



U.S. Department of the Interior

Office of Natural Resources Revenue (ONRR)

Form ONRR-4444, Payor Codes, and New EMARF Process

Presented by:

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Topics

- Form ONRR-4444/W-9
- Payor Codes
- New Emarf Process

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Form ONRR-4444

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

Exempt from the Paperwork Reduction Act of 1995
Requiring Only Identifying Information and Certification
(See 5 CFR 1.126.30) (1-1-91 Edition)

Addresses of Record Designation for Service of Official Correspondence
Form ONRR-4444

Please see the Instructions for Form ONRR-4444 in a separate document.

New **Modification** Effective Date:

Company Name:

Payer Code or Operator Number:

Please mark the correspondence type(s) with which the address below is being associated:

<input type="checkbox"/> Royalty Reporting (Forms MMS-2074)	<input type="checkbox"/> Production Reporting (Forms MMS-455-4-8258)
<input type="checkbox"/> Spill Mitigation (SMR) Reports	<input type="checkbox"/> Audit and compliance correspondence
<input type="checkbox"/> Rental courtesy notices	<input type="checkbox"/> Enforcement notices
<input type="checkbox"/> Invoices: Financial terms (FN)	<input type="checkbox"/> Invoices: Rights of Way/Use and Easement (ROW/ULE)
<input type="checkbox"/> Invoices: Indian overencroachment (ICR)	<input type="checkbox"/> Invoices: Interest (INT)
<input type="checkbox"/> Inspection Fees, Riggs	
<input type="checkbox"/> Inspection Fees, Fixed	

Address of Record (for the function(s) checked above):

Line 1:

Line 2:

City: State: Zip:

Person to contact as Address of Record:

and/or

Title of position designated as Address of Record:

Phone: Ext: Fax:

E-mail Address:

Print the name and title of company official making Address designation:

Signature:

Date:

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What not to submit for change of address

RSMS receives information that leads to **Request for Form ONRR-4444:**

- ❖ “Return to Sender” items
- ❖ “Address Corrections”
- ❖ “Notice to Mailer of Correction in Address”
- ❖ Change of Address letters and/or card



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Problems encountered with submission of Form ONRR-4444

- ❖ Does not indicate if it is "NEW" or "MODIFICATION" or both is checked
- ❖ Effective Date is not filled in
- ❖ Company name does not match payor code or operator code
- ❖ Multiple Payor Codes are listed
- ❖ Every box on form is checked

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Office of Natural Resources Revenue

Exempt from the Paperwork Reduction Act of 1995
Requesting Only Identifying Information and Certification
See 5 CFR 1320.3(h) (1-1-01 Edition)

Addressee of Record Designation for Service of Official Correspondence Form ONRR-4444

Please see the instructions for Form ONRR-4444 in a separate document.

New Modification Effective Date:

Company Name:

Payor Code or Operator Number:

Please mark the correspondence type(s) with which the address below is being associated:

- | | |
|--|---|
| <input type="checkbox"/> Royalty Reporting (Forms MMS-2014) | <input type="checkbox"/> Production Reporting (Forms MMS-4054/4058) |
| <input type="checkbox"/> Solid Minerals (P&R) Reports | <input type="checkbox"/> Audit and compliance correspondence |
| <input type="checkbox"/> Rental courtesy notices | <input type="checkbox"/> Enforcement notices |
| <input type="checkbox"/> Invoices: Financial terms (FIN) | <input type="checkbox"/> Invoices: Rights of Way/Use and Easement (RCW/ULE) |
| <input type="checkbox"/> Invoices: Indian overrecompment (ICR) | <input type="checkbox"/> Invoices: Interest (INT) |
| <input type="checkbox"/> Inspection Fees, Rigs | |
| <input type="checkbox"/> Inspection Fees, Fixed | |

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Form ONRR-4444 Improvements

ONRR has formed an Internal Working Group. This group will:

- Establish a mechanism for industry to maintain this data in ONRR's systems
- Streamline and automate the Form ONRR-4444 so that industry can maintain their addresses of record in ONRR's system
- Amend the regulations to mandate entities submit and maintain the ONRR-4444 and add/delete payor codes based on mergers and acquisitions

Why automate:

- Industry has asked for access to the addresses within ONRR's Customer Database.

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Location of Form 4444

Form ONRR-4444 and instructions can be found at:
<http://www.onrr.gov/ReportPay/Forms/default.htm>



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W-9 Filing

The Debt Collection Improvement Act of 1996 (31 U.S.C. § 7701) requires the Office of Natural Resources Revenue (ONRR) to collect a Taxpayer Identification Number (TIN) from all persons with whom we do business. We request your cooperation in completing and sending an Internal Revenue Service (IRS) Form W-9 with an Employer Identification Number (Federal tax ID number) to ONRR. You may obtain a Federal tax ID number on line from the IRS or by filing an IRS Form SS-4, Application for Employer Identification Number.

Note: ONRR **cannot** accept a Social Security Number as a TIN. Whether you are paying as an individual payor or a company, you *must* enter an Employee Identification Number (EIN). If you do not have an EIN, follow page 3 of the instructions attached to the Form W-9.

W-9 Request for Taxpayer Identification Number and Certification

Use Form to the recipient. Do not mail to the IRS.

Recipient's name (do not check "if different from above")

Is this recipient one of the following?

Individual payee Corporation Partnership Trust/estate

Limited liability company. Enter the tax classification of the company: S-C corporation, F-partnership, or other

Do not check any of the following:

Sole proprietor or partner Trust or estate Nonresident alien or estate Recipient's name and address (optional)

Employer identification number (EIN)

Individual taxpayer identification number (ITIN)

Social security number

Signature of payor or preparer

Date

Instructions to Payors and Operators for Form W-9 Request for Taxpayer Identification Number and Certification

All payors and operators *must* send an original, signed Form W-9 to the Office of Natural Resources Revenue. Put your five-digit, ONRR-assigned Payor Code or Operator Number at the top of the form.

The Debt Collection Improvement Act of 1996 (31 U.S.C. § 7701) requires the Office of Natural Resources Revenue (ONRR) to collect a Taxpayer Identification Number (TIN) from all persons with whom we do business. We request your cooperation in completing and sending an Internal Revenue Service (IRS) Form W-9 with an Employer Identification Number (Federal tax ID number) to ONRR. You may obtain a Federal tax ID number on line from the IRS or by filing an IRS Form SS-4, Application for Employer Identification Number.

The following instructions describe how to complete a W-9 for ONRR purposes. Please make sure all information is complete and legible. For ease of reference, each item is entitled exactly as it appears on the form.

Form and Instructions can be found at: <http://www.onrr.gov/ReportPay/Forms/default.htm>



Change of Name and Mergers



The Form ONRR-4444 **cannot be used for company name changes or mergers**. You must initiate those changes with BLM or BIA, whichever issued your lease(s).

Per 43 CFR § 3106.8-2:

A change of name of a lessee shall be reported to the proper BLM office. Include the processing fee for name change found in the fee schedule in § [3000.12](#) of this chapter with your notice of name change. The notice of name change shall be submitted in writing and be accompanied by a list of the serial numbers of the leases affected by the name change.

Per 43 CFR § 3106.8-3:

Where a corporate merger affects leases situated in a State where the transfer of property of the dissolving corporation to the surviving corporation is accomplished by operation of law, no transfer of any affected lease interest is required. A notification of the merger shall be furnished with a list, by serial number, of all lease interests affected. Include the processing fee for corporate merger found in the fee schedule in § [3000.12](#) of this chapter with your notification of a corporate merger.

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Payor Codes

ONRR requires that each reporting company have an identifying five-digit Payor Code and/or Operator Code (known as a Customer ID). A Customer ID is used on several documents and forms, e.g., ONRR-Form 2014's, Courtesy Notices, Production Reports, etc.

A Customer ID identifies each reporting company as a single entity, and much like the Tax ID Number, must be guarded to ensure privacy.

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Payor/Operator Code Cleanup

Why? Currently, ONRR has over 26,000 payor/operator codes.

- Payors can request a payor code for any reason. Many companies have multiple payor codes (Onshore, Offshore, Indian, rent, etc.)
- Many of these codes are outdated.
- In FY2013:
 - 1,242 payors reported rent only
 - 949 payors reported royalties only
 - 1 payor reported bonus only
 - 844 payors reported a combination of revenue

Goal of cleanup:

- Identify relationships between payor codes
- Establish a mechanism for industry to maintain this data in ONRR's systems
- Allows automated company consolidation for development of EITI Unilateral Disclosure Report*

*EITI is the Extractive Industries Transparency Initiative. The [Extractive Industries Transparency Initiative](#), or EITI, is a voluntary, global effort designed to strengthen accountability and public trust for the revenues paid and received for a country's oil, gas and mineral resources. Countries that follow the standard publish a report in which governments and companies publicly disclose royalties, rents, bonuses, taxes and other payments from oil, gas, and mining resources.

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Industry User Access Modifications (EMARF Process)

- Companies will manage their company (Reporter ID's) user access.
- ONRR will be contacting companies to identify a Industry Representative(s)
 - Companies can identify more than one Industry Representative
- EMARF will only be used to set up and identify an Industry Representative.
 - Users in companies will work with IR's to get set up.

Implementation of new process Fall 2015.

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Industry Representative (IR) Responsibilities

IR's will define own process for granting access to users within companies.

Industry Representatives responsibilities:

- Password Resets
- Create New Users
- Delete Users
- Assign Reporter ID's to Users
- Lock and Unlock Accounts
- Update Official Contact and Address Information
(Form ONRR-4444)

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Home Organization

ONRR will be contacting companies to identify a “home organization” – the primary Reporter ID which all other Reporter ID’s are tied to.

Companies that have reporting agents that report on your behalf of their company will have to gain access and grant the “agent” access to their Reporter ID.

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New Notifications

Under the new process, reporters will receive the following notifications:

- ✓ Notify external users their password is about to expire (15 days, 7 days, 3 days, 2 days, and 1 day)
- ✓ Notify external users when their password has expired
- ✓ Notify user when IR resets user's password.

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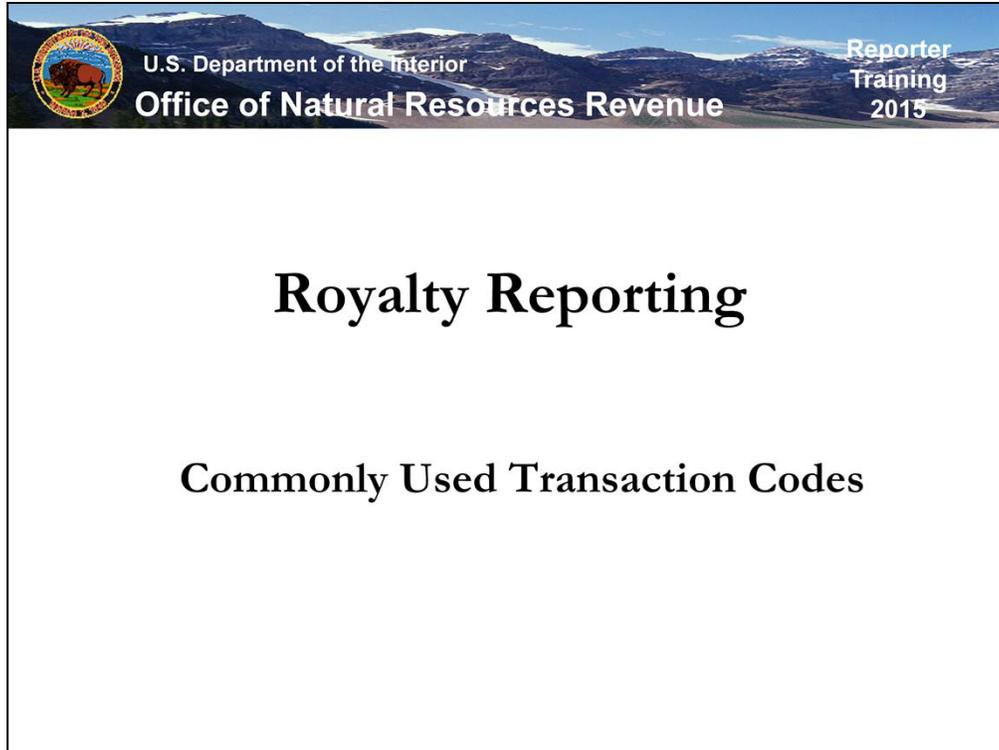


Questions?



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This module contains detailed reporting instructions and examples of how to report by transaction code on Form ONRR-2014. The commonly used transaction codes are organized by function.

In addition, ONRR is providing a separate handout that outlines fields that must be completed on your 2014 Report for each different Transaction Code.



2014 Commonly Used Transaction Codes



- Royalty Due 01
- Minimum Royalty 02
- Rent (non-recoupable) 04
- Rent (recoupable) 05
- Rent Recoupment 25
- Estimate Reporting 03

Transaction codes are two-digit codes that describe each payment and recoupment activity. These transaction code activities include, but are not limited to:

- Royalty due from sales,
- Minimum Royalty
- Rent (non-recoupable & recoupable)
- Rent Recoupment
- Estimate Reporting

A transaction code (TC) is required on all lines, and determines which fields must be completed.

Element	Value	Description
Transaction Code	01	Royalty Due
Transaction Code	02	Minimum Royalty Payment
Transaction Code	03	Estimated Royalty Payment
Transaction Code	04	Rental Payment
Transaction Code	05	Advance Rental Credit
Transaction Code	06	Royalty In Kind Transaction - No Cash Payment to MMS
Transaction Code	07	MMS Settlement Agreement (for MMS Internal Use)
Transaction Code	08	Royalty In Kind Other
Transaction Code	10	Compensatory Royalty Payment
Transaction Code	11	Transportation Allowance
Transaction Code	12	Tax Credit
Transaction Code	13	RIK Quality Bank and Gravity Bank Adjustment
Transaction Code	14	Tax Reimbursement Payment
Transaction Code	15	Processing Allowance
Transaction Code	16	Well Fees
Transaction Code	17	Gas Storage Agreement - Flat Fee
Transaction Code	18	Gas Storage Agreement - Injection Fee
Transaction Code	19	Gas Storage Agreement - Withdrawal Fee
Transaction Code	20	No Sales (Solids Only)
Transaction Code	21	Interest Amount Due MMS
Transaction Code	22	Interest Amount Owe to Payor
Transaction Code	25	Recoup Advance Rental Credit
Transaction Code	31	Contract Settlements Payment
Transaction Code	32	Advance Royalty (Solids Coal Leases Only)
Transaction Code	33	Recoup Advance Royalty (Solids Only)
Transaction Code	37	Royalties Due in Lieu of Severance Tax
Transaction Code	38	Additional Royalty Due for OCSLA, Section 6(i)(9) Leases
Transaction Code	39	Net Profit Share - Unprofitable
Transaction Code	40	Net Profit Share - Profitable
Transaction Code	41	Offshore Deep Water Royalty Relief
Transaction Code	42	Net Revenue Share Lease, Allotment for Operating Costs
Transaction Code	50	Indian Recoupable Balance
Transaction Code	51	Indian Recoupment Taken
Transaction Code	52	Recoup Minimum Royl Paid in Advance (use limited to specific Navajo leases)
Transaction Code	53	Effluent Injection Reimbursement (use limited to Geothermal leases)
Transaction Code	54	Geothermal Field Operations Reimbursement
Transaction Code	60	Strategic Petroleum Reserve (SPR)
Transaction Code	66	Bonus Rentals
Transaction Code	67	Bonus Rentals
Transaction Code	70	Bonus Rentals

2014 Transaction Codes

This is the list of available Transaction Codes.

An updated list can be found online at
<http://onrr.gov/ReportPay/PDFDocs/2014CT.pdf>

(www.ONRR.gov > Reporting/Paying > Royalty Reporting > Reporting Codes for 2014)



Transaction Code 01 Royalty Due

- Due Monthly on every lease or lease-agreement combination with sales
- Separate line for each lease or lease agreement combination, sales type code, product code, and sales month
- Double entry adjustments

Lease terms and Federal regulations require lessees to pay royalties on producing Federal and Indian leases. The lessee must pay its royalty obligation as specified by the lease or designated by ONRR.

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

Transaction Code 01 is used to report royalty on both Federal and Indian Leases.

In addition to the transaction code field, please refer to the separate handout that outlines fields that must be completed on your 2014 Report for each different Transaction Code.



Transaction Code 01

Detail Line

Line Number	1
API Well Number	
ONRR Lease Number	0490129432
ONRR Agreement Number	
Product Code	01
Sales Type Code	ARMS
Sales MO/YR	022015
Transaction Code	01
Adjustment Reason Code	
Sales Volume	1280.00
Gas MMBtu	0.00
Sales Value	704.00
Royalty Value Prior to Allowances	88.00
Transportation Allowance	0.00
Processing Allowance	0.00
Royalty Value Less Allowances	88.00
Payment Method Code	3



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Implied Relationships

$$\frac{\text{Royalty Value PA}}{\text{Sales Value}} = \text{Royalty Rate} \quad \frac{2747.00}{21975.00} = .125$$

Monitored for royalty rate verification

$$\frac{\text{Sales Value}}{\text{Sales Volume}} = \text{Price Per Unit} \quad \frac{21975.00}{439.50} = \$50.00$$

Monitored for reasonable pricing

ONRR uses system edits to determine the validity of the data reported on the Form 2014.

Edits for Transaction code 01 will compare the sales volumes and sales values to determine if the royalty rate and pricing are within established guidelines.

You can determine the royalty rate by dividing your royalty value prior to allowances by sales value.

Be sure that the royalty rate calculated matches the lease terms. If unsure what royalty rate is in the ONRR system, contact the Minerals Revenue Specialist to verify. The current listing of Royalty Error Correction Specialists can be found on the internet at:

<http://www.onrr.gov/FM/PDFDocs/royassign.pdf>

Be sure to use the correct Royalty Rate and not the Division Order percentage.

The Royalty Rate error is now fatal in the eCommerce system and will not allow submission of the 2014 if the royalty rate is not calculated correctly.



Lease Level Payments

TC 02	Minimum Royalty (MR)
TC 03	Estimates
TC 04	Rent (non-recoupable)
TC 05	Rent (recoupable)
TC 25	Recoup Advance Rent

- Payments are based on lease terms
- Do not report the agreement number, product code, or sales type code
- Do not report the sales volume or sales value since they are not associated with the payment



Transaction Code 02 Minimum Royalty (MR)

- **Due on producing Federal and Indian leases**
- **Obligation may be fulfilled by production**
- **Report and payment must be received on or before the last day of the lease year, regardless of an estimate**
- **Automatically invoiced if not paid or reported incorrectly with the wrong sales month/year**

Some producing Federal and Indian leases require you to pay a minimum amount of royalty each lease year. The amount of minimum royalty is usually determined by the producing acreage in the lease multiplied by a fee per acre and is in addition to any other fees required under regulation or lease terms.

You must submit minimum royalty payments for Federal or Indian leases on Form 2014 on or before the last day of the month of the lease year regardless of whether you established an estimated payment on the lease.

All the acres in a Federal lease are in a minimum royalty status if any one of the following applies:

- **All the acres are within Participating Agreement (PA)**
- **The lease is committed to a secondary recovery unit**
- **The lease is committed to a Communization Agreement (CA)**
- **The lease contains a producing well or a well capable of production**

In addition, for electronic reporting, you must complete both the Royalty Value Prior to Allowances field and the Royalty Value Less Allowances field when entering TC 02.

Transaction Code 02

(Minimum Royalty)

Detail Line

Line Number	1
API Well Number	
ONRR Lease Number	0490129432
ONRR Agreement Number	
Product Code	
Sales Type Code	
Sales MO/YR	062015
Transaction Code	02
Adjustment Reason Code	
Sales Volume	
Gas MMBtu	00
Sales Value	
Royalty Value Prior to Allowances	88.00
Transportation Allowance	
Processing Allowance	
Royalty Value Less Allowances	88.00
Payment Method Code	03

It is important to make sure you are using the correct sales month when reporting minimum royalty

The following fields must be completed to report Transaction Code 02:

1. ONRR converted 10 digit lease number
2. Sales month/year
3. Transaction code – 02
4. Adjustment reason code – leave this field blank for normal monthly reporting. You must complete this field only when adjusting previous reporting.
5. Royalty value prior to allowances
6. Royalty value less allowances
7. Payment method code

Helpful Tips:

- Track royalties throughout the lease year. If royalties meet or exceed the minimum royalty requirement, the payment is NOT due. Otherwise, report and pay the difference or the full amount due.
- Check within the reporting company or with the operator if there is uncertainty whether minimum royalty is due.
- Minimum royalty payments are due ON or BEFORE the last day of the lease year.
- Be careful to use the correct sales month. The system uses the sales month to post to the lease year.
- If the system checks and finds that the minimum royalty has not been paid, and invoice will be sent by ONRR.



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Rental

Transaction Code 04 (non-recoupable)
Transaction Code 05 (recoupable against production)

- Annual Payment
- Payment is due on or before lease anniversary date
- For non-terminable leases, ONRR automatically invoices if not paid

There are two types of rental – non-recoupable and recoupable against production. Use transaction code 04 to report and pay rent payments that are not recoupable against production. Use transaction code 05 to report and pay rent payments that are recoupable. The amount of rent due is stipulated in the lease terms and is, except in some circumstances, due on or before the lease anniversary date.

Approximately 3 months before the lease anniversary date, ONRR usually sends a Notice of Rent Due on the lease (Courtesy Notice) to the payor established in our database. Courtesy Notices are sent for Federal leases and geothermal site licenses only. If the Courtesy Notice is not received, do not delay payment, as some leases automatically terminate for nonpayment. For those leases that do not terminate and payment is not received by the due date, ONRR will issue an invoice for the amount due. Interest will be assessed for late payment.

Report the rent for Federal leases and geothermal site licenses by submitting the 2014 report and the payment or by returning the bottom portion of the courtesy notice with the payment. Do not report a 2014 and pay on your courtesy notice.

Transaction Code 04
(Non-recoupable Rent)

Detail Line

Line Number	1
API Well Number	
ONRR Lease Number	0490129432
ONRR Agreement Number	
Product Code	
Sales Type Code	
Sales MO/YR	072015
Transaction Code	04
Adjustment Reason Code	
Sales Volume	
Gas MMBtu	
Sales Value	
Royalty Value Prior to Allowances	345.00
Transportation Allowance	
Processing Allowance	
Royalty Value Less Allowances	345.00
Payment Method Code	3

Example – How to enter a line in your electronic 2014 for non-recoupable rent.

The required fields for non-recoupable rent include

1. ONRR lease number
2. Sales month/year – very important!
3. Adjustment reason code – if adjusting prior reporting
4. Royalty value prior to allowances
5. Royalty value less allowances
6. Payment method code

Helpful Tip:

Check the “Data Elements by Transaction Code” handout to verify the fields that must be completed.

Transaction Code 05

(Recoupable Rent)

Detail Line

• Line Number	1
• API Well Number	
• ONRR Lease Number	0490129432
• ONRR Agreement Number	
• Product Code	
• Sales Type Code	
• Sales MO/YR	072015
• Transaction Code	05
• Adjustment Reason Code	
• Sales Volume	
• Gas MMBtu	
• Sales Value	
• Royalty Value Prior to Allowances	345.00
• Transportation Allowance	
• Processing Allowance	
• Royalty Value Less Allowances	345.00
• Payment Method Code	3

The required fields for recoupable rent include

1. ONRR lease number
2. Sales month/year – very important!
3. Adjustment reason code – if adjusting prior reporting
4. Royalty value prior to allowances
5. Royalty value less allowances
6. Payment method code

Helpful Tip:

Check the “Data Elements by Transaction Code” handout to verify the fields that must be completed.



Transaction Code 25 (Recouping Advance Rental Credits)

- **Use in conjunction with TC 05**
- **Recoup against current revenue**
- **Rent can be recouped up to 100% of current revenue within the current lease year regardless of whether the lease is allotted or tribal (rent must be reported and paid)**

Most Indian lease terms and some Federal lease terms require a rent payment on producing leases at the beginning of the lease year. When reporting and paying monthly royalties, recoup these rent payments against net royalties reported and paid for the lease in the same year. One hundred percent of the current month's net royalties reported may be offset against the rent payment within the same lease year, subject to no more than the rent payment.

If the payor fails to recoup prior year rents on Indian leases, these rents are considered an overpayment requiring the use of transaction codes 25, 50, and 51.

Do not recoup on an Indian lease when any portion of the royalties are taken in kind by the tribe. For this situation, only recoup previous rent payments by requesting a refund directly from the tribe. This requirement also applies to any prior un-recouped rents from a period when royalties were taken in value.

