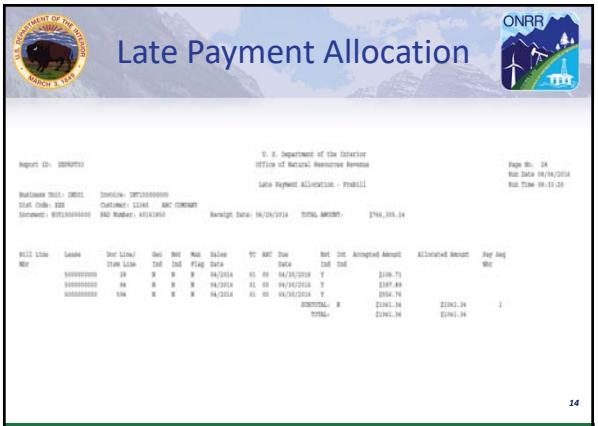
Late Payment Allocation



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Interest Examples

- LPINV- Late payment of an Invoice
- LPROY- Late payment of a Royalty (ONRR-2014)
- INEST- Interest on an Estimate

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Examples 1

- LPINV- Late payment of an Invoice

FIN Invoice for Non-Term Rent

Rent due date: 5/2017

Fin Invoice Due date: 9/2017

Paid Invoice: 11/2017

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Example 2

- LPROY- Late payment of a Royalty (ONRR-2014)

Sales date: 4/2017

Due date: 5/2017

Payment date: 6/2017

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Example 3

- INEST- Interest on an Estimate

Sales date: 4/2017

Due date: 5/2017

Payment date: 6/2017

Estimate was 5,000

Royalty totaled $10,000

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Indian Over Recoupment

30 CFR- 1218.53: Rules for recoupment

Recoupment Against Tribal lease:
- Limited to 100% against current revenues
- Limited to specific lease unless you receive written Tribal permission.
  Examples: Tribal EDA current revenues.

Allotted lease:
- Limited to 50% of current revenues
- Lease specific

Split Lease:
- Limit to 50% of current revenues

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Indian Recoupment Detail

U. S. Department of the Interior
Office of Natural Resources Revenue
Indian Recoupment Detail

Report ID: [illegible]

Page No. 1
Run Date 04/21/2017
Run Time 10:30:38

INVOICE: [illegible] PAYOR: 12345 ABC COMPANY DISTRIBUTION CODE: XXX TOTAL RECEIPTS: $ 122.48

BILL LINE: 1 ASSESSMENT CODE: 5A DESCRIPTION: Allotee Recoupment 5

LEASE: [illegible] LEASE ARE: 01-JUL-1974

LINE	PROD	SALES	TC	ARC	RPT	PAY	DOC ID	PAD MTH	RECEIPT	REVENUE AMT	NRG ADJ AMT	RCPD AMT	RCVABLE AMT	RCVABLE AMT
					REL	RECV			DATE					
3	38	31-MAR-2017	01		T	03	RCV10048750	4017J523	24-MAR-17	0.00	0.00	0.00	0.00	0.00
54	38	31-MAR-2017	01		T	03	RCV10048750	4017J523	24-MAR-17	489.94	0.00	0.00	0.00	0.00
1		31-MAR-2017	01		T	03	RCV10048750	4017J523	24-MAR-17	0.00	0.00	0.00	0.00	0.00
2		31-MAR-2017	51		T	03	RCV10048750	4017J523	24-MAR-17	0.00	0.00	-367.45	0.00	0.00
TOTALS:										489.94	0.00	-367.45	0.00	0.00

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Indian Recoupment Detail Explanation

REVENUE AMT	NRG ADJ AMT	RCPD AMT	RCVABLE AMT
0.00	0.00	0.00	0.00
489.94	0.00	0.00	0.00
0.00	0.00	0.00	0.00
0.00	0.00	-367.45	0.00
489.94	0.00	-367.45	0.00

- Revenue Amount
  - Current sales royalties
  - All other net **positive** revenue (net revenue=royalty – any allowances)
  - Rent (TC04,05 and –TC25 for current year assessments with current revenue

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Indian Recoupment Detail Explanation

REVENUE AMT	NEG ADJ AMT	RCPD AMT	RCPABLE AMT
0.00	0.00	0.00	0.00
489.94	0.00	0.00	0.00
0.00	0.00	0.00	0.00
0.00	0.00	-367.45	0.00
489.94	**0.00**	**-367.45**	**0.00**

- Negative Adjustment Amount
  - Negative Adjustments (ARC 10)
  - Prior year recoupable rents (TC 25)

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Indian Recoupment Detail Explanation

REVENUE AMT	NEG ADJ AMT	RCPD AMT	RCPABLE AMT
0.00	0.00	0.00	0.00
489.94	0.00	0.00	0.00
0.00	0.00	0.00	0.00
0.00	0.00	-367.45	0.00
489.94	**0.00**	**-367.45**	**0.00**

- Recouped Amount
  - Negative TC 51s
    - Recoupments Taken
  - Negative TC 50s
    - Negative Recoupments Established

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Indian Recoupment Detail Explanation

REVENUE AMT	NEG ADJ AMT	RCPD AMT	RCPABLE AMT
0.00	0.00	0.00	0.00
489.94	0.00	0.00	0.00
0.00	0.00	0.00	0.00
0.00	0.00	-367.45	0.00
489.94	**0.00**	**-367.45**	**0.00**

- Recoupable Amount
  - Positive TC 50s
    - Recoupable Balance Established
  - Positive TC 51s
    - Reversal of Recoupments Taken

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Over Recoupment Example

Lease No.	TC	Sales M/Y	RVLA
5240015380	01	03/2017	$244.97
5240015380	01	03/2017	$244.97
		Current Revenue:	$489.94
5240015380	51	03/2017	$ -244.97
5240015380	51	03/2017	$ -122.48
		Recouped Amount:	$ -367.45

Tribal lease $489.94
Allotted lease $244.97 (Difference Billed = $122.48)

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Review

- ONRR Invoices
  - OTH
    - Nonrecurring
      - Liquidated Damages
      - Civil Penalty
  - FIN
    - Monthly/Routine or Nonrecurring
      - Rents (Non-Terminable and Recoupables Only)
      - Advance Rents
      - Well Fee
      - Bonus (Deferred, Fair Market Value)
      - Minimum Royalty (MR: Payable in Advance)
  - INT
    - Monthly/Routine or Nonrecurring
      - Interest Schedule
      - Estimated Report
      - Late Payment Allocation
  - IOR
    - Recoupment
      - 30 CFR-1218353 Tribal , allotted and split leases
      - Current Revenue

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QUESTIONS?

THANK YOU!

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