Report the advance rental credit to ONRR by using transaction code 05. Frequently, payors make their rent payments several months in advance of the actual due date. Remember that rental payments cannot be recouped until royalties are reported and paid within the lease year that the rent applies.

Transaction Code 25

(Rent Recoupment)

<u>Detail Line</u>	<u>Current Prod</u>	<u>Rental Recoup</u>
• Line Number	1	2
• API Well Number		
• ONRR Lease Number	0490129432	0490129432
• ONRR Agreement Number		
• Product Code	01	
• Sales Type Code	ARMS	
• Sales MO/YR	082015	082015
• Transaction Code	01	25
• Adjustment Reason Code		
• Sales Volume	9.06	
• Gas MMBtu		
• Sales Value	704.00	
• Royalty Value Prior to Allowances	88.00	-88.00
• Transportation Allowance		
• Processing Allowance		
• Royalty Value Less Allowances	88.00	-88.00
• Payment Method Code	3	3

Example – How to enter a line for transaction code 25 on your 2014 report in eCommerce.

The following fields are required for reporting transaction code 25:

1. ONRR converted lease number
2. Sales month/year
3. Adjustment reason code – if needed
4. Royalty value prior to allowances
5. Royalty Value Less Allowances
6. Payment Method Code

Helpful Tip:

Check the “Data Elements by Transaction Code” handout to verify the fields that must be completed.



Estimate Reporting

- What is an estimate?

An estimate is a one-time payment in lieu of an actual royalty payment

An estimate is a one-time payment in lieu of an actual royalty payment.

Royalty payments are normally required by the end of the month following the month the company sold or removed the product from the lease; however, if the payor cannot meet this deadline, the company may establish an estimated royalty payment (estimate) to give them an additional month to report and pay actual royalties and possibly avoid late payment interest charges. An estimate is a one-time payment in lieu of an actual royalty payment for that month; then in subsequent months you report and pay the actual royalties. Royalties are then due the last day of the second month following the month you sold or removed the product from the lease. If that day falls on a weekend or holiday, the due date is extended to the next business day.

Report an estimated payment at the lease level. The sales month must be 1 month prior to the report month shown on the 2014 report. *Establishing retroactive estimate balances is not permitted.* The 2014 report reflects the estimate sales month for all products on the lease; therefore, you must change the sales month for any product not requiring an estimate.



Estimate Reporting (cont.)

Why establish an estimate?

- Gives an additional month to report and pay actual royalties
- May help reduce late payment interest charges

Is an estimate cost beneficial?

- Estimate reporting may be helpful if sales data is not received timely to report to **ONRR**

An estimate gives the payor an additional month to report and pay actual royalties, and it may help reduce late payment interest charges.



How an Estimate Works

First report month:

- Report and pay the one-time estimate payment in lieu of a royalty payment for that month

Then in subsequent months:

- Report and pay the actual royalties
- Royalties are now due on or before the last day of the second month following the month the product was sold or removed from the lease

How an estimate works:

For the first report month, report and pay a one-time estimate payment in lieu of a royalty payment for that month.

In subsequent months, report and pay your actual royalties

Royalties are now due the second month following the month the product was sold or removed from the lease.

If that day falls on a weekend or a holiday, it is due the next business day.



How To Determine The Amount Of an Initial Estimate Payment

- Companies should establish their estimate in an amount which equals or exceeds the average monthly royalty liability for the **LEASE** and **PRODUCT**
- Adjust the estimate balance up or down as the lease royalty liability changes

To determine the amount of an initial estimate payment, establish the estimate in an amount equal to or exceeding the average monthly royalty liability for the lease and product.

Adjust the estimate balance up or down as the lease royalty liability changes. This is critical for the reason that interest may be due if estimates are too low, however, if an estimate is too high for an extended period of time, ONRR will not pay interest.

For a given lease and sales month, ONRR compares the lease estimate balance to the actual royalty paid. Interest is due on the amount that the royalty payment exceeds the estimate balance. Interest is also due on amounts paid after the due date for estimate reporting.

It is beneficial maintain a record of all estimate payments and adjustments for each lease to possibly prevent an over-recoupment of an estimate balance.

Average monthly royalty payments over the past 6 months to 1 year.

Transaction Code 03

(Establishing a First-Time Estimate)

Detail Line

Line Number	1
API Well Number	
ONRR Lease Number	0490129432
ONRR Agreement Number	
Product Code	
Sales Type Code	
Sales MO/YR	022015
Transaction Code	03
Adjustment Reason Code	
Sales Volume	
Gas MMBtu	
Sales Value	
Royalty Value Prior to Allowances	88.00
Transportation Allowance	
Processing Allowance	
Royalty Value Less Allowances	88.00
Payment Method Code	3

•Sales month on the estimate line must be one month prior to the report month (in lieu of royalties)

•An adjustment reason code is not required when establishing an estimate for the first-time.

When you establish a new estimate for the first time, use transaction code 03 and no adjustment reason code. Thereafter, use transaction code 03 and adjustment reason code 32 to adjust your estimate balance (even if your estimate is reduced to zero and then you increase the balance at a later date). Use a single line entry on the Form 2014 to increase or decrease the amount of an estimate. The estimate payments are disbursed to the entitled recipient; therefore, you must follow the proper procedures in accordance with Federal and Indian recoupments and refunds.



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How to Change the Amount of an Estimate

- Use a single line entry in the 2014 report to increase or decrease the amount of an estimate
- Use transaction code 03 with adjustment reason code 32

To change the amount of an estimate:

Use a single line entry to increase an estimate using transaction code (TC)03 and adjustment reason code (ARC)32

To adjust an estimate use ARC 32 (even with a balance of zero, it is still considered to be a balance).

The system looks at the payor code and lease to identify whether or not there is an estimate balance.

Do not adjust the estimate every month as this is unnecessary if there is no increase or decrease of production.

Once the estimate is established, only increase or decrease if the production changes.

If you need to move estimates from lease to lease or payor code to payor code, you must contact ONRR. The reporter is not allowed to perform this function

Transaction Code 03 (Increasing an Estimate)

Detail Line

• Line Number	1
• API Well Number	
• ONRR Lease Number	0490129432
• ONRR Agreement Number	
• Product Code	
• Sales Type Code	
• Sales MO/YR	062014
• Transaction Code	03
• Adjustment Reason Code	32
• Sales Volume	
• Gas MMBtu	
• Sales Value	
• Royalty Value Prior to Allowances	100.00
• Transportation Allowance	
• Processing Allowance	
• Royalty Value Less Allowances	100.00
• Payment Method Code	3

Once an estimate is established, any increase requires an adjustment reason code 32

Increase the amount of the estimate by entering a positive value in the royalty value prior to allowances (RVPA) and the royalty value less allowances (RVLA) fields.

Decrease the amount of the estimate by entering a negative value in the royalty value prior to allowances (RVPA) and the royalty value less allowances (RVLA) fields.

Be sure to use the adjustment reason code (ARC) 32 when making the adjustment.



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How to Recoup an Estimate

- **Recoup Federal estimates anytime**
- **Recoup Indian estimates according to Indian recoupment limitations (estimate payments are overpayments, not required by terms)**
- **Estimate payments are disbursed by ONRR to the entitled recipients**

How to recoup an estimate:

Follow the proper procedures in accordance with Federal and Indian recoupments and refunds.

Recoup Federal estimates at any time against any lease.

Estimates for Indian leases are lease specific and are subject to recoupment limitations.

Recoup tribal leases at 100% and allotted leases at 50% against current revenue.

Reminder: The estimate payments are disbursed to the entitled recipient.

Transaction Code 03 (Decreasing an Estimate)

Detail Line

• Line Number	1
• API Well Number	
• ONRR Lease Number	0490129432
• ONRR Agreement Number	
• Product Code	
• Sales Type Code	
• Sales MO/YR	062014
• Transaction Code	03
• Adjustment Reason Code	32
• Sales Volume	
• Gas MMBtu	
• Sales Value	
• Royalty Value Prior to Allowances	-100.00
• Transportation Allowance	
• Processing Allowance	
• Royalty Value Less Allowances	- 100.00
• Payment Method Code	3

Once an estimate is established, any decrease requires an adjustment reason code 32

Increase the amount of the estimate by entering a positive value in the royalty value prior to allowances (RVPA) and the royalty value less allowances (RVLA) fields.

Decrease the amount of the estimate by entering a negative value in the royalty value prior to allowances (RVPA) and the royalty value less allowances (RVLA) fields.

Be sure to use the adjustment reason code (ARC) 32 when making the adjustment.



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An estimate is NOT needed for all products

- The estimate sales month will reflect all products on the lease (rolled-up to the lease level)
- Companies need to use the correct sales month for any product not requiring an estimate

Establish an estimate balance at lease level, not for a specific product.

Report the correct sales month depending on which product on the 2014 report will have an established estimate.

Once the estimate is established, report the sales month as 2 months prior to the report month for actual production reporting.

Transaction Code 03

(Multiple Products and Establishing an Estimate)

Detail Line

	<u>Current Prod</u>	<u>Estimate for Gas</u>
• Line Number	1	2
• API Well Number		
• ONRR Lease Number	0490129432	
• ONRR Agreement Number		
• Product Code	01	
• Sales Type Code	ARMS	
• Sales MO/YR	022015	
• Transaction Code	01	
• Adjustment Reason Code		
• Sales Volume	9.06	
• Gas MMBtu		
• Sales Value	704.00	
• Royalty Value Prior to Allowances	88.00	
• Transportation Allowance		
• Processing Allowance		
• Royalty Value Less Allowances	88.00	
• Payment Method Code	03	

Situation: Lease has oil and gas sold for the month of February. Payor only receives the sales data for oil by the report due date

Scenario: First time reporting on lease. Company receives oil run tickets timely, gas plant statements are received late. What fields must be completed on your monthly report for Line 2? (You are setting up the estimate for Line 2 for \$1000.00). The report month is 03/2015

Line 1.

This line has been completed for you and represents your current oil production.

Line 2.

What should be entered in the required fields?

Transaction Code 03

(Multiple Products and Establishing an Estimate)

<u>Detail Line</u>	<u>Current Prod</u>	<u>Estimate for Gas</u>
• Line Number	1	2
• API Well Number		
• ONRR Lease Number	0490129432	0490129432
• ONRR Agreement Number		
• Product Code	01	
• Sales Type Code	ARMS	
• Sales MO/YR	022015	022015
• Transaction Code	01	03
• Adjustment Reason Code		
• Sales Volume	9.06	
• Gas MMBtu		
• Sales Value	704.00	
• Royalty Value Prior to Allowances	88.00	1,000.00
• Transportation Allowance		
• Processing Allowance		
• Royalty Value Less Allowances	88.00	1,000.00
• Payment Method Code	03	03

Solution:

Sales Month	02/2015
Transaction Code	03
RVPA	1000.00
RVLA	1000.00
Payment Method	3

Solution Hint: If reporting after the 10th of the month, note that the report month changes. If you set up estimates for a particular sales date, you may want to send them in on a separate report if you are having difficulty with corrections and overrides, and you may not be finished by the 10th of the month.

Transaction Code 03

(Multiple Products and Establishing Estimate cont.)

Detail Line

	<u>Oil Prod</u>	<u>Gas Prod</u>	<u>Inc Gas Est</u>
	1	2	3
• Line Number			
• API Well Number			
• ONRR Lease Number	0540077770	0540077770	0540077770
• ONRR Agreement Number			
• Product Code	01	04	
• Sales Type Code	ARMS	ARMS	
• Sales MO/YR	022015	??????	??????
• Transaction Code	01	01	03
• Adjustment Reason Code			??
• Sales Volume	9.06	3020.00	
• Gas MMBtu		3624.00	
• Sales Value	704.00	18120.00	
• Royalty Value Prior to Allowances	88.00	2265.00	500.00
• Transportation Allowance			
• Processing Allowance			
• Royalty Value Less Allowances	88.00	2265.00	500.00
• Payment Method Code	03	03	03

Once a payor has established an estimate for a lease, they need to make sure they report the correct sales month and adjust their estimate accordingly

New Scenario: Company established estimate last month. This is production month February and report month March. How would you report oil & gas on your Form 2014 and increase your estimate for increased production by \$500.00?

Line 1:

Oil Production – This line is completed for you.

Line 2:

What is the correct sales month?

Line 3:

What should you enter into the sales date field? What should you enter into the ARC field?

Transaction Code 03

(Multiple Products and Establishing Estimate cont.)

Detail Line

	<u>Oil Prod</u> 1	<u>Gas Prod</u> 2	<u>Inc Gas Est</u> 3
• Line Number	1	2	3
• API Well Number			
• ONRR Lease Number	0540077770	0540077770	0540077770
• ONRR Agreement Number			
• Product Code	01	04	
• Sales Type Code	ARMS	ARMS	
• Sales MO/YR	022015	012015	022015
• Transaction Code	01	01	03
• Adjustment Reason Code			32
• Sales Volume	9.06	3020.00	
• Gas MMBtu		3624.00	
• Sales Value	704.00	18120.00	
• Royalty Value Prior to Allowances	88.00	2265.00	500.00
• Transportation Allowance			
• Processing Allowance			
• Royalty Value Less Allowances	88.00	2265.00	500.00
• Payment Method Code	3	3	3

Once a payor has established an estimate for a lease, they need to make sure they report the correct sales month and adjust their estimate accordingly

Solution:

Line 2:

Sales Month 012015

Line 3:

Sales Month 022015

ARC 32



The ONRR Financial System uses estimate balances in late payment interest calculations

- The ONRR financial system tracks estimate balances
- For a given lease and sales month, the ONRR financial system compares the lease estimate balance to the actual royalty paid under the estimate
- Interest is due on the amount that the royalty payment exceeds the estimate balance
- Interest is also due on amounts paid after the due date for estimate reporting.

The rationale for ONRR's tracking of estimate balances is that interest may be due if estimates are too low, however, if an estimate is too high for an extended period of time, ONRR will not pay interest.

For a given lease and sales month, ONRR compares the lease estimate balance to the actual royalty paid. Interest is due on the amount that the royalty payment exceeds the estimate balance. Interest is also due on amounts paid after the due date for estimate reporting. Therefore, it is to your benefit to maintain a record of all estimate payments and adjustments for each lease to possibly prevent an overrecoupment of an estimate balance.



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Maintain Estimate Balance Records

- **The 2014 estimate balance report summarizes ONRR's records of estimate transactions.**
- **Companies can access this monthly report in their company folder through the internet (Data Portal) at <https://dwportal.mms.gov/>**
- **Companies should keep a record of their estimate payments by lease and reconcile balances at least yearly**

Keep track of estimate balance payments and adjustments for each lease.

Access the estimate balance detail and summary reports through the company specific payor folder in the Data Warehouse Portal.

Check the payor folders weekly for new information

Reconcile estimate balances yearly against the estimate balance detail.

****ONRR will attempt to provide data when requested, but adequate staff is not available to respond to frequent and numerous requests for data.**



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Reporting Exercise

- You are reporting your monthly royalty for gas
- Rocky Mountain Oil & Gas sold unprocessed gas (product code 04) from lease 049-012345-0 for sales month January 2015 to an unaffiliated company
- The contract is arm's length percentage of proceeds
- Lease participates in the Laramie Unit 891-001234-0
- Total agreement production volume is 3000
- Lease receives a 20 percent allocation from the unit
- Owner's Interest is 100%
- The lease has 50% Federal Ownership
- Btu content is 1.150
- Price per unit is \$5.00
- There are no transportation or processing costs
- Lease royalty rate is 12 ½ Percent
- Payment by EFT

Reporting Exercise for classroom experience. Use your Royalty Calculations Worksheet handout.

Owner's interest is always something that you will need to know internally. ONRR does not know your owner's interest.



Reporting Exercise Answer

Total agreement production volume x tract percentage x
Federal mineral ownership interest = sales volume

??? mcf x ??? x ??? x ??? = ??? Sales Volume

Sales Volume x Btu Content = Gas MMBtu

??? x ??? Btu Factor = ??? Gas MMBtu

Gas MMBtu x Price Per Unit = Sales Value

??? MMBtu x \$??? Unit Price = \$??? Sales Value

Sales Value x Lease Royalty Rate = Royalty Value

\$??? x ??? = \$??? Royalty Value

Solution to the Reporting Exercise Scenario



Questions?????





U.S. Department of the Interior

Office of Natural Resources Revenue (ONRR)

ADJUSTMENTS, RECOUPMENTS & REFUNDS



Industry Compliance • Accurate Revenues and Data • Professionalism & Integrity



Adjustment

Correction made on Form ONRR-2014 to a previously accepted line to report:

- Additional monies
- Change information that has no effect on payments

Two-line entry required (except estimates):

- Reverse original line as accepted into the ONRR financial system, and as converted to the new Form ONRR-2014 format
- Enter adjusting line
- Adjustment reason code required on **both** lines

Industry Compliance • Accurate Revenues and Data • Professionalism & Integrity

An **adjustment** is a correction that you make on the Form ONRR-2014 to a previously accepted line to report additional monies or to make a change that **does not** effect the payment (for example, correct your product code, sales type code, sales month, etc.)

- You will adjust a line by reversing the original line as it accepted into the MRM Financial Support system and as converted to the new Form ONRR-2014 format (using a valid ARC).
- You will then report the line correctly (also using a valid ARC).
- The two-line reversal is **not** used for estimate reporting. You will increase or decrease an estimate balance using a single-line entry.



Valid Adjustment Reason Codes

- 10 Adjustment
At the request of industry, we consolidated the ARCs wherever possible. Unless instructed otherwise by ONRR, industry can report volume, value, and royalty rate adjustments using ARC 10.
- 15 Marginal Property True-Up
- 16 Major Portion/Dual Accounting (post 01/01/2000)
- 17 ONRR-Initiated Compliance Adjustment – Now part of the CMP2014 process
- 32 Estimate Adjustment
- 35 Unit Participating Area/Communitization Agreement Adjustment
- 49 Index Zone/Dual Accounting Price Adjustment
(post 01/01/2000 sales months only)

Notice the valid and invalid ARC's for the new Form ONRR-2014. We continue to see many rejected lines with invalid ARC's.

For more information on Adjustment Reason Codes, See the Minerals Revenue Reporter Handbook, Appendix F, Adjustment Reason Codes.



Recoupment

An adjustment on Form ONRR-2014 that results in a net negative total for the transaction.

ONRR prefers that the credit is recovered from the balance of the document.

Fastest and most cost-efficient way to correct an overpayment.

If you make an adjustment that **does** affect the monies and results in a **net negative** total for the transaction, this is considered a **recoupment**. You can then recover the credit from the balance of the document.

- A recoupment is the fastest and most cost-efficient way to correct an overpayment.
- **ONRR prefers that you recoup your overpayment in this way.**



Refund

Refund: A payment made by ONRR to a payor.

ONRR prefers overpayments to be recouped against revenue on Form ONRR-2014. Otherwise, notify ONRR by telephone, fax, or in writing of a refund request. Include the following:

- Explanation of how the overpayment occurred
- Request for a specific amount
- Taxpayer Identification or Social Security Number
- Correcting Form ONRR-2014 or copy of check

A **refund** is given when ONRR directs the U.S. Treasury to issue funds to a payor for an overpayment. **ONRR PREFERS OVERPAYMENTS TO BE RECOUPED AGAINST REVENUE ON YOUR Form ONRR-2014.** However, if you request a refund through ONRR, notify us by telephone, fax, or in writing and include the following:

- A brief explanation of how the overpayment occurred
- A request for a specific amount
- Your taxpayer identification number or social security number if you are an individual. ONRR must include this number on all checks or wire payments made by the U.S. Treasury.
- A properly completed Form ONRR-2014 that reverses the originally reported overpayment and then reports the correct data. The net difference represents the amount of your refund request or,
- If you did not report the overpayment on Form ONRR-2014, provide a copy of the check or wire transfer information to help us identify your overpayment.



Refund (cont.)

ONRR will send your refund electronically. Include the following:

- Payor name
- Bank name, city, and state
- Nine-digit American Banking Association (ABA) number
- Bank account number and account type

The Debt Collection Improvement Act of 1996 requires ONRR to send all Federal payments electronically unless the recipient certifies that they do not have an account at a financial institution.

To process the funds electronically, include the following:

- Payor name
- Your bank name, city, and state
- Your 9-digit American Banking Association (ABA) number
- Your bank account number and account designation (c - checking or s - savings)
- Your taxpayer identification or social security number



Federal Leases

Adjustment must be made within 6 years from obligation due date (6-year adjustment period).

Recoupment must be taken within 6 years from obligation due date (6-year adjustment period).

Refund request must be submitted within 6 years from obligation due date (6-year adjustment period).

You must make adjustments within 6 years from the obligation due date. For example, you must make any adjustments to the December 2008 sales period before the last day of January 2015.

You can adjust overpayments and underpayments discovered during an audit on your CMP-2014 if they exceed the 6-year adjustment period only after a written notice is approved by the Secretary or the applicable delegated State (tolling agreement).

In the event that the lines adjusting lines reject, you must contact your Royalty Error Specialist and provide a copy of the issue letter, audit report, order, and/or data mining email request/order as part of the override process.



Federal Recoupment Situations

Overpaid/Reported Royalties Correctly

- No adjusting Form-2014 necessary.
- Use credit toward the payment of the next amount due to any lease.
- Please notify your assigned ONRR Accountant.

Overpaid and Over-Reported Royalties

- Must reverse original entry and rebook line with correct data.
- ONRR prefers adjustment be added to the next Form-2014 that has an amount due to ONRR.

Helpful Hint: You must review your original lines in the data warehouse and not back out what is in your system. There may be a discrepancy due to overrides, changes, etc.



MAKING AN ADJUSTMENT THAT DOES NOT EFFECT ROYALTIES

Detail line Number	1	2
API Well Number		
ONRR Lease Number	049012943A	049012943A
ONRR Agreement Number		8910012340
Product Code	04	04
Sales Type Code	ARMS	ARMS
Sales MO/YR	072014	072014
Transaction Code	01	01
Adjustment Reason Code	10	10
Sales Volume	-1280.00	1280.00
Gas MMBtu	-1408.00	1408.00
Sales Value	-704.00	704.00
Royalty Value Prior to Allowances	-88.00	88.00
Transportation Allowance	0.00	0.00
Processing Allowance	0.00	0.00
Royalty Value Less Allowances	-88.00	88.00
Payment Method Code	03	03

To correct a Federal reporting error that does not effect the monies, reverse the original line as accepted and enter the adjustment to report the correct information using ARC 10.

Remit a check in the amount of \$0.00 (net difference).

First Step: Go to the Data Warehouse and find the original line (do not use your own history).

Second Step: Reverse your original line using the appropriate adjustment reason code.

Third Step: Rebook your line ensuring that you use the same adjustment reason code as your reversal line.

Don't forget: Your payment method even if it is a negative royalty.

For estimate adjustments always use ARC 32.

If you are making adjustments for an audit, do not reverse estimates as this is an unnecessary step.



MAKING AN ADJUSTMENT THAT DOES EFFECT ROYALTIES

Detail line Number	1	2
API Well Number		
ONRR Lease Number	049012943A	049012943A
ONRR Agreement Number		8910012340
Product Code	04	04
Sales Type Code	ARMS	ARMS
Sales MO/YR	072014	072014
Transaction Code	01	01
Adjustment Reason Code	10	10
Sales Volume	-1280.00	1280.00
Gas MMBtu	-1408.00	1408.00
Sales Value	-4224.00	4224.00
Royalty Value Prior to Allowances	-528.00	616.00
Transportation Allowance	0.00	0.00
Processing Allowance	0.00	0.00
Royalty Value Less Allowances	-528.00	616.00
Payment Method Code	03	03

To correct a Federal reporting error that does effect the monies, reverse the original line as accepted and enter the change to the Royalty Value Less Allowance to report the correct information using ARC 10.

Remit check in the amount of \$88.00 (net total of report).

First Step: Go to the Data Warehouse and find the original line (do not use your own history).

Second Step: Reverse your original line using the appropriate adjustment reason code.

Third Step: Rebook your line ensuring that you use the same adjustment reason code as your reversal line.



Indian Tribal and Allotted Leases

Adjustment

You can make corrections at any time to report:

- Additional monies
- Change information that has no effect on payments (no cross-lease netting)

Refund

ONRR cannot refund payments

- Allotted leases - refund not possible
- Tribal leases - company must request from appropriate Tribe

An **adjustment** is a correction that you make on the Form ONRR-2014 to a previously accepted line to report additional monies or to make a change that **does not** effect the payment (for example - correct your product code, sales type code, sales month etc.)

•**ONRR** cannot **refund** allotted and tribal payments; therefore, be very careful when you report and pay Indian leases.

We are going to discuss some different scenarios to either recoup or get a refund for overpayments on allotted or tribal leases.

•If you overpay an **allotted** lease, and you are the responsible payor to report and pay royalties on the lease, and it is producing, you can recoup the overpayment (50 percent) against current revenue on that lease. You must establish that overpayment using Transaction Code 50 (Indian Recoupable Balance). If the lease is not producing, you will be unable to get a refund from the allottee. If you sold the lease and it is producing, you can ask the new payor if they will recoup the overpayment for you by transferring your recoupable balance (TC 50) to them. To recoup your recoupable balance, you must use Transaction Code 51 (Indian Recoupment Taken).

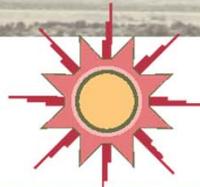
•If you overpay a **tribal** lease, and you are the responsible payor to report and pay royalties on the lease, and it is producing, you can recoup the overpayment (100 percent) against current revenue on that lease, or request a refund from the appropriate tribe. You must establish that overpayment using Transaction Code 50 (Indian Recoupable Balance). If you are no longer the responsible payor or the lease is not producing, you can request permission from the tribe to recoup the balance from other tribal leases that you report and pay current revenue. If you sold the lease, and it is producing, you can ask the new payor if they will recoup the overpayment for you by transferring your recoupable balance (TC 50) to them. To recoup your recoupable balance, you must use Transaction Code 51 (Indian Recoupment Taken).

NOTE: If you are going to transfer Indian estimates or recoupable balances, you must contact your Royalty Error Specialist to perform this action for you. Reporters/Payors are not allowed to transfer the balances.



Recoupment Comparison

TRIBAL



ALLOTTED

**Under protection of
Indian Tribe**

TC 50/51

**Recoup up to 100% of net
current revenues**

Lease specific

**With written permission from
the Tribe, may recoup from
other tribal leases**

**Owned by an individual
Indian**

TC 50/51

**Recoup up to 50% of net
current revenues**

Lease specific

Lets look at the difference between tribal and allotted lease Recoupment procedures.

Tribal: The payment is disbursed to the tribe. If you overpay a tribal lease, you can set up a recoupable balance (TC 50) and recoup against current revenue using (TC 51). You can recoup up to 100% of net current revenue against the same lease as the overpayment. If you overpay a tribal lease and are unable to recoup the balance, you can request permission from the tribe to recoup the balance from other tribal leases.

Allotted: The payment is disbursed to an individual allottee; therefore, the recoupment is prorated so that the current revenue is not reduced by more than 50 percent. If you overpay an allotted lease, you can set up a recoupable balance (TC 50) and recoup against current revenue using (TC 51) on the same lease as the overpayment. If you overpay an allotted lease and are unable to recoup the balance, you will not be able to get a refund.

Note: Keep track of your recoupable balances by payor code and lease number. If you try to recoup more than the balance, the line will reject.



Indian Recoupment Situations

Overpaid - Reported Royalties Correctly

- No adjusting Form-2014 necessary.
- Use credit toward the payment of the next amount due to any Indian lease. Please notify your assigned ONRR Accountant.

Overpaid on a Tribal Lease (PM 7) - Reported Royalties Correctly

- No adjusting Form-2014 necessary.
- Use credit only to reduce future payments to that *specific* tribal lockbox. Please notify your assigned ONRR Accountant.

Overpaid and Over-Reported Royalties

- Must reverse original entry and rebook line with correct data
- Must establish recoupable balance for the specific Indian lease(s) in which the error(s) occurred with a Transaction Code 50.
- Once TC 50 is established, recoup with TC 51 against current month's net revenue due on the same lease until fully recouped.



MAKING AN ADJUSTMENT THAT DOES NOT EFFECT ROYALTIES

Detail line Number	1	2
API Well Number		
ONRR Lease Number	6340027270	6340027270
ONRR Agreement Number		8910012340
Product Code	04	04
Sales Type Code	ARMS	ARMS
Sales MO/YR	012015	012015
Transaction Code	01	01
Adjustment Reason Code	10	10
Sales Volume	-1280.00	1280.00
Gas MMBtu	-1408.00	1408.00
Sales Value	-704.00	704.00
Royalty Value Prior to Allowances	-88.00	88.00
Transportation Allowance	0.00	0.00
Processing Allowance	0.00	0.00
Royalty Value Less Allowances	-88.00	88.00
Payment Method Code	03	03

To correct an Indian reporting error that does not effect the monies, reverse the original line as accepted and enter the adjustment to report the correct information using ARC 10.

You owe \$0.00 (net difference).

First Step: Go to the Data Warehouse and find the original line (do not use your own history).

Second Step: Reverse your original line using the appropriate adjustment reason code.

Third Step: Rebook your line ensuring that you use the same adjustment reason code as your reversal line.

Don't forget: Your payment method even if it is a negative royalty.

For estimate adjustments always use ARC 32.

If you are making adjustments for an audit, do not reverse estimates as this is an unnecessary step.



Indian Tribal Lease vs. Allotted Lease Recoupment Example

- The Reporter reported an incorrect volume:
 - Reported 10,000 Mcf
 - Should be 1,000 Mcf
- The leases have a 20 percent royalty rate.
- The overpayment occurred on report month February 2015 for January 2015 production.
- A correction will be made on the March 2015 report at which time the February 2015 production will also be reported.

We will review an example to show you the difference in reporting between Indian allotted and tribal leases.

The lease information shown will remain the same for both examples; only the reporting will be different.



MAKING AN ADJUSTMENT THAT DOES EFFECT ROYALTIES TRIBAL

	Reversing	Rebook	Set Up 50	Current Royalty	Recoup 51
Detail line Number	1	2	3	4	5
API Well Number					
ONRR Lease Number	6340027270	6340027270	6340027270	6340027270	6340027270
ONRR Agreement Number		8910012340		8910012340	
Product Code	04	04		04	
Sales Type Code	OINX	OINX		OINX	
Sales MO/YR	012015	012015	012015	022015	022015
Transaction Code	01	01	50	01	51
Adjustment Reason Code	10	10			
Sales Volume	-10000.00	1000.00	0.00	1200.00	0.00
Gas MMBtu	-11100.00	1110.00	0.00	1332.00	0.00
Sales Value	-33300.00	3330.00	0.00	4329.00	0.00
Royalty Value Prior to Allowances	-6660.00	666.00	5994.00	865.00	-865.00
Transportation Allowance	0.00	0.00	0.00	0.00	0.00
Processing Allowance	0.00	0.00	0.00	0.00	0.00
Royalty Value Less Allowances	-6660.00	666.00	5994.00	865.00	-865.00
Payment Method Code	03	03	03	03	03

To correct the original line reported on Form ONRR-2014:

Go to the Data Warehouse and find the original line (do not use your own history).

- Line 1:** Reverse the original line as accepted into the ONRR's system (using a valid ARC)
- Line 2:** Enter the adjustment line to report the correct volume (using a valid ARC).
- Line 3:** Use TC 50 to establish a recoupable balance to offset the overpayment. The royalty value for TC 50 is a positive amount and is the difference between line one and line two (your document total will be zero). The sales month will match your royalty line in which the overpayment occurred.

For report month March 2014 and sales month February 2014 you can recoup against the TC 50 balance that you established the prior month.

Line 4: Current Production

- Line 5:** Use TC 51 to recoup the overpayment. For Indian tribal leases, you can recoup up to 100 percent of current revenue due for the lease. The sales month will match your royalty line in which you are recouping against.

The royalty value for February production is \$865.80. You can recoup 100 percent of \$865.80. You owe nothing.



MAKING AN ADJUSTMENT THAT DOES EFFECT ROYALTIES ALLOTTED

	Reversing	Rebook	Set Up 50	Current Royalty	Recoup 51
Detail line Number	1	2	3	4	5
API Well Number					
ONRR Lease Number	6340027270	6340027270	6340027270	6340027270	6340027270
ONRR Agreement Number		8910012340		8910012340	
Product Code	04	04		04	
Sales Type Code	OINX	OINX		OINX	
Sales MO/YR	012015	012015	012015	022015	022015
Transaction Code	01	01	50	01	51
Adjustment Reason Code	10	10			
Sales Volume	-10000.00	1000.00	0.00	1200.00	0.00
Gas MMBtu	-11100.00	1110.00	0.00	1332.00	0.00
Sales Value	-33300.00	3330.00	0.00	4329.00	0.00
Royalty Value Prior to Allowances	-6660.00	666.00	5994.00	865.00	-432.50
Transportation Allowance	0.00	0.00	0.00	0.00	0.00
Processing Allowance	0.00	0.00	0.00	0.00	0.00
Royalty Value Less Allowances	-6660.00	666.00	5994.00	865.00	-432.50
Payment Method Code	03	03	03	03	03

To correct the original line reported on Form ONRR-2014:

Go to the Data Warehouse and find the original line (do not use your own history).

- Line 1:** Reverse the original line as accepted into the ONRR's system (using a valid ARC)
- Line 2:** Enter the adjustment line to report the correct volume (using a valid ARC).
- Line 3:** Use TC 50 to establish a recoupable balance to offset the overpayment. The royalty value for TC 50 is a positive amount and is the difference between line one and line two (your document total will be zero). The sales month will match your royalty line in which the overpayment occurred.

For report month March 2014 and sales month February 2014, you can recoup against the TC 50 balance that you established the prior month.

Line 4: Current Production

- Line 5:** Use TC 51 to recoup the overpayment. For Indian Allotted leases, you can recoup up to 50 percent of current revenue due for the lease. The sales month will match your royalty line in which you are recouping against.
- The royalty value for February production is \$865.80. You can recoup 50 percent of \$865.80. You owe \$432.50.



Transaction Code 25

Advance rental payments (TC 05) are **NOT** considered overpayments.

Recoupments (TC 25) of advance rental payments (TC 05) are **NOT** subject to recoupment limitations within the current lease year (recoup 100%).

Tip: Recoup the current lease year rent before recouping any already established recoupable balance.

- ONRR does not consider advance rentals overpayment therefore, the Indian recoupment procedures do not apply.
- So once you have reported and paid your recoupable **rent** (TC 05) begin recouping it the following month or two if you have an estimate established, at 100% against your current revenue **within the current lease year**. This applies to both allotted and tribal leases.
- We continue to see payors recoup only 50% on allotted leases within the current lease year.
- Be sure to recoup your current lease year rent before recouping any recoupable balance (TC 50). This is not a rule but a suggestion.
- Note: Be sure to keep track of your recoupable and rental balances.



Indian Lease Example Recouping Current Year Rental

	Current Royalties	Recouping Rent
Detail line Number	1	2
API Well Number		
ONRR Lease Number	5350012860	5350012860
ONRR Agreement Number	8910012340	
Product Code	04	
Sales Type Code	OINX	
Sales MO/YR	022015	022015
Transaction Code	01	25
Adjustment Reason Code		
Sales Volume	720.00	0.00
Gas MMBtu	845.00	0.00
Sales Value	4329.00	0.00
Royalty Value Prior to Allowances	865.00	-800.00
Transportation Allowance	0.00	0.00
Processing Allowance	0.00	0.00
Royalty Value Less Allowances	865.00	-800.00
Payment Method Code	03	03

Note: Current year rent must be reported and paid before recouped against current royalties.

Assume the annual rent of \$800 was paid and reported by the annual due date of Jan 1, 2015.

Recoup the current year rent at 100% of the current revenue, regardless of the Indian lease type.

For report month March 2014 and sales month February 2015, you can recoup the current lease year rent.

- Use TC 25 to recoup the current year rent payment at 100%. Leaving net revenues of \$65.00. (Revenue \$865.00 – Rent Recoup \$800.00 = \$65.00)
- The sales month will match your royalty line in which you are recouping against.



Indian Example Recouping Past Year Rental

	Current Royalties	Recouping Rent	Set Up 50
Detail line Number	1	2	3
API Well Number			
ONRR Lease Number	6340027270	6340027270	6340027270
ONRR Agreement Number	8910012340		
Product Code	04		
Sales Type Code	OINX		
Sales MO/YR	022015	012014	012014
Transaction Code	01	25	50
Adjustment Reason Code	10	10	
Sales Volume	720.00	0.00	0.00
Gas MMBtu	845.00	0.00	0.00
Sales Value	4329.00	0.00	0.00
Royalty Value Prior to Allowances	865.00	-800.00	800.00
Transportation Allowance	0.00	0.00	0.00
Processing Allowance	0.00	0.00	0.00
Royalty Value Less Allowances	865.00	-800.00	800.00
Payment Method Code	03	03	03

REMEMBER – Current Rent Recoupments are **NOT** Overpayments.

Rent Recoupments Outside the lease year **ARE** overpayments.

OVERPAYMENTS NEED A TC50.

Facts:

Jan 2014 past royalties paid were \$850.00

Annual 2014 rental \$800 was reported/paid timely.

To recoup a past year rental:

1. Rent must be paid.
2. Only recoup up to the total royalties paid during the lease year minus any TC 03 estimates and TC51 Indian Recoupments.
3. Now, follow the same procedures to recoup a current year rental (TC 25), except payor must set up a recoupable balance (TC 50) to offset. Payor can begin recouping with TC 50 against any new revenue at the proper rate with TC 51.

 Indian Lease Example Recouping Current/Past Rental and Recoupable Balances					
	Current Royalty	Recoup Past Rental	Set Up 50	Current Rent Recoup	Reduce Recoup Balance
Detail line Number	1	2	3	4	5
API Well Number					
ONRR Lease Number	6340027270	6340027270	6340027270	6340027270	6340027270
ONRR Agreement Number	8910012340				
Product Code	04				
Sales Type Code	OINX				
Sales MO/YR	022015	012014	012014	022015	022015
Transaction Code	01	25	50	25	51
Adjustment Reason Code	10	10			
Sales Volume	720.00	0.00	0.00	0.00	0.00
Gas MMBtu	845.00	0.00	0.00	0.00	0.00
Sales Value	4329.00	0.00	0.00	0.00	0.00
Royalty Value Prior to Allowances	865.00	-800.00	800.00	-800.00	-32.50
Transportation Allowance	0.00	0.00	0.00	0.00	0.00
Processing Allowance	0.00	0.00	0.00	0.00	0.00
Royalty Value Less Allowances	865.00	-800.00	800.00	-800.00	-32.50
Payment Method Code	03	03	03	03	03

On same report (lease specific), determine your current net revenues: new royalties minus any current year rent recoupment ($\$865.00 - \$800.00 = \$65.00$).

Recoup any recoupable balance against the remaining revenue.

If lease is tribal, add TC 51 for -65.00. If allotted, TC 51 = $-\$32.50$ (1/2 $\$65.00$).

Resulting in report total and payment: Tribal = Zero, Allotted = $\$32.50$.

For report month March 2015 and sales month February 2015, you can recoup the current lease year rent, as well as, any TC 50 balance that you established previously or on the current report.

- Use TC 25 to recoup the current year rent payment at 100%. Leaving net revenues of $\$65.00$ left to recoup ($\$865.00 - \800.00).
- Use TC 51 to recoup any overpayment. For Indian allotted leases, you may not exceed 50 percent of current net revenue due for the lease.
- The sales month will match your royalty line in which you are recouping against.
- You can recoup 50 percent of the net revenue of $\$65.00$ which equals $\$32.50$, assuming that the recoupable balance equals or exceeds $\$32.50$.



Transaction Code 03

- Reductions to estimated payments (TC 03) **ARE** subject to recoupment limitations (tribal 100%, allotted 50%)
- Tip: Recoup the current lease year rent before recouping any estimate balance.

- Keep in mind that if you reduce an estimate balance, you **ARE** subject to the recoupment limitations (tribal 100%, allotted 50%).
- If recouping both a current year rent and reducing an established estimate balance, recoup the rent at 100% and the remainder is subject to the recoupment limitations (tribal 100%, allotted 50%).
- Note: Be sure to keep track of your estimate balances so that you do not exceed the amount established in ONRR's system.



Indian Allotted Example Recouping Rental & Estimate Balances

	Current Royalty	Current Rent Recoup	Reduce Estimate
Detail line Number	1	2	3
API Well Number			
ONRR Lease Number	6340027270	6340027270	6340027270
ONRR Agreement Number	8910012340		
Product Code	04		
Sales Type Code	OINX		
Sales MO/YR	022015	022015	022015
Transaction Code	01	25	03
Adjustment Reason Code			32
Sales Volume	720.00	0.00	0.00
Gas MMBtu	845.00	0.00	0.00
Sales Value	4329.00	0.00	0.00
Royalty Value Prior to Allowances	865.00	-400.00	-232.50
Transportation Allowance	0.00	0.00	0.00
Processing Allowance	0.00	0.00	0.00
Royalty Value Less Allowances	865.00	-400.00	-232.50
Payment Method Code	03	03	03

Facts: 2015 annual rent of \$400 has been reported/paid and the current estimate balance is \$250.00

Recoup the current year rent at 100% of the current revenue. The current net revenue will total \$465.00 (\$865.00 - \$400.00).

Now payor can reduce their estimate balance by 50% of their net revenue = \$232.50 (1/2 of \$465.00), using TC 03, ARC 32.

For report month March 2015 and sales month February 2015, you can recoup the current year rent as well as any established estimate balance you established the prior month.

- Recoup the current lease year rent with a TC 25 at 100% of the current revenue (\$865.00 - \$400.00 = 465.00)
- Use TC 03 with ARC 32 to reduce your estimate balance. For Indian allotted leases, you may not exceed 50 percent of current net revenue due for the lease. The sales month will always be one month prior to the report month. In this example, it also matches the sales month of the current production.
- You can recoup 50 percent of the net revenue \$465.00 which equals \$232.50, assuming that your estimate balance is equal to or greater than \$232.50.



Indian Allotted Example

Recouping TC 50 and Estimate Balances

	Current Royalty	Recouping Indian Recoup Balance	Reduce Estimate
Detail line Number	1	2	3
API Well Number			
ONRR Lease Number	6340027270	6340027270	6340027270
ONRR Agreement Number	8910012340		
Product Code	04		
Sales Type Code	OINX		
Sales MO/YR	022015	022015	022015
Transaction Code	01	51	03
Adjustment Reason Code			32
Sales Volume	720.00	0.00	0.00
Gas MMBtu	845.00	0.00	0.00
Sales Value	4329.00	0.00	0.00
Royalty Value Prior to Allowances	865.00	-200.00	-232.50
Transportation Allowance	0.00	0.00	0.00
Processing Allowance	0.00	0.00	0.00
Royalty Value Less Allowances	865.00	-200.00	-232.50
Payment Method Code	03	03	03

Facts: Current recoupable (TC 50) balance is \$200 and the current estimate balance is \$250.00.

When recouping recoupable and estimate balances against current revenue for allotted leases, the combined recoupment amounts cannot exceed 50% of the current revenue.

Can only recoup up to ½ of \$865.80 with combination TC03/51 ($865.00 / 2 = 432.50$)

For report month March 2015 and sales month February 2015, you can recoup the current year rent as well as any established estimate balance you established the prior month.

- Recoup the current lease year rent with a TC 25 at 100% of the current revenue ($\$865.80 - \$400.00 = 465.80$)
- Use TC 03 with ARC 32 to reduce your estimate balance. For Indian allotted leases, you may not exceed 50 percent of current net revenue due for the lease. The sales month will always be one month prior to the report month. In this example, it also matches the sales month of the current.
- You can recoup 50 percent of the net revenue \$465.80 which equals \$232.50, assuming that your estimate balance is equal to or greater than \$232.50.



Indian Allotted Example:

- Lease number is 1234567890
- Agreement Number NM 123456
- Report is being completed on 03-29-2015
- A estimate is on file for \$26,000.00
- Recoupable Balance is \$50,000.00
- Current Rent was paid \$750.00 and \$750.00 is left to recoup.
- Current Production is for 01-2015 RVLA is \$6,250.00
- Unprocessed Gas, STC:ARMS (remember the MMBTU!)
- A Prior Period Adjustment is being made for Sales Month 05/2014. Adjustment will increase royalties due by \$11,500.00
- Original line was \$1,000.00 (Oil, STC:ARMS)
- Should have been \$12,500.00 (Oil, STC:ARMS)

See scenario above. Using the paper 2014 worksheet to report answer the questions below.

What will you report on each line for the scenario above?

Line 1: PPA – Filled in for you

Line 2: REBOOK – Filled in for you

Line 3: CURRENT PRODUCTION – Filled in for you

Line 4: CURRENT RENT RECOUP – You need to fill in

Line 5: ESTIMATE LINE – DECREASE – You need to fill in

Line 6: RECOUP ON YOUR RECOUPABLE BALANCE – You need to fill in.



Scenario Break Down

PPA (Reversal of Original Line)	-\$1,000.00
Rebook Line	\$12,500.00
New Revenue	\$11,500.00
Current Revenue	\$6,250.00
Total Revenue	\$17,750.00
*Current Rent Recoup	-\$750.00
<i>*Current Lease Year not considered overpayment. Recoup 100% of current Revenue</i>	
Total Revenue Left	\$17,000.00
*50% of Total Revenue	\$8,500.00
<i>*50% of Total Revenue (Allotted Lease) is what you can decrease estimates and recoup recoupable balances.</i>	
Estimate Balance Decrease	-\$3,000.00
Recoup Recoupable Balance	-\$5,500.00
	-\$8,500.00
Reporter Owes ONRR	\$8,500.00

This is a great example that will aid in you in reporting correctly and keep you out of trouble.

The answer key will be handed out.



Questions?





**eCommerce
Reporting Website**
Online Rental Payments
Federal Leases Only



Office of Natural Resources Revenue

The focus of this slide show is to provide basic guidance for using the Online Rental system to pay Federal lease rents.

What We Will Be Reviewing

■ Online Rental Payment System (ORPS)

- System for Paying Federal Lease Rents
(other than first year)
- Located in eCommerce
- Connects Directly With Pay.gov
to make ACH Debit Payment

■ Benefits

- User Controls Lease(s) and Amounts to Pay
- Payments Automatically Matched to Leases
- More Timely and Accurate Rental Payment Information
- Online Payment Tracking and Confirmation

The Online Rental Payment System:

- System for paying Federal Lease rents, other than first year rents
- Located in eCommerce, under the “Rental Information” menu option.
- It connects directly to Pay.gov to make the payment. ACH Debit is the only method of payment allowed for Online Rental payments.

The Online Rental Payment System is simple and efficient.

Benefits include:

- The user has control over the leases and amounts they wish to pay. You can select leases from an already populated list, add leases manually, or upload a file of leases to pay.
- Payments are automatically matched to the leases selected. ONRR receives payment files from Treasury, loads them into our system, and the Lease Account Balances are updated.
- Automating the process eliminates errors that can occur when matching paper checks to leases. Automation also leads to more timely and accurate rental payment information.
- The online rental payment system provides online payment tracking and confirmation.

■ Rental Payment Process Overview

1. Select and Review Lease Lines to Pay
2. Click “Checkout”
3. Confirm Lease Numbers, Payment Amounts, and Payor Code
4. Transition Seamlessly to Pay.gov to Input Bank Account Information
5. Review and Authorize Payment
6. Track, View, or Export Payment History

Paying Online Rents for Federal Leases is a straight forward process.

1. Select and Review the leases you wish to pay
2. Click “checkout”
3. Confirm Lease Numbers, Amounts, and Payor Code
4. Transition seamlessly to pay.gov to input Banking Information
5. Review and Authorize Payment
6. Track, View or Export Payment History

The process begins in eCommerce and transitions seamlessly from eCommerce to pay.gov and back to eCommerce.

Rental Information Tab

Office of Natural Resources Revenue

Documents List | Registration Information | Upload File | Upload History | **Rental Information** | Help | Known Issues | Feedback | Log Out

Home » Rental Information

1 Add New Lease

Enter Lease Number or Agency Number criteria to retrieve Lease Information

Lease Number: Agency Number: Year: 2015 Search Lease Number

2 Filter Options

Enter Lease Number or Agency Number criteria to retrieve Rental Information.

Lease Number: Agency Number: Due Date: 10/1/2015 Entry Type: All

3 Rental Report

Select Line	Lease #	Agency #	Due Date	Acreage	Rental Rate	Rental ID	Payment Amount
<input type="checkbox"/>	ONRR Lease#	Agency Lease#	10/1/2015	1734.92	\$ 50	from reference table	867.50
<input type="checkbox"/>	ONRR Lease#	Agency Lease#	10/1/2015	161.61	\$2.00	from reference table	324.00
<input type="checkbox"/>	ONRR Lease#	Agency Lease#	10/1/2015	121.01	\$2.00	from reference table	244.00

1 2 3 4 5

Click the “Rental Information” menu item in eCommerce to access the Online Rental Payment System.

The “Rental Information” page is displayed in three sections.

Section 1: “Add New Lease”

- This section is used to add a rental obligation line for a specific lease or agency number that is not already visible in the “Rental Report” section.

Paying leases that do not appear on rental report

Paying Future Dates: due date > 90 days from current date

- There is also a “Search Lease Number” option

Section 2: “Filter Options”

- This section allows you to apply filters to the rental lines in the “Rental Report” section. By selecting criteria and clicking “filter”, you can limit the lines you see in the “Rental Report”.
- Check/Uncheck All: clicking once selects ALL lease lines on ALL pages of the Rental Report (with filters applied). Clicking again de-selects all lines on all pages.
- This section also includes a “Payment History” option.

Section 3: “Rental Report”

- The Rental Report section contain lease lines available for payment.
- Each page contains 25 lease records, with additional pages indicated at the bottom of the section.
- The Rental ID is populated based on the origin of the lease lines.

- **Select Lease Lines in Rental Report**

- Click box in “Select Line” to choose that line for payment

Rental Report

Select Line	Lease #	Agency #	Due Date	Acreage	Rental Rate	Rental ID	Payment Amount
<input type="checkbox"/>	005000192A	COC0192A	3/1/2016	160	\$1.00	163	160.00
<input type="checkbox"/>	005000192A	COC0192A	3/1/2017	0	\$0.00	164	100.00
<input type="checkbox"/>	005000192A	COC0192A	3/1/2015	160	\$1.00	from reference table	160.00
<input type="checkbox"/>	0050013980	COC01398	3/1/2015	1120	\$0.50	from reference table	520.00

1 2 3 4 5 6 7 8 9 10 ... >>

- Filter Options to identify specific criteria
- Check/Uncheck All to select lines

Filter Options

Enter Lease Number or Agency Number criteria to retrieve Rental Information.

Lease Number: Agency Number: Due Date:  Entry Type:

Rental Report The Rental Report section contains lease lines available for payment.

The lease lines are generated three ways:

1. System Populated records of leases due within the next 90 days
 - Any lease you have a current or past obligation to pay will appear in your rental listing.
 - This provides the maximum flexibility in showing leases you may be responsible for.
 - You can choose which of the leases you want to pay.
 - System generated records have “from reference table” in the Rental ID column
2. Utilizing the “Add New Lease” section which we will demonstrate later in the presentation (see page
 - Rental ID is a system-generated numeric identifier
 - Acreage, Rental Rate and Payment Amount are populated based on effective year
3. Manual Upload from the “Upload File” tab (same upload process demonstrated earlier in the week). (example slide XXXXXX)
 - Rental ID is a system-generated numeric identifier
 - Acreage and Rental Rate are zero
 - Payment Amount and Due Date are populated from the upload file
 - NOTE: the upload file process only populates the rental report, records

must still be selected and paid.

Choose the Lease Lines to Pay:

Select the lease lines to pay by clicking on the boxes in the “Select Line” column

Select all lease lines at once using the “Check/Uncheck All” button in the “Filter Options” section

Use filter options to identify specific records, then select lines individually or use Check/Uncheck All

■ Select Lines for Payment

Rental Report

Select Line	Lease #	Agency #	Due Date	Acreage	Rental Rate	Rental ID	Payment Amount
<input checked="" type="checkbox"/>	0020817260	AKAA81726	10/1/2016	6132.53	\$3.00	98529	18399.00
<input checked="" type="checkbox"/>	0020817260	AKAA81726	10/1/2015	6132.53	\$3.00	from reference table	18399.00

Payment Summary:

 Office of Natural Resources Revenue

Documents List Registration Information Upload File Upload History Rental Information Help Known Issues Feedback

Payment Summary

Lease #	Agency #	Due Date (MM/YYYY)*	Acreage	Rental Rate	Payment Amount
0020817260	AKAA81726	10/1/2016	6132.53	\$3	\$18399
0020817260	AKAA81726	10/1/2015	6132.53	\$3	\$18399
Total:					\$36,798.00

Reporter Code:

In this example, we are going to pay two years rent for a lease.

Click the box next to the lease lines to select them for payment.

- If a line is selected in error, click the box again to un-select the line.

Verify the payment amount.

- Notice the white payment amount box. The system defaults to the original payment amount due, and does not reflect payments already made. Lease Account Balance, which is covered in another presentation can be used to check the actual amount due for a lease. The payment amount should be changed here if the amount displayed does not equal the amount owed.

Click the “Checkout” button in the lower right hand corner of the “Rental Report” section to proceed with payment.

A “Payment Summary” page will appear showing the lines selected for payment.

- Verify the lease numbers and payment amounts.
- If they are not correct, click “Cancel” to be returned to the previous page.
- If the rental lines are correct, select a “Reporter Code” from the dropdown menu, if your id has access to more than one reporter. If you only have access to one reporter, it will be displayed.
- Click the “Pay” button to initiate payment.

■ Confirm Rental Lines to Pay

The screenshot shows the 'Office of Natural Resources Revenue' website. At the top, there is a navigation menu with links: Documents List, Registration Information, Upload File, Upload History, Rental Information, Help, Known Issues, and Feedback. Below the menu is a 'Payment Summary' section containing a table with the following data:

Lease #	Agency #	Due Date (MM/YYYY)*	Acreage	Rental Rate	Payment Amount
0020817260	AKAA81726	10/1/2016	6132.53	\$3	\$18399
0020817260	AKAA81726	10/1/2015	6132.53	\$3	\$18399
Total:					\$36,798.00

Below the table is a 'Message from webpage' popup box with the text: 'Are you sure you want to pay rental for displayed records?'. The popup has 'OK' and 'Cancel' buttons. To the right of the popup is a 'Reporter Code' dropdown menu set to '99999' and 'Cancel' and 'Pay' buttons. At the bottom right of the page, there is a footer: 'Department of Interior | Policy, Management and Budget | Pay.gov |'.

Click OK to continue or Cancel to return to previous screen

A popup box appears asking “Are you sure you want to pay rental for displayed records?”

- Click the “OK” button to be taken to pay.gov to make the payment
- Click “Cancel” to be taken back to the previous screen

■ Input Payment Information



Online Rental Payments

Please enter checking or savings account information below.

* Indicates required fields

Agency Tracking ID: TRK374

Payment Amount: \$36,798.00

* Account Holder Name: XYZ Energy Inc. ←

* Account Type: Select an Account Type ←

Routing Number: 123456789
Account Number: 12345
Confirm Account Number: 12345

* Routing Number: 123456789 ←

* Account Number: 12345 ←

* Confirm Account Number: 12345 ←

[Cancel](#)

[Continue](#)

- **Agency Tracking ID** is a system generated number assigned to the payment.
- **Payment Amount** is the total amount to be paid for the rental line(s) selected. It's the same amount that was displayed on the previous payment summary page.

The type of payment is ACH debit. ACH debit is the only payment option.

Input the following fields:

- **Account Holder Name**
- **Account Type** – Select the bank account type from the drop down menu. Options are: Business Checking, Business Savings, Personal Checking, and Personal Savings
- **Routing Number** – input the 9 digit bank routing number
- **Account Number** – input the bank account number to be debited for this payment
- **Confirm Account Number:** Input the account number a second time to confirm

The pay.gov screen has an example displaying how to obtain your routing number and account number from the bottom of your check.

- Click “Continue” to proceed with confirming the payment.
- Click “Cancel” if you do not wish to make the payment. Cancel returns the user to eCommerce and the payment is not made.

■ Review and Authorize Payment

Pay.gov

Online Rental Payments

Review and submit payment
* indicates required fields

Agency Tracking ID: TRK374
Payment Amount: \$36,798.00
Payment Method: ACH Debit
Account Holder Name: XYZ Energy Inc.
Account Type: Business Checking
Routing Number: 123456789
Account Number: *****2345

Authorization and Disclosure Statement:

Authorization and Disclosure--
Consumers and Businesses

The debit transaction(s) to which you are agreeing are handled on behalf of Federal agencies by "Pay.gov," which consists of services offered by the U.S. Treasury Department's Financial Management

I agree to the Pay.gov authorization and disclosure statement.

[Previous](#) [Cancel](#) [Submit](#)

Read Authorization and Disclosure Statement

Review and Submit Payment

- Confirm all of the information on the page.
- Read the Authorization and Disclosure Statement.
- Click the box beside "I agree to the Pay.gov authorization and disclosure statement" to confirm you have read and agree.
- Click the "Submit" button to make the payment.
- Click "Previous" to return to the previous screen.
- Click "Cancel" if you do not wish to make the payment. Cancel returns the user to eCommerce and the payment is not made.

Highlights from the Authorization and Disclosure statement:

- You acknowledge that you have authority to act on behalf of your business with regards to that bank account to make the debit payment.
- In case of errors or questions about a transaction, contact ONRR.

■ Successful Payment!



Pay.gov tracking number

Ties payments between pay.gov and ONRR systems

After the payment is submitted in pay.gov, the user is returned from pay.gov to the eCommerce “Rental Confirmation” page.

System displays

- “Successfully Completed Transaction” message
- Pay.gov tracking number.

The pay.gov tracking number is used to trace payments.

It’s the link which ties payments between pay.gov and ONRR.

Online Rental Payment History Page

- View Online Lease Payment Data
- Access through Filter Option section

All Columns in Rental Payment History can be sorted
 Rental Payment History can be exported

This page shows the payments (and attempted payments) made under a User's Payor Code(s).

The Payment History page shows lines with Successful, Cancelled and Open status.

- Success means that a payment was completed in Pay.gov
 - Rental History is populated with the Pay.gov Tracking ID and Date Paid
- Cancelled and Open identify payments attempts that were not completed
 - These lease lines must be re-selected in the Rental Report to pay, if needed.

All Columns in Rental Payment History can be sorted by clicking the header title on that column.

Users can export the Online Rental Payment History displayed in eCommerce.



- Resources
- Known Issues
- ONRR eCommerce Feedback – Online Rental
- Filter Options
- Add Lease Rental Line
- Rent Upload

Now that we've gone through the basic steps for paying a rental obligation online, we will proceed with bonus material including:

- Resources
- Known Issues
- Leaving Feedback for Online Rental
- Filter Options
- Add Lease Rental Line
- Rent Upload

■ Resources

■ eCommerce User Guide

https://onrrreporting.onrr.gov/Help/eCommerce_Reporting_Website_User_Guide.pdf

□ ONRR Payment Information Page

<http://www.onrr.gov/ReportPay/payments.htm>

Rent Payments -- Federal (via eCommerce to Pay.gov)

→ eCommerce Online Rental FAQ (PDF)
Data Warehouse Portal (to access eCommerce) ←

- Online Rent File Upload Instructions - ASCII Format (PDF)
- Rental Payment .csv File Format Instructions (PDF)
- csv Rent Example (PDF)

Contacts

Richard Taylor	Stanley Chan
✉ Richard.Taylor@onrr.gov	✉ Stanley.Chan@onrr.gov
☎ (800) 525-0309 x3368	☎ (800) 525-0309 x3114
☎ (303) 231-3368	☎ (303) 231-3114

□ Rent Payment Contacts by Contract Type and State

http://www.onrr.gov/ReportPay/PDFDocs/RS_LeAgAssignments.pdf

Resources for Online Rental:

The eCommerce User Guide contains a section on Online Rental:

https://onrrreporting.onrr.gov/Help/eCommerce_Reporting_Website_User_Guide.pdf

The ONRR Payment Information Page:

<http://www.onrr.gov/ReportPay/payments.htm>

Scroll down to: Rent Payments - - Federal (via eCommerce to Pay.gov)

The ONRR Payments Information Page (a portion is shown here on the slide) provides links to:

1. eCommerce Online Rental Frequently Asked Questions
2. Data Warehouse Portal (to access eCommerce)
3. Online Rent File Upload Instructions for both ASCII and .CSV Files
4. Example of the CSV Rent File Format
5. Contacts for Rental Payments

There is also a link to Rent Payment Contacts by Contract type and State:

http://www.onrr.gov/ReportPay/PDFDocs/RS_LeAgAssignments.pdf

■ **Known Issues: eCommerce**

□ **Online Rental**

Office of Natural Resources Revenue

Documents List | Registration Information | Upload File | Upload History | Rental Information | Help | **Known Issues** | Feedback | Log Out

Home » Known Issues

Known Issues Currently Being Addressed

Date	Description	Resolution Status	Affected Function
2/25/2015 11:58:40 AM	If you receive the webpage message: "An error occurred during the transaction", please log out of eCommerce and clear your internet browser cache. Note: the procedure for clearing browser cache varies among browsers and browser releases.	Open	Online Rental
2/25/2015 11:58:28 AM	Amount due on the Rental Information tab does not reflect previous payments for that lease and due date. Please use rental payment history and/or LAB for the balance due. Providing the true lease account balance is a future enhancement.	Open	Online Rental
6/26/2013 6:10:55 PM	The Validation Window will not always display in front of the eCommerce page. Please minimize the eCommerce page to see the Validation Window.	Open	Validation Window
10/19/2011 1:44:01 PM	Please be aware of the line number limitations: for PASR submissions, the number of lines on a PASR report cannot be greater than 1000 or an error will be displayed.	Current Functionality	PASR
10/19/2011 1:42:36 PM	Please be aware of the line number limitations: for OGOR submissions, the number of lines on an OGOR report cannot be greater than 5000 on either A, B, or C or an error will be displayed.	Current Functionality	OGOR
10/19/2011 1:38:53 PM	Please be aware of the line number limitations: for 2014 submissions, the number of lines in a 2014 report cannot exceed 49,999 or an error will be displayed.	Current Functionality	2014

Known Issues: eCommerce log of current processing issues

Online Rental entries (current as of 2/25/2015):

Clearing Cache:

If you receive the webpage message: "An error occurred during the transaction", please log out of eCommerce and clear your internet browser cache. Note: the procedure for clearing browser cache varies among browsers and browser releases.

System Generated Payment Amount:

Amount due on the Rental Information tab does not reflect previous payments for that lease and due date. Please use rental payment history and/or LAB for the balance due. Providing the true lease account balance is a future enhancement.

■ Comments or Feedback?

Office of Natural Resources Revenue

Documents List | Registration Information | Upload File | Upload History | Rental Information | Help | Known Issues | **Feedback** | Log Out

Home » Feedback

Tell Us What You Think of Our Site

Provide Feedback

Name: Your Name

From: Your E-mail Address

Feedback (Required)

Online Rental. Your suggestion or comment

Max 4000 characters

Send Feedback

The “Feedback” option can be used to e-mail comments or feedback about eCommerce.

- Please put “ONLINE RENTAL” at the beginning of the feedback block when providing comments related to online rental.
- This will ensure your comments get to the right people.

- Filter Option
 - Input Criteria
 - Select Filter button to retrieve results

Filter Options

Enter Lease Number or Agency Number criteria to retrieve Rental Information.

1 Lease Number: 2 Agency Number: 3 Due Date: 1/6/2015 4 Entry Type: Reference

Filter Check/Uncheck All Save Payment History

↑

Use Calendar or Key In Date

The Filter options panel allows users to narrow what's displayed in the rental listing and to search for specific data.

Criteria:

1. **ONRR Lease Number**
2. **Agency Number**
3. **Due Date:** Key in DD/YY/YYYY or use Drop-down calendar
4. **Entry Type** (applies to the Rental id Field)
 - All: All lease lines
 - Manual: Lease lines added using "Add new lease" function or File Upload
 - Reference: Lines automatically populated "from reference table"

Any combination of criteria can be input.

Action Buttons:

Filter: Must be selected after input of criteria to retrieve results

Check/Uncheck All: Will select all records displayed in rental list. It applies to ALL pages of the Rental Report, and can be used to select what is displayed after you filter the rental list.

■ Example: Filter by Due Date

Filter Options

Enter Lease Number or Agency Number criteria to retrieve Rental Information.

Lease Number: Agency Number: Due Date: Entry Type:

Filter

Rental Report

Select Line	Lease #	Agency #	Due Date	Acreage	Rental Rate	Rental ID	Payment Amount
<input type="checkbox"/>	0050002150	COC0215	3/1/2016	356.33	\$.50	191	15.00
<input type="checkbox"/>	0491452540	WYW145254	3/1/2015	0	\$.00	193	125.00
<input type="checkbox"/>	0050002150	COC0215	3/1/2015	356.33	\$.50	from reference table	15.00
<input type="checkbox"/>	0050008330	COC0833	3/1/2015	68.15	\$.00	from reference table	19.50
<input type="checkbox"/>	0050013980	COC01398	3/1/2015	1120	\$.50	from reference table	520.00
<input type="checkbox"/>	0270113480	NVN11348	5/1/2015	720	\$.50	from reference table	160.00
<input type="checkbox"/>	0290010520	NMNM1052	5/1/2015	320	\$.50	from reference table	160.00
<input type="checkbox"/>	0290027900	NMNM02790	4/1/2015	960.60	\$.50	from reference table	480.50

■ Result: Only Leases with 3/1/2015 Due Date

Rental Report

Select Line	Lease #	Agency #	Due Date	Acreage	Rental Rate	Rental ID	Payment Amount
<input type="checkbox"/>	0491452540	WYW145254	3/1/2015	0	\$.00	193	125.00
<input type="checkbox"/>	0050002150	COC0215	3/1/2015	356.33	\$.50	from reference table	15.00
<input type="checkbox"/>	0050008330	COC0833	3/1/2015	68.15	\$.00	from reference table	19.50
<input type="checkbox"/>	0050013980	COC01398	3/1/2015	1120	\$.50	from reference table	520.00
<input type="checkbox"/>	0300945840	NMNM94584	3/1/2015	51.68	\$ 1.50	from reference table	78.00
<input type="checkbox"/>	0301005330	NMNM100533	3/1/2015	2160	\$ 2.00	from reference table	4320.00
<input type="checkbox"/>	0301005340	NMNM100534	3/1/2015	2540.38	\$ 2.00	from reference table	5080.76

Filter by Due Date:

1. Select Due Date
2. Select "Entry Type" from drop-down: All, Manual, Reference. In this example we use the default value of all.
3. Click "Filter" to retrieve results

Rental Report Results:

- Only leases having the due date we selected as our filter option, 3/1/2015 are displayed.
- Our entry type value was "all", so we see all leases with due date 3/1/2015.
- In our results, notice the first lease line. It was an uploaded line. We know this because it has zeros for acreage and rental rate, and a numeric rental id.
- The remaining lines were all system generated. We know this because the rental id is "from reference table".

■ Add New Lease

- ❑ Paying leases that do not appear on rental report
- ❑ Paying Future Dates

due date > 90 days from current date

Home » Rental Information

[Add New Lease](#)

Enter Lease Number or Agency Number criteria to retrieve Lease Information

Lease Number: Agency Number: Year: 2015 [Search Lease Number](#)

❖ Input Lease Number or Agency Number

❖ Select Year (current and future only)

Contact Lease/Agreement Specialist regarding past due rent

Year: 2015

- 2015
- 2016
- 2017
- 2018
- 2019
- 2020
- 2021
- 2022
- 2023
- 2024

“Add New Lease” is used to add lease lines that do not appear on the rental report, and when paying lease rents that are due more than 90 days in the future.

- Input the lease number or the agency number
- Select the year from the dropdown menu
- Click the “search” box

Note:

- The lease number or agency number must be exact. Pay particular attention to spacing and leading zero's.
- Only current and future year rents can be paid through online rental.
- Contact your lease/agreement specialist regarding past due rent.

“Search Lease Number” can be used to search for a lease or agreement number.

- It generates a popup window which allows search functionality.
- Enter just the first few digits in order to search for all numbers starting with those digits.

■ Add New Lease

- Input Lease or Agency number
- Select year from dropdown
- Click Search

Home » Rental Information

Add New Lease

Enter Lease Number or Agency Number criteria to retrieve Lease Information

Lease Number: Agency Number: Year: Search Lease Number

Filter Options

Enter Lease Number or Agency Number criteria to retrieve Rental Information.

Lease Number: Agency Number: Due Date: Entry Type:

Rental Report

Select Line	Lease #	Agency #	Due Date	Acreage	Rental Rate	Rental ID	Payment Amount
<input type="checkbox"/>	0020817260	AKAA81726	10/1/2015	6132.53	\$3.00	from reference table	18399.00
<input type="checkbox"/>	005002112C	COC02112C	12/1/2015	15.39	\$.50	from reference table	8.00

In this example, we have a lease in our rental report with rent due on 10/1/2015. We want to pay rent on this lease for both 2015 and 2016.

To add the lease line for 2016:

1. Input the lease number in “Add New Lease”,
2. Select the year “2016” from the dropdown menu
3. Click “Search”

■ Add New Lease - Search Results

Home » Rental Information

Add New Lease

Enter Lease Number or Agency Number criteria to retrieve Lease Information

Lease Number: Agency Number: Year: Search Lease Nu

Search successful.

<input type="checkbox"/>	Lease #	Agency #	Due Date	Acreage	Rental Rate	Payment Amount
<input type="checkbox"/>	0020817260	AKAA81726	10/1/2016	6132.53	\$3.00	18399

To add the line to the "Rental Report":

1. Click the box next to the line to select
2. Click "Add Additional Lease"

The system returns "Search successful" and displays the 2016 rental line.

To add the line to the "Rental Report"

1. Click the box next to the line to select
2. Click "Add Additional Lease"

■ Add Lease Line

Home » Rental Information

Add New Lease

Enter Lease Number or Agency Number criteria to retrieve Lease Information

Lease Number: Agency Number: Year: [Search Lease Number](#)

Selected row (Lease #: 0020817260, Agency #: AKAA81726, Due Date: 10/01/2016, Acreage: 6132.53, Payment Amount: 18399) successfully added to the Rental Report.

Lease line has been added to Rental Report:

Filter Options

Enter Lease Number or Agency Number criteria to retrieve Rental Information.

Lease Number: Agency Number: Due Date: Entry Type:

Rental Report

Select Line	Lease #	Agency #	Due Date	Acreage	Rental Rate	Rental ID	Payment Amount
<input type="checkbox"/>	0020817260	AKAA81726	10/1/2016	6132.53	\$3.00	98521	18399.00
<input type="checkbox"/>	0020817260	AKAA81726	10/1/2015	6132.53	\$3.00	from reference table	18399.00

After clicking “Add Additional Lease”, a message is returned stating that the lease line has been added to the rental report. The rental report now shows lease lines for both 2015 and 2016.

Look at the Rental ID column. “From Reference Table” means the line was automatically populated. A number in the rental id column (in this example 98521) indicates the rental line was added manually.

Common error in Add New Lease

Add New Lease

Enter Lease Number or Agency Number criteria to retrieve Lease Information

Lease Number: Agency Number: Year:

Selected row (Lease #: 0020817260, Due Date: 10/01/2015) already exists in the Rental Report

Search Lease Number

<input type="checkbox"/>	Lease #	Agency #	Due Date	Acreage	Rental Rate	Payment Amount
<input checked="" type="checkbox"/>	0020817260	AKA481726	10/1/2015	6132.53	\$3.00	18399

Filter Options

Enter Lease Number or Agency Number criteria to retrieve Rental Information.

Lease Number: Agency Number: Due Date: Entry Type:

Rental Report

Select Line	Lease #	Agency #	Due Date	Acreage	Rental Rate	Rental ID	Payment Amount
<input type="checkbox"/>	0020817260	AKA481726	10/1/2015	6132.53	\$3.00	from reference table	18399.00

Cannot add lease / year combination that already exists

If a rental obligation line already exists for a specific lease and year, you will not be able to add a line for that same lease and year.

When you click "Add Additional Lease", a message will be returned stating the lease and due date already exists in the Rental Report.

Rental Upload - Upload File Tab

Documents List Registration Information **Upload File** Upload History Rental Information Help Known Issues Feedback Log Out

Home » Upload File

Help Create New CMP-2014 Edit Existing CMP-2014

Upload Report Document

To upload a report file from your local computer, click the "Select" button and choose a file.

For faster delivery of multiple reports, compress them into one zip file prior to upload. The system will automatically detect the file type and process accordingly.

Report Files (.csv, .txt, and .zip formats only)

Select

Upload History

Status Legend

Uploaded: The file has successfully loaded onto the servers.
Pending: The file is waiting for format validation processing.
Processing: The file is being validated for format requirements.
Completed: The file successfully passed format validation and a report has been created. The new report can be viewed in the Documents List.
Error: The file has failed format validation. Click on the status to view format errors.

Upload History

File Name	Report Type	Status	Uploaded By	Upload Date(EST)	File Size	Import Start	Import End
ORPS_Rental_Upload1.txt	RENT	Completed	JONESMIC	2/23/2015 9:53:42 AM	71	2/23/2015 9:53:50 AM	2/23/2015 9:53:50 AM
ORPS_Rental_Upload.txt	RENT	Error	JONESMIC	2/23/2015 9:37:27 AM	116	2/23/2015 9:37:33 AM	2/23/2015 9:37:34 AM

To upload leases for online rental:

- Select the "Upload File" tab
- Accept the default
- Click "Select" to choose the file to be uploaded
- The status of your upload can be viewed in the "Upload History" Tab.
- Uploaded rental files will show in your upload history as report type "RENT"
- The process for uploading a file, status meanings, and viewing its history is the same as for other file uploads in eCommerce.

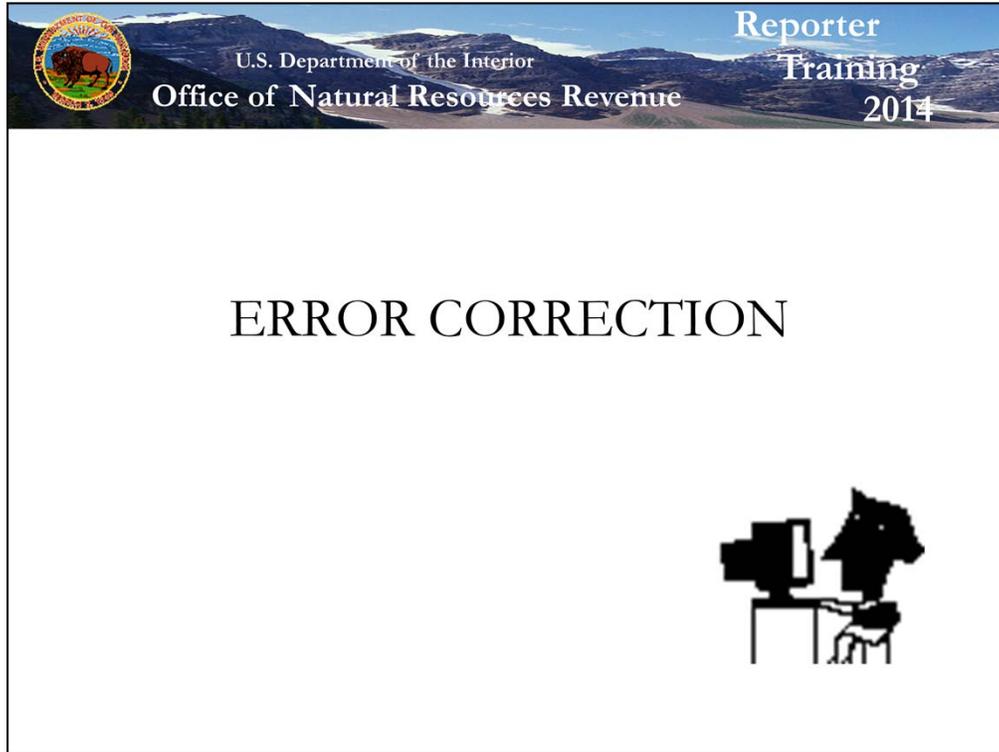
The "Resources" slide we covered previously shows where to get instructions and an example of the file format for rental payments from the ONRR Payment Information Page (scroll down to Rent Payments – Federal section) :
<http://www.onrr.gov/ReportPay/payments.htm>

Reminder:

- Uploading a rental file only populates the "Rental Report"
- Users are still required to select the leases and "Check Out" to make the payment

Thank You!!!





Welcome to error correction!

Errors will occur for various reasons. They can be as easy as using the wrong transaction code to as difficult as Implied federal royalty rate is not consistent with the lease royalty rate.

How do you go about fixing the errors? Let's first gather all of the tools you will need.



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HOW DO WE GET STARTED

- EDITS AND ERROR CORRECTION
- DATA ELEMENTS BY TRANSACTION CODE
- ROYALTY ERROR CORRECTION CONTACT LIST
- PATIENCE
- DETECTIVE SKILLS

I have listed above the documents that you need to have available to do error correction.

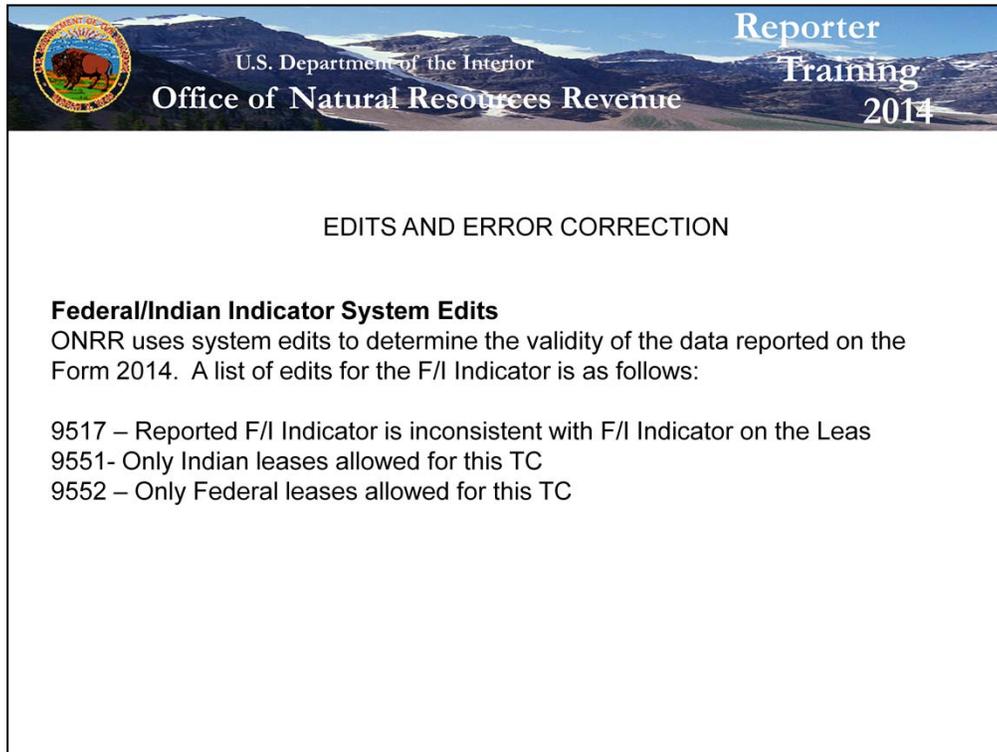
EDITS AND ERROR CORRECTION – Is going to explain what the edit is, what is it looking for, and how to fix it.

DATA ELEMENTS BY TRANSACTION CODE – tells you what fields are required for each Transaction Code. Edits were created around this document so it is invaluable in error correction.

ROYALTY ERROR CORRECTION CONTACT LIST – Who to call when you are sure you are right and we are wrong or it's audit/data mining.

PATIENCE – Rome was NOT built in a day. We are still perfecting the edits. You have overrides and want them now. Remember breathe there are only 9 of us and hundreds of you. We will get your reports in but they need to be correct.

DETECTIVE SKILLS – The obvious suspect may not be the culprit. You have a pricing error, you know the price is right, but did you look at the volumes, product code, etc.?



All of the edits are connected with a field on the 2014. The above example shows that the field FEDERAL/INDIAN INDICATOR has specific edits.

One example is the edit 9517 Reported F/I Indicator is inconsistent with the F/I Indicator on the lease.

The F/I Indicator is the field that the edit will use in determining what the user established the leases and report are Federal or Indian.

What you need to take away on this is that all edits are going to focus on a specific field. Looking at the heading will tell you what field that is. This gives you the edit numbers and the description for each related edit.



Edit Specifications:

Common	9517		Checks to make sure lease is valid. Compares the reported F/I indicator against what is shown on the lease. If they do not match then Error
TC	9551	12,50,51, 06	If indicator on the header is federal then error
TC	9552	37,38,41,42, 60	Checks if the F/I indicator is Federal. If Indicator is Indian then Error.

The edit specifications section will tell you what the edit number is and what it does. It will explain constraints, how it relates to the field, what will cause the edit to display.

It will also tell you whether it is:

TC SPECIFIC – it only runs on specific transaction codes.

COMMON – it run on all lines.

HEADER – it only runs on the header fields of the 2014. Header fields are PAYOR CODE, F/I INDICATOR, PAD.

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Error Correction for Transaction Code Edits

9517	<ul style="list-style-type: none"> •Compares the reported F/I indicator against what is shown on the lease. If the leases do not match the indicator you will get this error. •Double check all leases to determine if the problem is the lines or the Header F/I indicator is incorrect. •There could be Federal lines on an Indian document or Indian lines on a Federal document. •If the F/I Indicator is incorrect and the document is 100% rejected you can change the indicator and clear the document
9551	<ul style="list-style-type: none"> •This edit will only run if the TC is equal to 12, 50, 51, 06. These TC's can only be used on Indian documents. The edit looks at the Header and the F/I Indicator. If it is Federal the error will display. •Double check the detail lines displaying the TC's. Compare them against the Data Elements by Transaction Code Chart to see if the correct TC was used.

ERROR CORRECTION SECTION

This section shows the edit number and a description of what you can do to fix the error.

In looking at the solutions you need to keep in mind the answer is not always obvious. In the example above you will see that edit 9517 displays Reported F/I Indicator is inconsistent with the lease.

From the edit message you might begin looking at all of your leases. Before you begin checking all 150 leases you reported, try looking at the F/I indicator first. Is it correct for what you are reporting.

If it is correct and only 2 lines are showing error then you might want to look at the Transaction Code. Is the Transaction Code correct. Use this guide to look at what the edit is doing, did you also get the invalid lease number edit?

LET'S TRY IT!!!



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SCENARIO 1

PAYOR CODE: 12345
PAD: 12345678
F/I INDICATOR: F

DETAIL LINES: 500 lines Total

ERROR: All lines reject with error 9517 – Reported F/I Indicator is inconsistent with the F/I Indicator on the lease.
4 lines reject with error 9551 – Only Indian Leases allowed for this TC.

Except for the 4 lines with 9551, which are Transaction Code 50, the Transaction Code used is 01.

You have Adjustment Reason Code 17 on all of the lines except for the 4 lines reported as Transaction Code 50.

You used payment method 03 on all lines.

Look at the scenario above and try to find the problem.

Can you find the problem?



DATA ELEMENTS BY TRANSACTION CODE

Transaction Code	ONRR Lease No.	API Well No.	ONRR Agreement No.	Product Code	Sales Type Code	Sales Mo/Yr	Adjustment Reason	Sales Volume	Gas MMBtu	Sales Value	Royalty Value Prior to Allowance	Transport. Allowance Deduction	Processing Allowance Deduction	Royalty Value Less Allowances	Payment Method Code
01 Royalty Due	X	E	A	X	X	X	O	X	M	X	O	(B)	(B)	X	X
02 Minimum Royalty Payment	X					X	O				O			X	X
03 Estimated Royalty Payment	X					X	O				O			X	X
04 Rental Payment	X					X	O				O			X	X
05 Advance Rental Credit	X					X	O				O			X	X
06 Royalty In Kind Transaction – No Cash Payment to ONRR	X	E	A	X	O	X	O	X	M	X	O			X	X
07 ONRR Settlement Agreement	X					X					O			X	X
08 Royalty In Kind Reserved for Future Use	X	E	A	X	X	X	O	X	M	X	O	(B)	(B)	X	X
10 Compensatory Royalty Payment	X		A	X	O	X	O	X	M	X	O	(B)	(B)	X	X

To use the Data Elements by Transaction Code you need to recognize that each Transaction Code requires a different combination of fields.

If you are attempting to report your monthly royalties for lease 1234567890 but only fill in the Lease No., Sales Mo/Yr, Transaction Code 01, Royalty Value Before Allowance and the Royalty After Allowance the line will reject with a variety of errors. This line could either be very wrong or maybe you were actually trying to report rent or minimum royalty and just used the wrong transaction code.

For Rent what Transaction Code might you have used?

How about minimum royalty what transaction code?

The Data Elements by Transaction Code also tells you what the line would look like in a natural state. What is meant by natural state is what the line is going to look like the first time it is reported. A line can be a natural negative or positive. If you reverse the line it will be just the reverse of the natural state.

If you reverse out a Transaction Code 10 what fields are going to be positives?



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ROYALTY RATE ERRORS

Detail Line	1	2
• Line Number		
• API Well Number		
• MMS Lease Number	049012943A	0490129430
• MMS Agreement Number		8910012340
• Product Code	04	01
• Sales Type Code	ARMS	ARMS
• Sales MO/YR	072011	072011
• Transaction Code	01	01
• Adjustment Reason Code		
• Sales Volume	1280.00	10.55
• Gas MMBtu	1408.00	
• Sales Value	704.00	527.98
• Royalty Value Prior to Allowances	88.00	88.00
• Transportation Allowance	0.00	0.00
• Processing Allowance	0.00	0.00
• Royalty Value Less Allowances	88.00	88.00
• Payment Method Code	3	3

LET'S TRY IT

The Lease on Line one has a Royalty Rate of .16667 in our system.

The Lease on Line two has a Royalty Rate of .125 in our system.

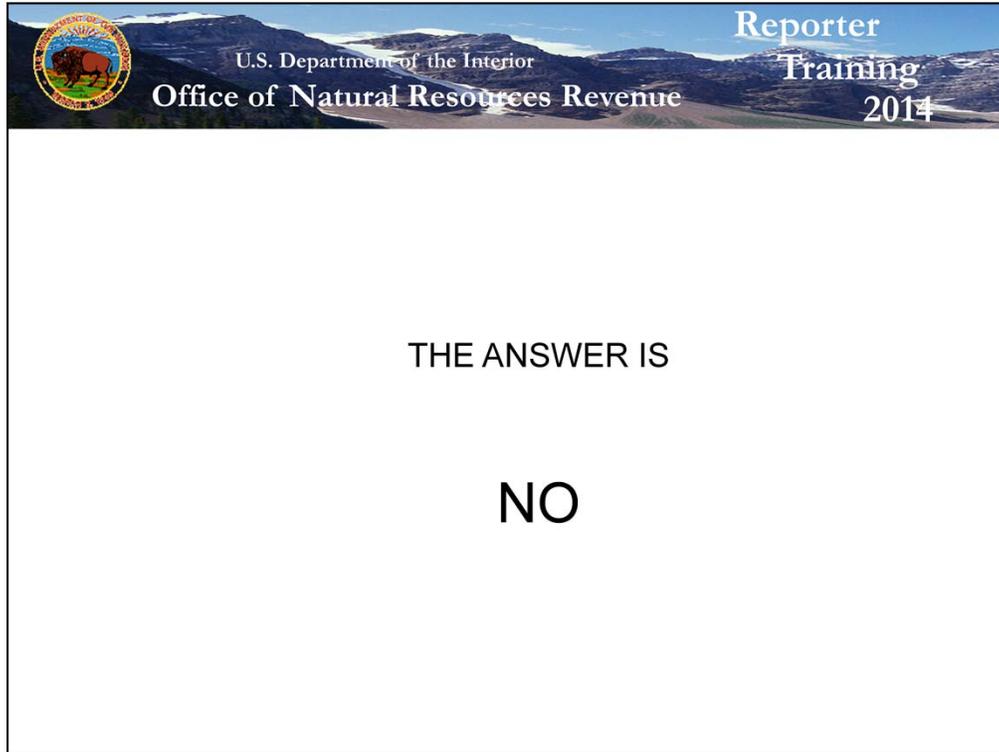
The First thing you need to do is to find out what was reported on the line.

Divide the Royalty Value Prior to Allowances by the Sales Value.

In the above scenario's it will show the first line is .125 and the second is .16667.

QUESTION:

Can you use your DIVISION ORDER PERCENT for the Royalty Rate?



Division Order Percent (DOP)

Division Order Percent (DOP) is a term used by industry to determine the ONRR portion. The DOP is the combined total for the F or I Mineral Ownership Interest x Tract Allocation (if applicable) x Lease Royalty Rate x Company's Working Interest. Reporters sell their production to purchasers, and purchasers pay them revenues. Reporters distribute the revenues – usually in the form of a check – to the interest holders, based on their entitled interest. The ONRR is considered an interest holder.

When working with reporters to determine the correct volumes to report, consider that they may have paid the correct royalties based on the DOP, but reported all the volume when they should have reported only the Federal or Indian portion associated with the royalties. When they begin explaining how they arrived at the volumes and values reported, listen to whether they use the term “DOP.” Because the DOP includes a royalty rate, you cannot apply the DOP to the volumes reported on the line. The DOP must be separated into its respective components and applied to individual fields based on what is being reported. To determine the ONRR portion of the DOP, divide the DOP by the royalty rate. The result is the ONRR portion to be taken against the sales volume.



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THINGS TO CONSIDER WHEN SPLITTING DOCUMENTS ARE:

- Can I break the data into smaller pieces by using years or months for breaking points?
- Is my document going to be Federal or Indian?
- How many lines of data am I attempting to report?
- What do I do about multiple documents and the PAD (UFI)?

If your document is too big and you need to split up the report use the following rules:

- Make your first document 1000 lines, the next one 999, the next one 998, etc.
This way you won't have a duplicate document by mistake.

- Use the same PAD (UFI) on all of your documents that belong together.

- Keep Positive and Negative lines together .

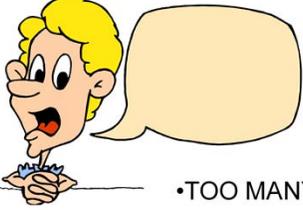
- Don't make Audit and Data Mining lines part of your main report. It will make the report less likely to have more than 1000 errors.

If Indian make sure you keep leases whole. Positive and negative need to be together . If the positive is less than the negative you will need a TC50 for a recoupable balance. RECOUP NEXT MONTH!!!! If you try to recoup at the end on your regular report you may have problems. Overrides on Audit and Data Mining are not priority the monthly reports will be worked first.



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LETS TALK

- TOO MANY ERRORS CAN'T VALIDATE
- OVERRIDE DOES NOT SEEM TO BE WORKING
- WHAT DO YOU DO WHEN THERE ARE TOO MANY ERRORS
- SO HOW MANY ERRORS CAN I HAVE
- WHY DO I HAVE SO MANY ERRORS
- HOW DO I HANDLE AUDITS AND DATA MINING

The eCommerce 2014 can only validate up to 1000 errors. It will display what it can but it can't display all. So what happens is that when you go to override those errors that displayed it looks like the override is complete. You call your contact and ask her to override, she does but now your document says you can't send because you have fatal errors. By this time you are frustrated.

The status of the validation will help you. If you don't see complete on the validation then all of the errors are not there. If you have more than 1000 errors then a override won't work. We can not override more than 1000 errors.

Why would you ever override 1000 errors? One word, ok two, Audit and Data Mining. If you are correcting errors on an audit document and you are working with several years of data please think before you create the documents.



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PATIENCE

There are a few things that you can count on:

1. When you need to use an automated system and there is a deadline it will be as slow as molasses in January
2. If you need to call someone for help and time is running out no one will respond to your calls
3. You know exactly what you are doing but no one will believe you

If you try to follow a few things they may help you.

- Timing is everything. If you get your information to report don't wait till last day of the month.
- Try to work audit, data mining corrections, and adjustments on separate reports. If users spread out the volume of use on the website it won't be quite as slow at the end of the month. We are looking into hardware changes that will help the problem.
- Monthly Reports will be worked first.
- If you have errors to override we will check those lines before overriding.
- System is slower at the end of the month. It is not only slow for you but also for us. We get kicked out, timed out, and just as frustrated with the website as you do.
- If it is close to end of month and your report isn't going to be overridden soon enough to make the end of month due date make sure you PAY on time. Then call your Accountant and let them know what's happening. Then you won't be billed.

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REMEMBER TO

1. BREATHE
2. LAUGH
3. RELAX
4. TREAT OTHERS HOW YOU WANT TO BE TREATED
5. LET FRUSTRATION AND STRESS GO, LIFE IS TOO SHORT
6. FIND ONE THING EACH DAY TO BE THANKFUL FOR



Other helpful things to remember are:

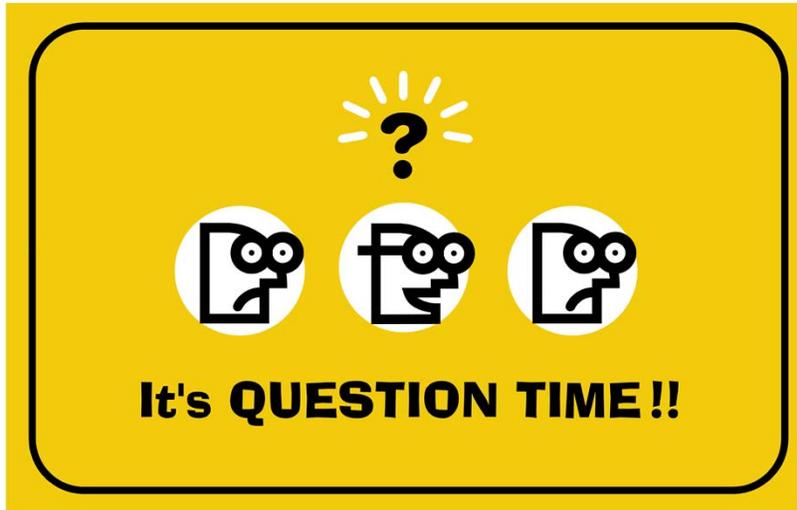
If you can't get messages to display check your POP-UP BLOCKER.

What is a warning today MAY be a fatal error tomorrow.

We will move your estimates and recoupable balances to other payor codes or leases for you. Just let us know what needs to be moved.

Call the help desk and let them know when the system is slow. (303-231-3333)
The more we complain the better are our chances are that it will be fixed.

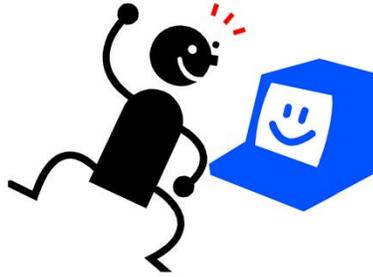
You have a contact list for Royalty Error Correction. We WILL help you. Let me know when you get outstanding service and when or where we can improve.
(Mary.Dietrick@ONRR.gov)





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BREAK TIME



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Reporting Issues

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Most common Edits both Fatal and Warning
received in eCommerce

Most frequently asked questions.

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First we are going to look at the most common edits both warning and fatal received in eCommerce.

Second we will go over the most frequently asked questions that Royalty Error Correction receives.



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Edits and occurrences over the last year (approx.)

9616/9617 – 18,685

9751 – 15,161

9740 – 4,899

9756 – 2,409

9739 – 1,998 (W)

9748 – 1,527

9749 – 1,476

9755 – 1,053

9580 – 465

9613 – 288

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Here we have the edits and how many are received by users.



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9616/9617 - FED/IND – Implied FED/IND royalty rate
is not consistent with the lease royalty rate

$$\text{Royalty Rate} = \frac{\text{Royalty Value Prior to Allowances (RVPA)}}{\text{Sales Value}}$$

Example: Sales Value: \$1,578 RVPA: \$197.25

$$\text{Royalty Rate} = \frac{197.25}{1578.00} = .125000$$

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9616/9617

Check the lease terms for the Royalty Rate

- Check the dates, specific Royalty Rates may be valid during certain dates
- Check the PCs, different PCs often have different Royalty Rates

Make sure you aren't using NRI or Agreement Allocation at the Royalty Value level (allocation and interest reductions go against the Sales Volume)

Override

- Reversals must match the original line, so these often need an Override
- Leases with "multiple Royalty Rates" often require an Override

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9751 – Allowance exceeds regulation

Edit checks if Processing Allowance exceeds .666667 of the
“RVPA minus Trans. Allowance”

NOT .666667 of the RVPA

CFR 30 §1206.158 (c)(2):

...the processing allowance deduction on the basis of an individual product shall not exceed 66 2/3 percent of the value of each gas plant product determined in accordance with §1206.153 of this subpart (**such value to be reduced first for any transportation allowances related to post-processing transportation authorized...**)

- Will require an Override for pre-processing transportation, or if ONRR granted an exception to the 66 2/3% limit

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9751

Example: RVPA: \$2,000.00

Trans. Allow: -\$500.00

“RVPA minus Trans. Allow”: \$1,500.00

Proc. Allowance: ????

RVLA: ????

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9751

Correct: "RVPA minus Trans. Allow": \$1,500.00
 Proc. Allowance is \$1,500 x .666667 = -\$1,000.00
 RVLA: \$500.00



Royalty Value Before Allowances	Transportation Allowance	Processing Allowance	Royalty Value after Allowance*
2000.00	-500.00	-1000.00	500.00



No fatal eCommerce validation errors exist.
 Your document is valid and can now be sent.

Incorrect: Taking the RVPA x .666667 to get -\$1,333.33



Royalty Value Before Allowances	Transportation Allowance	Processing Allowance	Royalty Value after Allowance*
2000.00	-500.00	-1333.33	166.67



Date	Lease Number	Location	Error Code	Message
02/2015	05400000	Line #: 2	9751	Allowance exceeds regulation limit

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9740 - Combined allowances exceed 99% of the RVPA

- **CFR 30 §1206.177 (c)(2):**
Under no circumstances may an allowance reduce the value for royalty purposes under any sales type code to zero.
- ONRR further clarified that it does not allow the combined allowances to exceed 99% of the royalties due.
- Most common when ONRR approves an exception to exceed the 66 2/3 limitation on Processing Allowance

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9740

Edit checks: $\frac{\text{Proc. Allowance} + \text{Trans. Allowance}}{\text{RVPA}} \leq 99\%$
*No Rounding!

Example of what ONRR often sees:

RVPA: \$122,504.54

Tran. Allow: -\$60,400.00

Proc. Allow: -\$60,879.50

RVLA: \$11,225.04

Allowances/RVPA = .990000044

Exceeds 99%, **Invalid**

$\$122,504.54 \times .99 = \$121,279.4946$

So Allowances combined can't exceed \$121,279.49

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9748 – Indian Lease total is less than zero

- Funds are distributed to the Tribe or the Allottees
ONRR is not permitted to pull those funds back
Therefore, Indian lease totals can't be negative
- The entire report is reviewed – each Indian lease must total \$0 or be positive
- Overpayments are offset using TC50 and TC51, as covered in the Adjustments, Recoupments & Refunds presentation

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9748

Very rarely can ONRR override this edit

If an override is considered, please allow extra time for review

- Several departments and several supervisors must review and agree
- If any disagree, the override can't be approved

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9739 – ADJ for sales months more than 6 years plus 1 month prior to receipt month not allowed for Federal leases (Warning)

RSFA, Sec. 111A. Adj. to Royalties Paid to the Secretary or a Delegated State:

(1) If, during the adjustment period, a lessee or its designee determines that an adjustment or refund request is necessary to correct an underpayment or overpayment of an obligation, the lessee or its designee shall make such adjustment or request a refund within a reasonable time and only during the adjustment period.

(4) For purposes of this section, the adjustment period for any obligation shall be the six-year period following the date on which an obligation became due.

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9739 (Warning) cont.

Audits are extended to 7 years

RSFA, Sec. 115. Secretarial and Delegated States Actions and Limitation Periods:

(b) Limitation Period

(1) In General – A judicial proceeding or demand which arises from, or relates to an obligation, shall be commenced within seven years from the date on which the obligation becomes due and if not so commenced shall be barred.

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9739 (Warning) cont.

May be further extended under the following circumstances:

RSFA, Sec. 115. Secretarial and Delegated States Actions and Limitation Periods:

(d) Tolling of Limitation Period

- (1) Tolling Agreement
- (2) Subpoena
- (3) Misrepresentation or Concealment
- (4) Order to Perform Restructured Accounting

Do not simply ignore this Warning!

Data Mining is reviewing lines that come in with this Warning. If your lines don't qualify under one of those exceptions, you will be required to reverse them.

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9749 – Duplicate Line detected, revise report

Happens when two or more lines have the exact same data on the same report
- Same lease, agreement, Sales Volume, Sales Value, etc.

Separate 2014 lines are not normally needed if the same Lease/Agreement/PC/Sales Date/RR is being reported – this should be reported on one line

If you do need to submit separate lines per Well, include the API well number
- having different API Well Numbers listed means the lines are no longer duplicate (as long as at least one field is different)

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9580 – Recoupment not possible – insufficient summed amount

Happens commonly on Rent (TC04, TC05, TC25) and Indian Recoupments (TC50, TC51)

System is checking amount on that one line against totals in ONRR's internal system

- This means multiple lines may confuse the system

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9580 Cont.

Examples of multiple line limitation:

Adding a TC50 line on the same report as the TC51
(System is checking the TC51 recoupment against the already established TC50 balance in ONRR's internal system)

Solution: complete corrections and TC50 on a separate report from the new revenue and the TC51 recoupment (**preferred**) or;
Request an override and send a copy of the report to your ONRR representative

ONRR has a recoupable balance of \$100.00 recorded.
Payor submits 4 lines of -\$80.00 each. eCommerce reviews each individually and each is acceptable (only rejects internally)

Solution: Don't do this.

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9580 Cont.

Tips

For Rents, double check your Sales Date. Entering the wrong Sales Date means you are likely recouping the wrong lease year.

For Rents, an override may be required if the Rent was paid and it was never due (system checks amount due and due date, if blank, the edit rejects)

For Indian Recoupment, try to let the TC50 clear overnight before recouping against it

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9612/9613/9614/9615 – “Pricing” – Val/Vol not within price limits for specified Product Cd

- ✦ System is checking price by comparing: $\frac{\text{Sales Value}}{\text{Sales Volume}}$ OR $\frac{\text{Sales Value}}{\text{Gas MMBtu}}$
- ✦ Most common on gas due to deductions and allowances
 - Check your statement/invoice for correct pricing
 - Read up on the Marketable Condition rules
 - CFR 30, 206.52(i), 206.102(i), 206.152 (i), 206.153(i), 206.172(i), and 206.173(i)
 - ONRR Handbook, Volume III Product Valuation (2.5.4 Marketable Condition)
 - Read up on unbundling requirements
 - www.ONRR.gov > Valuation > Unbundling

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9612/9613/9614/9615 – “Pricing” –

Marketable Condition note:

30 CFR § 1206.152(i):

(i) The lessee must place gas in marketable condition and market the gas for the mutual benefit of the lessee and the lessor at no cost to the Federal Government. Where the value established under this section is determined by a lessee's gross proceeds, that value will be increased to the extent that the gross proceeds have been reduced because the purchaser, or any other person, is providing certain services the cost of which ordinarily is the responsibility of the lessee to place the gas in marketable condition or to market the gas.

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9612/9613/9614/9615 – “Pricing” –

After reviewing regulations, you can request guidance and assistance in valuation determination by emailing RoyaltyValuation@onrr.gov

If an override is required, be prepared to send a copy of your plant statement/invoice and contracts to the ONRR representative

- Royalty Valuation reviews pricing overrides, so please allow additional time for the override to be reviewed

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Frequently Asked Questions

- Has minimum royalty been met for lease 123-123456-0?
- We over paid on our report how do we get our money back?
- I sent my document but it was wrong. Can I still change it?

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More Frequently Asked Questions

- How do I calculate my royalties?
- How do I pull information from the data warehouse?
- Why did I get this invoice?
- How do I change my address and contact name? Can you do it for me?
- Will you run a estimate report for me?
- We didn't receive a courtesy notice?

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More Frequently Asked Questions

- Why can't I put in decimal's or negative signs?
- Why am I getting these royalty rate errors?
- Why am I getting these pricing errors?
- I am new. How do I start reporting?
- How do I make corrections?
- How do I get access to the data warehouse?
- What is my lease number on the Simpson 24?
- What is a 4410 Election form?

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Questions?



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Royalty Reporting – What is new?

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Recent or upcoming changes
Changes since the last Reporter Training



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- New Product Codes (Indian Oil)
- New/recent edits in eCommerce

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This presentation reviews the requirements on reporting Indian Oil and reviews some new/recent edits in eCommerce.

CMP-2014s and ORPS will be reviewed separately (please review the Agenda for dates and times).



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New Indian Oil Product Codes

1. Sweet (PC61)
2. Sour (PC62)
3. Asphaltic (PC63)
4. Black Wax (PC64)
5. Yellow Wax (PC65)

Discussed in the 03/31/2014 Dear Reporter letter:
Reporting Crude Oil Type for Indian Oil Production

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Guideline for areas and matching PC's. **This is subject to change**, especially with new production (new reservoirs might contain different types of crude oil):

Navajo Nation Reservation - Four Corners Sweet - PC 61

Jicarilla Apache Reservation - Four Corners Sweet - PC 61

Ute Mountain Ute Reservation - Four Corners Sweet - PC 61

Uintah and Ouray Reservation - Black Wax - PC 64 and Yellow Wax - PC 65

Wind River Reservation - Wyoming Asphaltic - PC 63 and Wyoming Sweet - PC 61

Fort Berthold Reservation - Bakken Blend Sweet - PC 61

Fort Peck Reservation - Montana Sweet - PC 61

Blackfeet Reservation - Montana Sweet - PC 61 and Montana Sour - PC 62

Turtle Mountain Reservation - Bakken Blend Sweet - PC 61

State of Oklahoma both Tribal and Allotted, Oklahoma Sweet - PC 61 and Oklahoma Sour - PC 62

Isabella Reservation (up state Michigan) Sweet - PC 61

**This will not impact the reporting of condensate. Continue to report condensate from Indian production using PC02 (Condensate) or PC05 (Drip or Scrubber Condensate) - whichever is applicable.



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- Starting with 06/2014 Reporting, Indian leases should no longer use PC01
 - Fatal Error

Making corrections (even for Sales Date prior to 06/2014):

- Reversal should match old line (even if it is PC01)
- New line should be the correct (new) PC

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When correcting old lines (when PC01 was still applicable to Indian Oil), the reversing line should match the original line. The new correcting line should use the new PCs (61, 62, 63, 64, 65).

ONRR's Dear Reporter letter mentions, "For amended reporting prior to the sales date of June 2014, you must use product code 01 for the reversal line but ONRR encourages you to use the new product codes for the Rebooking lines"



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Why the change?

30 C.F.R. 1206.54

ONRR is working to determine the price at which a major portion of like quality oil is offered or sold from a field or area.

“Like quality oil” will be determined by the crude oil type (the new PCs)

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§ 1206.54 How do I fulfill the lease provision regarding valuing production on the basis of the major portion of like-quality oil?

(a) For any Indian leases that provide that the Secretary may consider the highest price paid or offered for a major portion of production (major portion) in determining value for royalty purposes, if data are available to compute a major portion, ONRR will, where practicable, compare the value determined in accordance with this section with the major portion. The value to be used in determining the value of production, for royalty purposes, will be the higher of those two values.

(b) For purposes of this paragraph, major portion means the highest price paid or offered at the time of production for the major portion of oil production from the same field. The major portion will be calculated using like-quality oil sold under arm's-length contracts from the same field (or, if necessary to obtain a reasonable sample, from the same area) for each month. All such oil production will be arrayed from highest price to lowest price (at the bottom). The major portion is that price at which 50 percent by volume plus one barrel of oil (starting from the bottom) is sold.

[72 FR 71241, Dec. 17, 2007]

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Documents List Registration Information Upload File Upload History Help Administration Log Out

Home » Documents List » MMS-2014

Save Payment Information Override Print Validate Help

Seconds until next auto-save: 275

AutoSave:

General Report Information

Report ID: 450433 Report Status: Open Override Status: No override request Validation Status:

Header Data

Payor Code*: 99999

Payor Name: BURLINGTON RESOURCES OIL AND GAS

Federal/Indian*: Federal

Payor Assigned Doc. Number*: NEWPCs

Line Commands

Select All Copy Copy All Delete Add Lines 1 Go To

MMS-2014 Detail Lines

Select Line	Line #	Preparer Use Only	ONRR Lease Number* Search	ONRR Agree Number Search	API Well Number	Product Code	Sales Type	Sales Date (MM/YYYY)*	Transaction Code*	Adjustment Reason Code
<input type="checkbox"/>	1		0540009000			62-Sour Crude		09 2014	02	

Line Commands

Select All Copy Copy All Delete Add Lines 1 Go To 1 #Lines to Display: 25 Line # ASC Sort

32-Geo-Electr Gen, Thous of LBs
33-Geo-Electr Gen, Mills of BTUs
34-Geo-Electr Gen, Other
35-Geo-Direct Util, Mills of BTUs
36-Geo-Direct Util, Hunds of Gals
37-Geo-Direct Util, Other
38-Geo-Com Demineral H2O
39-Coal Bed Methane
41-Geo-sulfur
42-Geo-carbon dioxide
43-Geo-silica
44-Other Geothermal byproducts
45-Geo-Direct Use, Mills of Gals
46-Geo-Direct Use, Mills of LBs
50-Wind - Electricity
51-Wind - Hydrogen
52-Solar - Electricity
53-Solar - Hydrogen
54-Current - Electricity
55-Current - Hydrogen
56-Biomass - Electricity
57-Biomass - Hydrogen
58-Hydrogen - Electricity
59-Hydrogen - Hydrogen
60-Other Alternate Use
61-Sour Crude
62-Sour Crude
63-Asphaltic Crude
64-Black Wax Crude
65-Yellow Wax Crude

These new PC's are available in eCommerce under the Product Code drop-down box.

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Validation Results

General Report Information
Report ID: 453491 Report Status: Open Override Status: No override request Validation Status: **Completed**

Date	Lease Number	Location	Error Code	Message
03/2015	5270010330	Line # 1	9758	Prod Cd 01 no longer valid for Indian Leases

There are no warnings.

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Edit 9758 – “PC01 no longer valid for Indian leases”

This edit is now Fatal (Error, not a Warning)



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NEW / RECENT EDITS

9754 – You can not take allowances on alternative dual accounting properties

9755 – Must have submitted a 4410 election form

9756 – Price is below the Index Zone Price

9757 - Allowances are not allowed in an index zone

498 - ARC 17 or 72 data may only be reported on the CMP-2014

9758 - Prod Cd 01 no longer valid for Indian Leases

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New / Recent Edits (9754, 9755, 9756, 9757) are already released in eCommerce, but are being discussed on the next few pages to provide better clarification.

Upcoming edits (498, 9758) will be released in the near future, or will be changed to Fatal in the near future. These were discussed on previous slides already.



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9754

“You can not take allowances on alternative dual accounting properties”

System checks if lease is an alternative dual accounting property. If it is, it can't have any allowances.

Delete the allowances (Processing and Transportation) and adjust your payment amount

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9755

“Must have submitted a 4410 election form”

- Indian leases must have a 4410 form on file
- This is a Dual Accounting form
- Must be completed and sent in for the report to be accepted

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This was a Warning for a long time, and was recently changed to an Error (Fatal).

All Indian leases must have a 4410 Election Form on file, even if the lease is exempt. The form has a section you can complete if the leases is exempt.

Very rarely will ONRR override this error – it indicates something is wrong with the form, or the filing, and it needs to be investigated and corrected.



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<http://www.onrr.gov/reportpay/PDFDocs/4410.pdf>

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 Office of Natural Resources Revenue

OMB Control Number 1012-0002
 OMB Approval Expires 09/30/2015

**ACCOUNTING FOR COMPARISON (DUAL ACCOUNTING)
 FORM ONRR-4410**

CERTIFICATION FOR NOT PERFORMING DUAL ACCOUNTING
PART A

1 PAYOR'S NAME _____ 2 PAYOR CODE _____
 ADDRESS _____
 CITY/STATE _____ ZIP _____

3 PAYOR'S CONTACT PERSON _____
 4 TELEPHONE () ____-- _____

5 ONRR 10-DIGIT LEASE NUMBER _____ 6 ONRR-DESIGNATED AREA _____
 ____-- _____-- _____

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Example of the 4410 Dual Accounting form.

TIP - 4410 forms have a Start and End date.

If you think you already sent a form in, but are still getting the error, perhaps the date was done incorrectly.

The form can be found at: <http://www.onrr.gov/reportpay/PDFDocs/4410.pdf>



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Send completed 4410 forms to:

Ron House

ronald.house@onrr.gov

If you believe you already sent in a 4410 form that covers those leases and dates, please email Ron with your information to check.

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Ron House manages the 4410 Dual Accounting forms.

Remember to continue working with your 2014 Royalty Correction specialist for other errors or for 2014 questions.



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9756

“Price is below the Index Zone Price”

Indian leases that are in an Index Zone (not
Major Portion Pricing)

If a lease is in an Index Zone, you should use
that as your price.

- Actual price used might be slightly higher
after Dual Accounting is done

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Edit 9756 indicates that your price is below the Index Zone Price. This is determined by finding what Index Zone your lease is in and what Sales Date is being reported.



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Index Prices are listed on www.ONRR.gov

Valuation > Index Zone Prices

The screenshot shows the ONRR website interface. At the top, it says "Office of Natural Resources Revenue" and "DOI Office of the Secretary". Below this is a navigation menu with categories: "ONRR ABOUT US", "REPORTING/PAYING RESOURCES", "COMPLIANCE ENFORCEMENT & APPEALS", and "INDIAN ALLOTMENTS". A large yellow arrow points down to the "VALUATION PRICING & GUIDANCE" section. This section includes links for "Indian Index Zone Prices", "Indian Major Portion Prices", "NYMEX Oil Prices", "Unbundling", and "Valuation Regulations". To the right, there is a large green number "\$14,224,375,000" and a "News, & Current Events" section. At the bottom, there are links for "Press Releases", "FR Notices", "Reporter Letters", "Events", and "Tweets", along with a "Latest ONRR Press Releases" feed.

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U.S. Department of the Interior
Office of Natural Resources Revenue (ONRR)

9756 EXAMPLE

Office of Natural Resources Revenue

ONRR Electronic Reporting - Validation Results - Windows Internet Explorer

Validation Results

General Report Information
Report ID: 450433 Report Status: Open Override Status: No override request Validation Status: Completed

Date	Lease Number	Location	Error Code	Message
06/2003	5030071270	Line # 1	9756	Must be submitted as a 10 allocation item
06/2003	5030071270	Line # 1	9756	Price is below the Index Zone Price

There are no warnings.

MMS-2014 Detail Lines

Select Line	Line #	Preparer Use Only	ONRR Lease Number*	ONRR Agree Number	API Well Number	Product Code*	Sales Type	Sales Date (MMYYYY)*	Transaction Code*	Adjustment Reason Code	Sales Volume	Gas MMBtu	Sales Value
	1		5030071270			04-Unprocessed (Wet) Gas	ONRX	06 - 2003	01	10	843.39	831.00	4547.68

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9756 Example.

Payor entered 831.00 MMBtu and \$4547.68 Sales Value for 06/2003. That means the price claimed is \$5.472539.

Why is there an error?

U.S. Department of the Interior
Office of Natural Resources Revenue (ONRR)

Find out which Index Zone it is in!

Office of Natural Resources Revenue
DOI Office of the Secretary

ONRR ABOUT US VALUATION PRICING & GUIDANCE REPORTING/PAYING RESOURCES COMPLIANCE ENFORCEMENT & APPEALS INDIAN SERVICES ALLOTTEES & TRIBES

Home > Valuation > Monthly Prices For In...

Indian Index Zones Natu

For reporters' convenience, each month 30 CFR § 1206.172. For a listing of the Index published in Federal Register on June 23, 2011

Index Zones:

- CRM (Central Rocky Mountains)
- NRM (Northern Rocky Mountains)
- OK 1 (Oklahoma Zone 1) [View Counties](#)
- OK 2 (Oklahoma Zone 2) [View Counties](#)
- OK 3 (Oklahoma Zone 3) [View Counties](#)
- San Juan Basin
- East Texas (discontinued in April 2000)

Oklahoma Zone 3

Adair, Atoka, Bryan, Carter, Cherokee, Choctaw, Coal, Craig, Delaware, Haskell, Hughes, Johnston, Latimer, Le Flore, Love, Marshall, Mayes, McCurtain, McIntosh, Murray, Muskogee, Okfuskee, Okmulgee, Ottawa, Pittsburg, Pontotoc, Pushmataha, Seminole, Sequoyah, Wagoner

Indian Index Zones as referenced in lease reference the most recent notice

OK

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First we need to know what Index Zone it is in.

The lease in the example, 5030071270, is in Sequoyah, OK. OK is split up into 3 Zones based on the counties, and Sequoyah is in OK Zone 3.

If you do not know which zone it is in, check with your Land Department or contact ONRR.



U.S. Department of the Interior

Office of Natural Resources Revenue (ONRR)

What is the Sales Date?

- 2003

NRM OK 1 OK 2 OK 3 San Juan Basin

2003 :: Oklahoma Zone 3

January	\$4.42	July	\$5.22
February	\$5.13	August	\$4.40
March	\$8.59	September	\$4.57
April	\$4.55	October	\$4.16
May	\$4.76	November	\$4.02
June	\$5.49	December	\$4.29

Index Price: \$5.49 VS. Industry price: \$5.472539 = Error

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Remember, the example is:

Payor entered 831.00 MMBtu and \$4547.68 Sales Value for 06/2003. That means the price claimed is \$5.472539.

Now we look up the Index Zone Price for OK Zone 3 for 06/2003. The Index Zone price is \$5.49, but Industry is only Paying \$5.472539.



U.S. Department of the Interior

Office of Natural Resources Revenue (ONRR)

So, the price is too low for the Index Zone

ONRR Electronic Reporting - Validation Results - Windows Internet Explorer

File Edit View Favorites Tools Help

Validation Results

General Report Information
 Report ID: 450433 Report Status: Open Override Status: No override request Validation Status: **Completed**

Date	Lease Number	Location	Error Code	Message
		Header Section	9505	Invalid Payor Code
06/2003	5030071270	Line #: 1	9755	Must have submitted a 4410 election form

There are no warnings.

Done Local intranet | Protected Mode: Off 100%

Sales Type	Sales Date (MM/YYYY)*	Transaction Code*	Reason Code	Sales Volume	Gas MMBtu	Sales Value	Royalty Value Before Allowances
OINX	06 2003	01	10	843.39	831.00	4630.22	578.78

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So, the price was not high enough to meet the minimum Index Zone price – the line needs to be corrected.

The Sales Volume is still 843.39 (the Volume did not change), and the minimum price is \$5.49, so the minimum Sales Value must be \$4630.22.

Remember; if your Sales Value needed to be corrected, then the Royalty values will also need to be corrected (usually, more money is required to meet the Price requirement).



U.S. Department of the Interior

Office of Natural Resources Revenue (ONRR)

9757

“Allowances are not allowed in an index zone”

On TC:	And PC:
01 11	03 07
06 15	04 09
10	

Gas products that use Sales Type OINX
- Index Zone leases can't take allowances
(delete the Allowances to fix)

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U.S. Department of the Interior

Office of Natural Resources Revenue (ONRR)

Questions?

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U.S. Department of the Interior

Office of Natural Resources Revenue (ONRR)

CMP-2014 Audit and Compliance Data Mining

Presented by:

Charles Carver, Royalty Error Correction



Industry Compliance

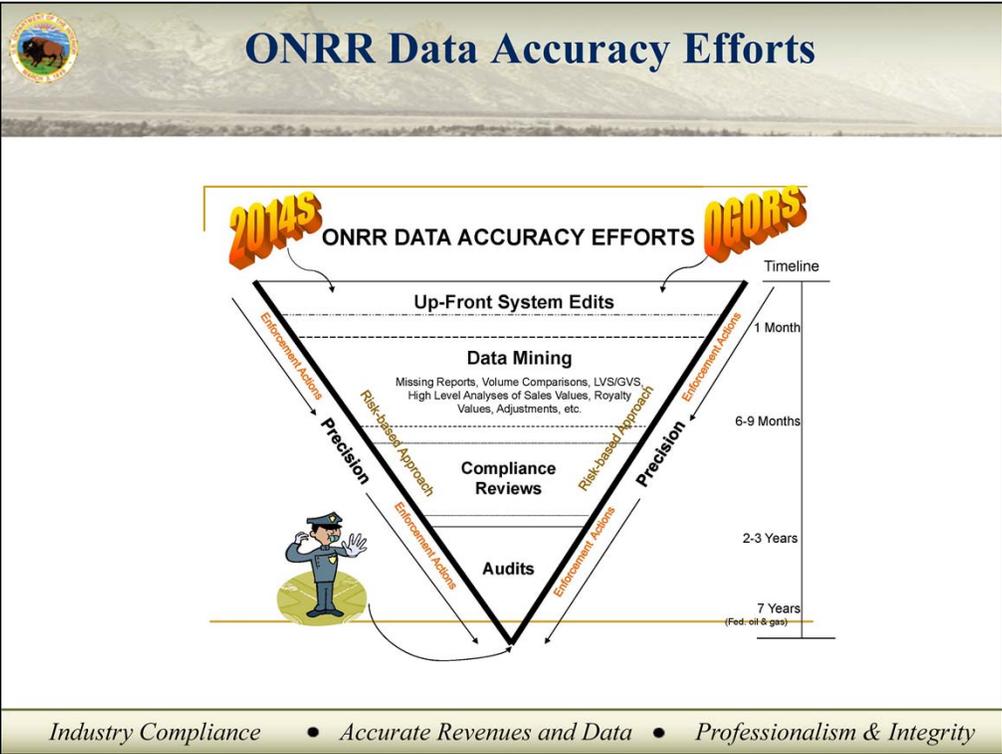
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• *Professionalism & Integrity*

The CMP-2014 is considered a Compliance 2014, used for ACM Audits and Compliance reviews only.

The CMP-2014 is not used for Data Mining Requests.

Remember the eCommerce works best with Internet Explorer 8.0 (do not use Chrome)



This is a depiction of how ONRR conducts its Accuracy Efforts. We first start with our upfront edits, move to the Data Mining within 90 days of report receipt, and then move to Compliance and Audit Reviews 2 to 3 years later.



CMP-2014

Audit and Compliance

Released to Industry 10/27/2014

- Used for ACM (Audit and Compliance) and STRAC initiated corrections
- Accessed in e-commerce like the standard 2014
- Same reporting fields and formats as the standard 2014

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Why create a new 2014 format?

Streamlines the audit process:

- Increases accuracy of corrections
- Ensures compliance reports are not mixed with monthly reports
- Increases internal (ONRR) efficiency in Accounts Receivable

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The CMP-2014 increases accuracy of the reporting by giving the auditors a chance to review the lines before they are allowed into the system. This also helps ensure the correct PAD/UFI is used.

The CMP-2014 only allows Adjustment Reason Codes (ARC) 16, 17, 49, and 72. This means monthly reports (with no ARC) won't be allowed, ensuring monthly reports are separated from compliance reports.



When to use the CMP-2014?

If you receive an Audit or Compliance letter stating to use ARC17 or ARC72

If you are working with an auditor using ARC16 or ARC 49

ARC17 and ARC72 **MUST** be done on the CMP-2014.

ARC16 and ARC49 are allowed on both the 2014 and the CMP-2014.

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The standard 2014 will no longer allow ARC17 or ARC72 – those ARCs can only be used on the CMP-2014.

The CMP-2014 also allows ARC16 and ARC49, which are still allowed on the standard 2014 as well:

ARC16: Either standard 2014 or CMP-2014 (if working with an auditor)

ARC17: CMP-2014 only

ARC49: Either standard 2014 or CMP-2014 (if working with an auditor)

ARC72: CMP-2014 only



The CMP-2014 Process

- Industry can create their own CMP-2014 (Issue Only)
- ACM/Auditors can create the CMP-2014 (Issue or Order)

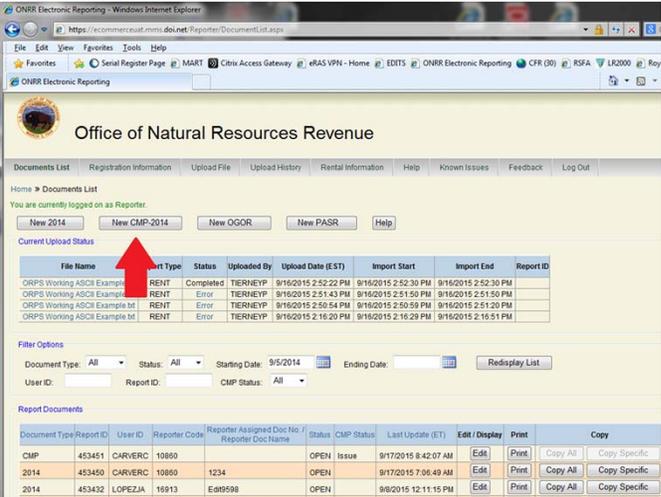
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The CMP-2014 allows ACM/Audit to preload some information for industry.



Industry Initiated

Manually enter
Or
Upload a
CSV/ASCII



File Name	Report Type	Status	Uploaded By	Upload Date (EST)	Import Start	Import End	Report ID
ORPS Working ASCII Example	RENT	Completed	TIERNEY	9/16/2015 2:52:22 PM	9/16/2015 2:52:30 PM	9/16/2015 2:52:30 PM	
ORPS Working ASCII Example	RENT	Error	TIERNEY	9/16/2015 2:51:43 PM	9/16/2015 2:51:50 PM	9/16/2015 2:51:50 PM	
ORPS Working ASCII Example.txt	RENT	Error	TIERNEY	9/16/2015 2:50:54 PM	9/16/2015 2:50:59 PM	9/16/2015 2:51:20 PM	
ORPS Working ASCII Example.txt	RENT	Error	TIERNEY	9/16/2015 2:16:20 PM	9/16/2015 2:16:29 PM	9/16/2015 2:16:51 PM	

Document Type	Report ID	User ID	Reporter Code	Reporter Assigned Doc No. / Reporter Doc Name	Status	CMP Status	Last Update (ET)	Edit / Display	Print	Copy
CMP	453451	CARVERC	10860		OPEN	Issue	9/17/2015 8:42:07 AM	Edit	Print	Copy All Copy Specific
2014	453450	CARVERC	10860	1234	OPEN		9/17/2015 7:06:49 AM	Edit	Print	Copy All Copy Specific
2014	453432	LOPEZIA	15913	Edi9598	OPEN		9/8/2015 12:11:15 PM	Edit	Print	Copy All Copy Specific

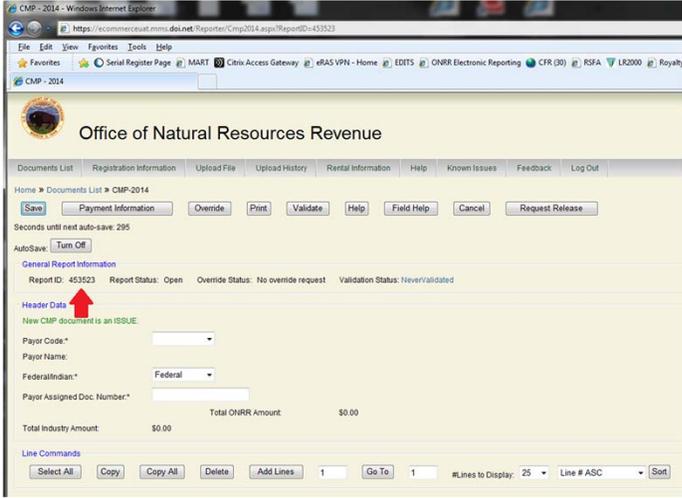
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Industry can create a CMP-2014 by clicking “New CMP-2014) or by uploading a .csv or ASCII formatted file.



Industry Initiated

Manually enter
Or
Upload a
CSV/ASCII



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As soon as you click “New CMP-2014”, a report is created and a Report ID is generated. This means you will have a CMP-2014 in your Documents List even if you don’t add any lines or Save any of the changes.

Industry Initiated

Manually enter Or Upload a CSV/ASCII

Office of Natural Resources Revenue

Documents List | Registration Information | Upload File | Upload History | Rental Information | Help | Known Issues | Feedback | Log Out

Home » Documents List

You are currently logged on as Reporter.

Filter Options

Document Type: All | Status: All | Starting Date: 9/20/2014 | Ending Date: |

User ID: | Report ID: | CMP Status: All

Report Documents

Document Type	Report ID	User ID	Reporter Code	Reporter Assigned Doc No. / Reporter Doc Name	Status	CMP Status	Last Update (ET)	Edit / Display	Print	Copy	Delete	Export
CMP	453523	TIERNEYP	10860		OPEN	Issue	10/2/2015 8:50:19 AM	<input type="button" value="Edit"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/> <input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	<input type="button" value="CSV Fixed"/>

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If you clicked New CMP-2014 on accident, or simply don't need that document, you are able to Delete it yourself.

This is important because every time "New CMP-2014" is clicked, a new report is made and will be on the Documents List. If you are simply exploring eCommerce and didn't mean to create a CMP-2014, you are able to Delete it here.

Note that the option to Delete a report is no longer available once you Release the report. If you created a CMP-2014 document when it should have been a standard 2014 (for example, Data Mining requests are still done under the standard 2014), and you already Released it, contact ONRR to have the report returned to you so you can Delete it.

Industry Initiated

Manually enter
Or
Upload a CSV/ASCII

Office of Natural Resources Revenue

Documents List | Registration Information | **Upload File** | Upload History | Rental Information | Help | Known Issues | Feedback | Log Out

Home » Upload File

Help | Create New CMP-2014 | Edit Existing CMP-2014

Upload Report Document

To upload a report file from your local computer, click the "Select" button and choose a file.

For faster delivery of multiple reports, compress them into one zip file prior to upload. The system will automatically detect the file type and process accordingly.

Report Files (.csv, .txt, and .zip formats only)

Select

Department of Interior | Division Management and Budget | Privacy | USA.gov | Accessibility | ONRR Home | Contact Us | Disclaimer | Privacy | Email eComm...
Statement of Accounts | Lease Account Balance | EMARF Forms | Financial Reports & History Reports
Last updated 21 January 2015

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When uploading any file (standard 2014, CMP-2014, Rental, OGOR, etc.), leave the left button checked.

Only use the right button if working on a CMP-2014 that ACM/Audit initiated for you. The auditor will give you a specific Report ID to work on if you are supposed to use Edit Existing CMP-2014.



CSV Formatting

Fields remain the same, but “ROY” is replaced with “CMP”

The screenshot shows a Microsoft Excel spreadsheet with the following data:

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T
1	1	99999	CMP	PAD12345	0491234567	Test Payor														
2	2	1	1	1	0491234567		01	ARMS	032013	01	10	10.00	100.00		12.50				12.50	3
3	2	1	2	2	0491234567		01	ARMS	042013	01	10	10.00	100.00		12.50				12.50	3
4	2	1	3	3	0491234567		01	ARMS	052013	01	10	10.00	100.00		12.50				12.50	3
5	2	1	4	4	0491234567		01	ARMS	062013	01	10	10.00	100.00		12.50				12.50	3
6	2	1	5	5	0491234567		01	ARMS	072013	01	10	10.00	100.00		12.50				12.50	3
7	3																			
8	4		5	62.50	0.00	0.00	62.50	0.00	0.00	0.00	0.00									
9									62.50	CHRIS DAV	02052015									
10																				
11																				
12																				
13																				
14																				
15																				
16																				
17																				
18																				

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The fields on the standard 2014 and the CMP-2014 (including the formatting requirements) remain the same. The only change is the literal “ROY” is instead a literal “CMP”.

CSV Formatting

CSV formatting rules can be found online at www.onrr.gov:
www.ONRR.gov > Reporting/Paying > Royalty Reporting

Royalty Reporting (except Solid Minerals)

- Form ONRR-4444 (pdf)
- Instructions to Payers and Operators for the Form ONRR-4444 (pdf)

Company Name Changes – Company name changes must be initiated by the company through BLM (for onshore Federal leases), BOEM in the Gulf (for offshore leases), or BIA (for Indian leases). ONRR and the company will be notified in writing that the name change is recognized and the effective date. For assistance with this process, please contact Reporting & Solid Minerals Services at ☐ 1-800-525-0309.

- Form ONRR-4444 (pdf)
- Instructions to Payers and Operators for the Form ONRR-4444 (pdf)

File Reports, and Research Prior Data

Log in to the [ONRR Data Warehouse portal](#) to access the eCommerce web site for electronic reporting, and to view your past Form ONRR-2014 reports.

Forms

Royalty Reporting

- Form ONRR-2014 (pdf) – Report of Sales & Royalty Remittance (expires 12/31/2015)
- Form ONRR-2014 – ASCII Record Layout (pdf)
- Form ONRR-2014 – CSV Record Layout (pdf)
 - Sample file (Excel)
- Form ONRR-2014 – Complete List of Edits (pdf)
- Form ONRR-4425 (pdf) – Designation Form for Royalty Payment Responsibility (expires 1/31/2015)

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CSV Formatting help can be found online at <http://www.onrr.gov/ReportPay/royalty-reporting.htm>

The PDF, CSV Record Layout, contains all the rules and character limitations for a CSV.

The Excel file is a sample file showing what order fields must be in and provides examples of how fields are formatted.

CSV Formatting

Excel sample file, showing what order the fields must be in
Placing the mouse over the field gives a description of what must be in each cell

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T
1	1	09999	ROY	05312001		ABC COMPANY														
2	2	2		1	Dakota 12345	0490123450	891003261A	01	APOP	052001	01	338.30	0.00	2489.40	311.18	0.00	0.00	311.18	1	
3	2	2		2	Dakota 12345	0490123450	W 123456	04	APOP	052001	01	9150.00	10174.80	25437.00	3179.63	-1.00	0.00	3178.63	1	
4	2	2		3	0490123450	NM 12345		00		052001	03	32								
5	3	3			3178.63	0.00	0.00	300.00	0.00	0.00	0.00	3478.63								
6	4		TBIL 002647357	-325.42		0.00		0.00	3153.21	Joe Smith	06062004									
7																				
8																				
9																				
10																				

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The Excel sample file shows what each cell represents. Hovering your mouse over the fields with a red tab explains exactly what each cell must contain.

TIPS:

- Save changes to the original Spreadsheet and then Save As a CSV when you are ready to upload (so you will have both the Spreadsheet and the CSV files). If you need to make changes, make changes to the original Spreadsheet and Save As a CSV again (save over your existing CSV). Do not make changes directly to the CSV.
- Leading zeroes must be included. For example, the Sales Date must read 052001, not 52001.
- Decimals must be carried two digits out. For example, values must read 2489.40, not 2489.4.
- Remember to change the “ROY” in cell C1 to “CMP” for CMP-2014 files.
- The PAD number in cell D1 must be 8 characters or less, and should match the UFI the auditor provided.

If you are having difficulty with the formatting, contact the Royalty Error Correction specialist for your company
 (<http://www.onrr.gov/ReportPay/PDFDocs/royassign.pdf>)



Industry Initiated CMP-2014

Documents List Registration Information Upload File Upload History Rental Information Help Known Issues Feedback Log Out

Home > Documents List > CMP-2014

Save Payment Information Override Print Validate Help Field Help Cancel Request Release

Seconds until next auto-save: 110

AutoSave: Turn Off

General Report Information

Report ID: 453452 Report Status: Open Override Status: No override request Validation Status: Never/validated

Header Data

New CMP document is an ISSUE

Payor Code*:

Payor Name:

Federal/Indian*: Federal

Payor Assigned Doc. Number*:

Total Industry Amount: \$0.00 Total ONRR Amount: \$0.00

Line Commands: 1 1 #Lines to Display: 25 Line # ASC

Line #	Preparer Use Only	ONRR Lease Number*	ONRR Agree Number	API Well Number	Product Code*	Sales Type	Sales Date (MM/YYYY)*	Transaction Code*	Adjustment Reason Code*	Sales Volume	Gas MMBtu	Sales
1							08/2015			0	0	0

CMP-2014 Industry Detail Lines

Select Line	Line #	Preparer Use Only	ONRR Lease Number*	ONRR Agree Number	API Well Number	Product Code*	Sales Type	Sales Date (MM/YYYY)*	Transaction Code*	Adjustment Reason Code*	Sales Volume	Gas MMBtu	Sales
<input type="checkbox"/>	1							08 - 2015		17	0.00	0.00	0.00

Line Commands: 1 1 #Lines to Display: 25 Line # ASC

Report Commands

Save Export ONRR Lines

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Your lines will have the same requirements as the standard 2014:

- Ensure the Payor Code and Payor Name are accurate
- Separate out Federal leases and Indian leases (both can't be mixed into a single report)
- Create a PAD number, or use the UFI provided by ACM.
- Enter data in the "CMP-2014 Industry Detail Lines" area as normal.
 - Corrections still require reversals and rebooks, NO roll-up accounting



ACM Initiated

ACM created CMP-2014s will automatically appear in your Document List

Report Documents													
Document Type	Report ID	User ID	Reporter Code	Reporter Assigned Doc No. / Reporter Doc Name	Status	CMP Status	Last Update (ET)	Edit / Display	Print	Copy		Delete	Export
CMP	453452	TIERNEY	10860		OPEN	Issue	9/17/2015 1:05:25 PM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453451	CARVERC	10860		OPEN	Issue	9/17/2015 8:42:07 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453375	LOPEZJA	10860	UPLDTST1	OPEN	Issue	9/4/2015 10:20:11 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453373	TIERNEY	10860		OPEN	Issue	9/4/2015 9:45:40 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453208	ALLEYJ	18065	TRAIN010	OPEN	Issue	7/9/2015 9:44:23 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453169	LOCKLERA	10860	74184156	OPEN	Issue	7/8/2015 10:33:42 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453148	ALLEYJ	18065	20140602	SENT	Issue	7/7/2015 1:27:10 PM	Display	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	452023	ALLEYJ	18065	TEST1101	OPEN	Issue	7/7/2015 1:12:51 PM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	448675	ALLEYJ	18065	ONEMORE	SENT	Issue	7/7/2015 11:45:42 AM	Display	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453044	ALLEYJ	18065	61980148	SENT	Issue	6/3/2015 10:09:54 AM	Display	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453046	ALLEYJ	18065	61980148	SENT	Issue	6/3/2015 9:52:25 AM	Display	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453045	LOPEZJA	10860	80399321	OPEN	Issue	6/3/2015 9:36:50 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	452983	CARVERC	10860	43593482	OPEN	Issue	5/18/2015 1:12:52 PM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	452525	CARVERC	10860	FORMAT	OPEN	Issue	5/14/2015 12:39:19 PM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	452884	GERMUSKP	18065	training	OPEN	Issue	5/13/2015 11:12:14 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed

1 2 3 4 5 6

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ACM created CMP-2014s will automatically appear in the Documents List.

This is based on what Payor Code ACM created the Issue/Order under, and what Payor Code you have access to.

If ACM creates a CMP-2014 for you, you can click on Edit to manually enter lines. Or, you can upload a file and connect it to that ACM created report.



ACM Initiated

ACM has the ability to Lock a document from industry

Document Type	Report ID	User ID	Reporter Code	Reporter Assigned Doc No. / Reporter Doc Name	Status	CMP Status	Last Update (ET)	Edit / Display	Print	Copy	Delete	Export	
CMP	453452	TIERNEY	10860		OPEN	Issue	9/17/2015 1:05:25 PM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453451	CARVERC	10860		OPEN	Issue	9/17/2015 8:42:07 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453375	LOPEZJA	10860	UPLDTST1	OPEN	Issue	9/4/2015 10:20:11 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453373	TIERNEY	10860		OPEN	Issue	9/4/2015 9:45:40 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453208	ALLEYJ	18065	TRAIN010	OPEN	Issue	7/9/2015 9:44:23 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453169	LOCKLERA	10860	74184156	OPEN	Issue	7/8/2015 10:33:42 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453148	ALLEYJ	18065	20140602	SENT	Issue	7/7/2015 1:27:10 PM	Display	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	452923	ALLEYJ	18065	TEST1101	OPEN	Issue	7/7/2015 1:12:51 PM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	448675	ALLEYJ	18065	ONEMORE	SENT	Issue	7/7/2015 11:45:42 AM	Display	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453044	ALLEYJ	18065	61980148	SENT	Issue	6/3/2015 10:09:54 AM	Display	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453046	ALLEYJ	18065	61980148	SENT	Issue	6/3/2015 9:52:25 AM	Display	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453045	LOPEZJA	10860	80399321	OPEN	Issue	6/3/2015 9:36:50 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	452983	CARVERC	10860	43593482	OPEN	Issue	5/18/2015 1:12:52 PM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	452625	CARVERC	10860	FORMAT	OPEN	Issue	5/14/2015 12:39:19 PM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	452884	GERMUSKP	18065	training	OPEN	Issue	5/13/2015 11:12:14 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed

ACM view: Report Status: Open Override Status: No override request CMP Lock Status: Lock Unlock

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ACM has a unique option to “Lock” and “Unlock” a report.

This can prevent you from accessing or Editing the CMP-2014. This is done because the ACM specialist might be analyzing the current lines, adding ONRR-Detail lines, or might not be ready to send the report/letter yet (so it is “Locked” until it is ready).

If you received the Audit letter and need to start making the corrections, but the report is still locked, contact the auditor to check if it is still locked.

ACM Initiated

ACM initiated documents will have at least one “ONRR Detail Line” and will also have some fields locked

Documents List | Registration Information | Upload File | Upload History | Rental Information | Help | Known Issues | Feedback | Log Out

Home » Documents List » CMP-2014

Second Unit well address: 290

Auditor: [Select Auditor]

General Report Information

Report ID: 45189 Report Status: Open Override Status: No override request Validation Status: None/Validated

Header Data

Has CMP document in an ISSUE:

Payor Code: [Dropdown]

Payor Name: [Text]

Feder/Indian: [Dropdown] (Red arrow)

Payor Assigned Doc. Number: [Text] (Red arrow)

Total Industry Amount: \$0.00 Total ONRR Amount: \$2,525.00

Line Commands: [Select All] [Copy] [Copy All] [Add Lines] [Go To] [Lines to Display: 20] [Line # ASC] [Sort]

Line #	Preparer Use Only	ONRR Lease Number*	ONRR Agree Number*	API Well Number	Product Code*	Sales Type	Sales Date (MM/YYYY)	Transaction Code*	Adjustment Reason Code*	Sales Volume	Gas MBbls	Sales Value	Royalty Value Before Allowances	Transportation Allowance	Processing Allowance	Royalty Value after Allowances*	Payment Line Method#
1		020000480					01	17	0	0	0	0	0	0	2525	03	1

Line Commands: [Select All] [Copy] [Copy All] [Delete] [Add Lines] [Go To] [Lines to Display: 20] [Line # ASC] [Sort]

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- ACM Initiated CMP-2014s will have at least one “CMP-2014 ONRR Detail Line”.
- This can be considered an estimate, or what the auditor is expecting
 - This can still be disputed like normal
 - You can work with the auditor to send the amount you agree with, and dispute the rest
 - This might be just a “placeholder” amount - \$0.01
 - Unlike your reporting, the ONRR line can be rolled up.
 - ACM might list one line that covers multiple months and multiple issues
 - You are still required to come in with full reversals/rebooks
 - Your PAD/UFI will be locked along with the option for Federal/Indian and Payor Code
 - Manually enter your lines in the “CMP-2014 Industry Detail Lines” like you would on a standard 2014, or Upload a file.

ACM Initiated

Instead of manually entering your lines into the ACM initiated CMP-2014, you can upload lines directly to it

ONRR Electronic Reporting

Office of Natural Resources Revenue

Documents List | Registration Information | **Upload File** | Upload History | Rental Information | Help | Known Issues | Feedback | Log Out

Home » Upload File

Help | Create New CMP-2014 | **Edit Existing CMP-2014** | Report ID: 453169

Upload Report Document

To upload a report file on your local computer, click the "Select" button and choose a file.

For faster delivery of multiple reports, compress them into one zip file prior to upload. The system will automatically detect the file type and process accordingly.

Report Files (.csv, .txt, and .zip formats only)

Select

Department of Interior | Policy, Management and Budget | Pay.gov | USA.gov | Accessibility | ONRR Home | Contact Us | Disclaimer | Privacy | Email eCommerce Feedback

e-Statement of Accounts | Lease Account Balance | EMARF Forms | Financial Reports & History Reports

Last updated 21 January 2015

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ACM initiated reports can also be modified by uploading a CSV or ASCII file. Remember to change the "ROY" to "CMP" on the file before uploading it.

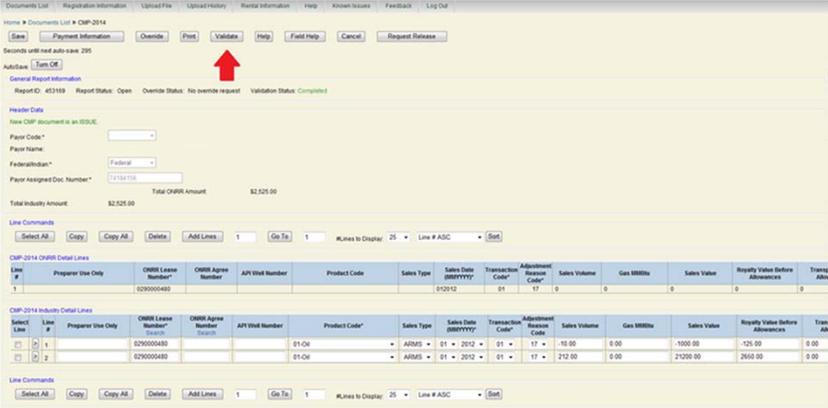
To modify a CMP-2104 that ACM created under Upload File, click the "Edit Existing CMP-2014" button. A new option will appear for "Report ID". The auditor likely provided this to you, or you can find in by viewing your Documents List.

NOTE: The Report ID is the eCommerce Report ID – not the PAD/UFI.



Validate the CMP-2014

Once your lines are added, the report must be Validated to check for up-front Edits



The screenshot shows a web application interface for managing CMP-2014 reports. At the top, there are navigation tabs: Documents List, Registration Information, Upload File, Upload History, Rental Information, Help, Account Issues, Feedback, and Log Out. Below these are buttons for 'Save', 'Payment Information', 'Override', 'Print', 'Validate', 'Help', 'Full Help', 'Cancel', and 'Request Release'. A red arrow points to the 'Validate' button. The main area displays 'General Report Information' for Report ID: 453169, Report Status: Open, and Validation Status: Completed. Below this is a 'Header Data' section with fields for Paper Code, Paper Name, Paper assigned Dist. Number, and Total Industry Amount (\$2,525.00). A 'Line Commands' section includes buttons for 'Select All', 'Copy', 'Copy All', 'Delete', 'Add Lines', 'Go To', and 'Sort'. The bottom section is a table titled 'CMP-2014 Industry Detail Lines' with columns for Line #, Preparer Use Only, OMB# Lease Number, OMB# Agree Number, API Well Number, Product Code, Sales Type, Sales Date, Transaction Code, Adjustment Reason Code, Sales Volume, Gas MBbls, Sales Value, Receipts Value Before Allowances, and Trans Adj.

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Once your lines are added (either manually or by uploading them), click Validate.

Remember that the Validate feature is a Pop-Up window, so be sure to disable your Pop-Up blockers.

Do you need an Override?

If an error is found when you Validate, you may need to request an Override

The screenshot shows the 'Office of Natural Resources Revenue' web interface. The 'Override' button is highlighted with a red arrow. Below the buttons, the 'General Report Information' section shows: Report ID: 402199, Report Status: Open, Override Status: No override request, Validation Status: Completed. The 'Header Data' section includes fields for Paper Code, Paper Name, Federal/State, and Payer Assigned Doc. Number. Summary statistics show Total Industry Amount: \$1,925.00 and Total ONRR Amount: \$2,525.00. A table of 'CMP 2014 ONRR Detail Lines' is visible at the bottom.

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If the Validate window shows any Errors, look through the report to find out why. If you believe the lines are accurate and do not require changes, contact your Royalty Reporting specialist to discuss an Override:
<http://www.onrr.gov/ReportPay/PDFDocs/royassign.pdf>

If an Override is required, click here.

Override Process

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On the Override page, enter your Justification for the override. This should be as clear as possible: the reason you are submitting the report, the reason the lines are rejecting, and the auditor you are working with. Also enter the telephone number you can be reached at if there are any questions.

Please note that only the rejected lines are shown here, and the Royalty Reporting specialist will only be able to see those rejecting lines.

Once your information is entered, click Submit to send the Override request to ONRR. Or, click Report to cancel and go back to the lines.

Override Process

The report will become locked as ONRR reviews the override request

The screenshot shows the 'Office of Natural Resources Revenue' web application. The main content area displays 'General Report Information' for report ID 453169. The 'Override Status' is 'Pending' and 'Validation Status' is 'Completed'. Below this, there are two tables: 'CMP-2014 ONRR Detail Lines' and 'CMP-2014 Industry Detail Lines'. The 'Override' button is visible at the top of the report area.

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Once the Override is requested, the report will be locked and un-editable. The report can't be Deleted or modified until ONRR reviews it and chooses to Accept or Deny the override.

If you notice something is incorrect and need to make a change, contact the Royalty Reporting specialist and request the Override be denied.

NOTE: Do not try to make changes to the report while an Override is being requested. If you try to modify the report via the Upload feature (Edit Existing CMP-2014) while an Override is Pending, your report could become corrupted and unusable. You would then contact the auditor and discuss deleting the report and starting over.

Override Process

If the Override is denied, you **MUST** first unlock the report before making changes

The screenshot shows the 'Office of Natural Resources Revenue' web interface. At the top, there are navigation tabs: Documents List, Registration Information, Upload File, Upload History, Rental Information, Help, Known Issues, Feedback, and Log Out. Below these, there are buttons for 'Payment Information', 'Override', 'Print', 'Help', 'Field Help', and 'Cancel'. The 'Override' button is highlighted with a red arrow. Below the buttons, the 'General Report Information' section shows 'Report ID: 453169', 'Report Status: Open', 'Override Status: Denied', and 'Validation Status: Completed'. A second red arrow points to the 'Override Status: Denied' text. Under 'Header Data', there is a message: 'CMP document is an ISSUE.' Below this, various report details are listed, including 'Payer Code', 'Payer Name', 'Federal/Indian', 'Payer Assigned Doc. Number: 74194155', 'Total ONRR Amount: \$2,525.00', and 'Total Industry Amount: \$1,925.00'. There are also 'Line Commands' and a table of 'CMP-2014 ONRR Detail Lines' at the bottom.

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If the Override is denied, the Royalty Reporting specialist will contact you to review why.

The report must first be unlocked before changes can be made. Click on Override first and then Unlock.

NOTE: If you do not first Unlock the document using these steps, and try to make changes to the report via the Upload feature, your report could become corrupted and unusable. You would then contact the auditor and discuss deleting the report and starting over. It is very important to Unlock the report before making changes.

Override Process

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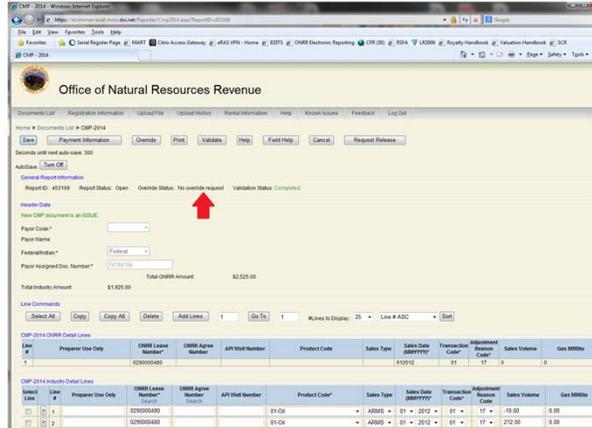
The report is unlocked here.

Please note that unlocking the report removes the override request completely. Do not click Unlock unless you truly want to remove the Override (IE if the Override was denied or if you need to make a change to the report).



Override Process

Unlocking the report removes the override request and enables editing



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Unlocking the report removes the Override request completely, and allows changes to be made again. The report will need to be Validated again (and another Override requested) once changes are made.

Releasing a CMP-2014

Release the CMP-2014 to ACM by clicking Request Release

The screenshot shows the 'Office of Natural Resources Revenue' web interface. At the top, there are navigation tabs: 'Documents List', 'Registration Information', 'Upload File', 'Upload History', 'Rental Information', 'Help', 'Known Issues', 'Feedback', and 'Log Out'. Below these, there's a 'Home' section with a 'Documents List' for 'CMP-2014'. A row of buttons includes 'Payment Information', 'Override', 'Print', 'Help', 'Field Help', 'Cancel', and 'Request Release'. A red arrow points to the 'Request Release' button. Below the buttons, the 'General Report Information' section shows 'Report ID: 403189', 'Report Status: Open', 'Override Status: Approved', and 'Validation Status: Completed'. Another red arrow points to the 'Override Status: Approved' text. Below this is a 'Header Data' section with fields for 'Payer Code', 'Payer Name', 'Federal/Indian', 'Payer Assigned Doc. Number', 'Total ONRR Amount', and 'Total Industry Amount'. At the bottom, there are two tables: 'CMP-2014 ONRR Detail Lines' and 'CMP-2014 Industry Detail Lines', both with columns for Line #, Preparer Use Only, ONRR Lease Number, ONRR Agree Number, API Well Number, Product Code, Sales Type, Sales Date, Transaction Code, Adjustment Reason Code, Sales Volume, Gas MMBtu, Sales Value, Royalty Value Before Allowances, Transportation Allowance, Processing Allowance, Royalty Value after Allowance, and Payment Line Number.

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If your Override is approved (or if you didn't have any Errors when you first validated), and you are ready to send the report to ONRR, click Request Release.

Releasing a CMP-2014

Verify the phone number and email are accurate, and Click **Submit**

Office of Natural Resources Revenue

Release Request CMP 2014

Report ID: 4548 Report Status: Open Override Status: Approved Validation Status: Completed

Requester Name: Tierney, Paulette
 Requester Telephone: 3032311234
 Requester Email: Paulette.Tierney@onrr.gov
 Reporter Code:
 Company Name:

Line #	Preparer Use Only	ONRR Lease Number*	ONRR Agree Number	API Well Number	Product Code*	Sales Type	Sales Date (MM/YYYY)*	Transaction Code*	Adjustment Reason Code	Sales Volume	Gas MMBtu	Sales Value	Royalty Value Before Allowances	Transportation Allowance	Processing Allowance	Royalty Value after Allowance	Payment Line Method*	#
1		0290000480			01-Oil	APRS	012012	01	17	-10	0	-1000	-125	0	0	-125	03	1
2		0290000480			01-Oil	APRS	012012	01	17	212	0	21200	2050	0	0	2050	03	2

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Unlike the standard 2014, where you only click “Send”, the CMP-2014 has another screen where you must click “Submit”

Remember to click both “Request Release” and also “Submit” to actually send the report to the auditor.

After you release the CMP-2014, contact the auditor and let them know.



Releasing a CMP-2014

The status will remain “Open” as the report has not actually been accepted yet. Certain features will now be unavailable (Copy/Delete)

Filter Options

Document Type: All Status: All Starting Date: 9/5/2014 Ending Date: Redisplay List

User ID: Report ID: CMP Status: All

Report Documents

Document Type	Report ID	User ID	Reporter Code	Reporter Assigned Doc No. / Reporter Doc Name	Status	CMP Status	Last Update (ET)	Edit / Display	Print	Copy	Delete	Export	
CMP	453169	TIERNEY	10860	74184156	OPEN	Issue	9/18/2015 9:31:14 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453452	TIERNEY	10860		OPEN	Issue	9/17/2015 1:05:25 PM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453451	CARVERC	10860		OPEN	Issue	9/17/2015 8:42:07 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
2014	453450	CARVERC	10860	1234	OPEN		9/17/2015 7:06:49 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
2014	453432	LOPEZJA	16913	edit9598	OPEN		9/8/2015 12:11:15 PM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
2014	453431	LOPEZJA	10860	TEST498	OPEN		9/8/2015 11:57:28 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
2014	453372	LOPEZJA	10860	UpldTest	SENT		9/8/2015 11:31:15 AM	Display	Print	Copy All	Copy Specific		CSV Fixed
2014	453412	LOPEZJA	16913	edit9598	SENT		9/8/2015 11:31:02 AM	Display	Print	Copy All	Copy Specific		CSV Fixed
2014	453430	TIERNEY	10860	01-2012	OPEN		9/8/2015 8:35:42 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed
CMP	453375	LOPEZJA	10860	UPLDTST1	OPEN	Issue	9/4/2015 10:20:11 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed

After your CMP-2014 has been released, you will note the status still stays “Open”. Unlike the standard 2014, your report has not actually been accepted into ONRR’s internal system. Instead, the report is now available for the auditor to review. The auditor can then choose to allow the lines in or to deny the report and return it to you for modifications.

Be sure to contact the auditor and let them know you Released (and Submitted) the CMP-2014 to them.

Releasing a CMP-2014

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You can verify the report was successfully released to the auditor by entering the report (Edit) and making sure the “Request Release” button is no longer available.



Releasing a CMP-2014

Status changes to Sent if the auditor approves the CMP-2014

Filter Options

Document Type: Status: Starting Date: Ending Date:

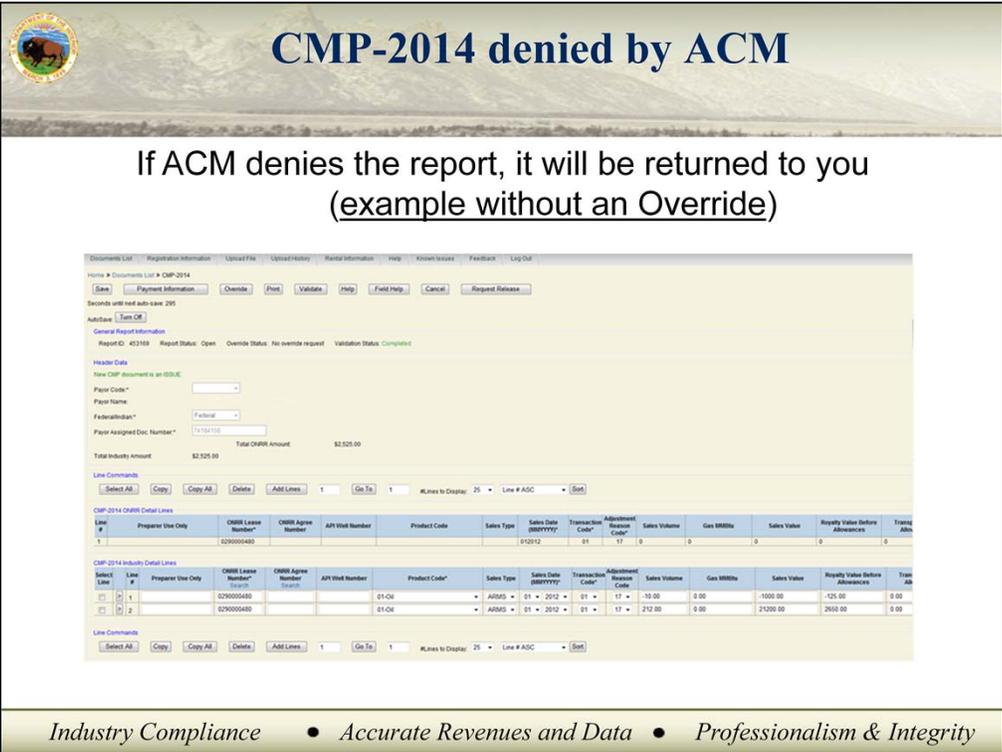
User ID: Report ID: CMP Status:

Report Documents

Document Type	Report ID	User ID	Reporter Code	Reporter Assigned Doc No. Reporter Doc Name	Status	CMP Status	Last Update (ET)	Edit / Display	Print	Copy	Delete	Export
CMP	453148	ALLEYJ	18065	20140602	SENT	Issue	7/7/2015 1:27:10 PM	<input type="button" value="Display"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/> <input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	<input type="button" value="CSV Fixed"/>
CMP	448675	ALLEYJ	18065	ONEMORE	SENT	Issue	7/7/2015 11:45:42 AM	<input type="button" value="Display"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/> <input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	<input type="button" value="CSV Fixed"/>
CMP	453044	ALLEYJ	18065	61980148	SENT	Issue	6/3/2015 10:09:54 AM	<input type="button" value="Display"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/> <input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	<input type="button" value="CSV Fixed"/>
CMP	453046	ALLEYJ	18065	61980148	SENT	Issue	6/3/2015 9:52:25 AM	<input type="button" value="Display"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/> <input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	<input type="button" value="CSV Fixed"/>
CMP	449748	LOCKLERA	18065	TEST0604	SENT	Issue	5/6/2015 8:35:52 AM	<input type="button" value="Display"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/> <input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	<input type="button" value="CSV Fixed"/>
CMP	452043	ALLEYJ	18065	EMAIL	SENT	Issue	3/19/2015 10:34:43 AM	<input type="button" value="Display"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/> <input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	<input type="button" value="CSV Fixed"/>
CMP	451545	ALLEYJ	18065	09HAPORO	SENT	Order	12/23/2014 8:45:28 AM	<input type="button" value="Display"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/> <input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	<input type="button" value="CSV Fixed"/>
CMP	450656	ALLEYJ	18065	ZAODRPAR	SENT	Order	11/11/2014 12:11:09 PM	<input type="button" value="Display"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/> <input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	<input type="button" value="CSV Fixed"/>
CMP	450735	LOCKLERA	18065	3PAR3913	SENT	Issue	11/3/2014 9:17:24 AM	<input type="button" value="Display"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/> <input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	<input type="button" value="CSV Fixed"/>
CMP	450734	LOCKLERA	18065	2PAR3913	SENT	Issue	11/3/2014 9:16:29 AM	<input type="button" value="Display"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/> <input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	<input type="button" value="CSV Fixed"/>
CMP	450733	LOCKLERA	18065	1PAR3913	SENT	Issue	11/3/2014 9:14:49 AM	<input type="button" value="Display"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/> <input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	<input type="button" value="CSV Fixed"/>
CMP	450677	ALLEYJ	18065	ZAODRPAR	SENT	Issue	10/30/2014 9:57:03 AM	<input type="button" value="Display"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/> <input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	<input type="button" value="CSV Fixed"/>
CMP	450593	ALLEYJ	18065	ORDERPAR	SENT	Issue	10/23/2014 8:41:56 AM	<input type="button" value="Display"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/> <input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	<input type="button" value="CSV Fixed"/>
CMP	450572	ALLEYJ	18065	OVERORDE	SENT	Order	10/23/2014 8:28:34 AM	<input type="button" value="Display"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/> <input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	<input type="button" value="CSV Fixed"/>
CMP	450512	ALLEYJ	18065	NEWORDER	SENT	Order	10/21/2014 3:06:38 PM	<input type="button" value="Display"/>	<input type="button" value="Print"/>	<input type="button" value="Copy All"/> <input type="button" value="Copy Specific"/>	<input type="button" value="Delete"/>	<input type="button" value="CSV Fixed"/>

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The auditor will let you know if the CMP-2014 is allowed into the system, but you can also see this in your Documents List. Once the auditor approves the report into ONRR's internal system, the status changes to "Sent".



CMP-2014 denied by ACM

If ACM denies the report, it will be returned to you
(example without an Override)

Documents List Registration Information Upload File Upload History Rental Information Help Known Issues Feedback Log Out

Home > Documents List > CMP-2014

Save Payment Information Override Print Validate Help Field Help Cancel Request Release

Seconds until next auto save: 295

Address: [\[Edit\]](#) [\[Close\]](#)

General Report Information

Report ID: 452169 Report Status: Open Override Status: No override required Validation Status: Completed

Header Data

New CMP document is an ISSUE

Payer Code:

Payer Name:

Federal/State:

Payer Assigned Doc Number:

Total Industry Amount: \$2,525.00 Total OPRR Amount: \$2,525.00

Line Commands: 1 Go To: 1 #Lines to Display: 25 Line # ASC

Line #	Preparer Use Only	OWB Lease Number*	OWB Agmt Number	API VMSL Number	Product Code	Sales Type	Sales Date (MM/YYYY)	Transaction Code*	Adjustment Reason Code*	Sales Volume	Gas \$/Bbls	Sales Value	Realty Value Before Allowances	Trans. Allow.
1		029000480					01/2012	01	17	0	0	0	0	0

CMP-2014 Industry Detail Lines

Select Lines	Line #	Preparer Use Only	OWB Lease Number*	OWB Agmt Number	API VMSL Number	Product Code*	Sales Type	Sales Date (MM/YYYY)	Transaction Code*	Adjustment Reason Code*	Sales Volume	Gas \$/Bbls	Sales Value	Realty Value Before Allowances	Trans. Allow.
<input type="checkbox"/>	1		029000480			01-00	ARMG	01 • 2012	01 •	17 •	-10.00	0.00	-1000.00	-125.00	0.00
<input type="checkbox"/>	2		029000480			01-00	ARMG	01 • 2012	01 •	17 •	212.00	0.00	21200.00	2650.00	0.00

Line Commands: 1 Go To: 1 #Lines to Display: 25 Line # ASC

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Once you Request Release and Submit, the document goes to ACM for review. If ACM denies the report instead, it will be available to Edit again in eCommerce. The auditor will contact you to review why it was denied and what changes are requested.

CMP-2014 denied by ACM

If ACM denies the report, it will be returned to you
(example with an Override – Remember to unlock)

The screenshot shows a web browser window displaying the 'Office of Natural Resources Revenue' portal. The page title is 'CMP-2014' and the report status is 'Open' with an 'Override Status: Approved'. The 'Header Data' section shows 'CMP document is an ISSUE'. Below this, there are two tables: 'CMP 2014 OMR Detail Lines' and 'CMP 2014 Industry Detail Lines'. The 'CMP 2014 OMR Detail Lines' table has one row with the following data: Line # 1, Preparer Use Only, OMR Lease Number 0290000480, OMR Agree Number, API Well Number, Product Code, Sales Type, Sales Date, Transaction Code, Adjustment Reason Code, Sales Volume, Gas MBbls, Sales Value, Royalty Value Before Allowances, Transportation Allowance, Processing Allowance, Royalty Value after Allowances, and Payment Line Number 03. The 'CMP 2014 Industry Detail Lines' table has two rows with similar data, including Sales Type '01-08', Transaction Code '4085', and Royalty Value after Allowances of -125 and 2050.

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Once you Request Release and Submit, the document goes to ACM for review. If ACM denies the report, but you had an Override approved before releasing it to them, you must Unlock the document before making changes. This is done by clicking Override and then Unlock.

NOTE: If you do not first Unlock the document, and try to make changes to the report via the Upload feature, your report could become corrupted and unusable. You would then contact the auditor and discuss deleting the report and starting over. It is very important to Unlock the report before making changes.



Partially accepted CMP-2014

- The CMP-2014 has the ability to select specific lines and Accept only those lines
- Accepted lines are “pulled out” of the report and sent to ONRR’s internal system
- Lines not accepted remain on the report and are returned to industry

ACM View: 13370 IssuRej1 450140 Approved Partial 5/6/2015 8:17:13 AM

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Unlike the standard 2014, in which the entire report must be Accepted or Denied, the CMP-2014 allows auditors to select certain lines to allow in.

The decision to use this feature is up to the auditor, as a partially accepted report poses potential risk. For example, Indian reports might have issues if lines are split up (“Net Negative” problems might arise if reversals and rebooks are split up).



Partially accepted CMP-2014

Accepted lines are “pulled out” and creates a new Report ID for those lines alone.

Report Documents													
Document Type	Report ID	User ID	Reporter Code	Reporter Assigned Doc No. / Reporter Doc Name	Status	CMP Status	Last Update (ET)	Edit / Display	Print	Copy		Delete	Export
CMP	452643	LOCKLERA	13370	IssuRej1	SENT	Issue	5/6/2015 8:17:13 AM	Display	Print	Copy All	Copy Specific		CSV Fixed

Lines that were not accepted remain on the original Report ID so that corrections can be made.

Report Documents													
Document Type	Report ID	User ID	Reporter Code	Reporter Assigned Doc No. / Reporter Doc Name	Status	CMP Status	Last Update (ET)	Edit / Display	Print	Copy		Delete	Export
CMP	450140	TORSNEYK	13370	IssuRej1	OPEN	Issue	9/30/2014 7:02:06 AM	Edit	Print	Copy All	Copy Specific	Delete	CSV Fixed

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Approved lines are “pulled out” and put into a new report with a new Report ID. This new report will automatically show Sent (because all of those lines were approved into the system) and will not be editable. But you can Display the report and print the lines.

The lines that were not approved remain on the original report and keep the same Report ID (minus the approved lines). This is the Open report, and you can click Edit to make changes.

NOTE: The remaining lines are on the original report, and still follow the Override rules. If an Override was requested, remember to Unlock the document before attempting to make changes. If the report hasn't been Unlocked, and you upload corrections (Edit Existing CMP-2014), the report could become corrupt and unusable. You would then contact the auditor and discuss deleting the report and starting over.



Questions on the CMP-2014?



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Data Mining Processes

- Volume Comparison
- RSFA Statute of Limitation – Federal leases
- Net Negatives
- Agreement Approvals & Revisions
- Repetitive Reporting
- Pricing – Offshore GOM oil
- Processed Gas – PC 03 without 07 or 19

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The following are process that data mining performs:

Volume Comparison

RSFA

Net Negatives

Agreement Approvals & Revisions

Repetitive Reporting

Pricing – Offshore GOM oil

Process Gas



What is Data Mining Finding?

- Missing Reports and volumes
- Invalid adjustments
 - Duplicates
 - Correction of volumes w/o change in royalty values
- Agreement misreporting
 - Missing Agreement Numbers
 - Incorrect reporting of allocations
 - Incorrect lease and/or agreement numbers
 - Lease level vs agreement level
 - Incorrect reporting of overlapping agreements
- Invalid deductions (i.e. marketable condition/field fuel)
- 6 yr statute of limitations

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How do overrides work?

- If an override is requested due to a data mining request, email the following to your Royalty Error Correction Specialist:
 - The data request
- Once received, the royalty error correction specialist will send the lines to the Data Mining Analyst for approval to override.
 - NOTE: Royalty cannot override without data mining's consent – this can take awhile.



Questions on Data Mining?



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