

Chapter 5

Interest for Federal and Indian Oil and Gas Leases

Introduction

Each month, the Office of Natural Resources Revenue (ONRR) Interest Exception Processing module assesses late payment interest for late paid receivables (royalties, rents, minimum royalties, etc.). ONRR is also required to pay interest on Federal Oil and Gas Overpayments for sales months January 1997 and later. Beginning in October of 2014, ONRR began calculating interest using a new methodology---Running Balance Method. We believe this method better reflects the time value of money and is supported by a decision from our Solicitor. This changes the way ONRR calculates interest for Federal, Indian, Solids, and Geothermal leases.

5.1

Interest Liability

We will assess interest for late payments received after the due date for Federal and Indian leases. We will also make assessments for insufficient estimate reporting, where the royalties reported exceed the current estimate balance for Federal and Indian leases. Interest is calculated using the published IRS corporate interest rate compounded daily for Federal oil and gas, and Indian oil and gas leases.

The Royalty Simplification and Fairness Act of 1996 (RSFA) requires ONRR to pay interest on Federal oil and gas overpayments made on or after January 1997.

Effective January 2, 2000, for Indian leases located in non-index zones, late payment interest on any major portion true up reporting will not begin to accrue until the published major portion true up date.

5.2

Avoiding Late Payment Interest

To avoid late payment interest on royalties, rents, minimum royalty, advance royalty, deferred bonus transactions, and other monies due the Federal government or Indians, you must submit and pay timely, royalty documents, courtesy notices, invoices, and other receivables requiring payment to ONRR.

NOTE

Current late payment interest rates are updated quarterly on the ONRR website at <http://onrr.gov/ReportPay/interest.htm>.

5.3

Overpayment Interest for Federal Oil and Gas Leases Only

If you submit an overpayment or an estimate payment that exceeds actual royalties paid, you may receive interest. RSFA requires ONRR to pay interest on overpayments for Federal oil and gas leases for sales months January 1997 and later. ONRR does not pay interest on Indian, solids, or geothermal leases. Interest due the reporter is found only on Federal interest invoices (INTs).

Overpayments are the result of net negative adjustment totals on previously reported sales months on Form ONRR-2014. We consider reporting the downward adjustment on the Form ONRR-2014 notice that an overpayment was made, and the financial accounting system calculates interest from the sales month due date to the receipt date of the Form ONRR-2014 with the adjusting entry. For example, if you originally reported \$1000 in royalties for a given lease and sales month and subsequently adjust the royalties down to \$900, you may receive interest on the \$100 overpayment. RSFA established that the interest rate at which we pay interest is 1 percent less than the interest rate at which ONRR charges interest.

Effective December 19, 2014, Congress changed the overpayment rate to be 2 percent less than the interest rate at which ONRR charges interest.

5.3.1

Limitations on Overpayment Interest

We will not pay interest on excessive overpayments (including estimate balances) made for the purpose of receiving interest. The Federal Oil and Gas Royalty Simplification and Fairness Act of 1996 defines excessive overpayment as that amount by which the total overpayments for a given report month exceed 10 percent of the royalties paid that month, excluding payments for obligations determined to be due as a result of judicial or administrative proceedings or agreed to be paid for settlement agreements.

If you have an excessive estimate balance, you need to adjust those balances to reflect current production. If you are no longer paying on a lease that has an estimate balance, you must either move the estimate balance to another lease, or reduce the estimate balance by taking a credit. ONRR will not pay oversufficient estimate interest where there has been no reporting on the lease for 6 months or more. If you have questions about your estimate balances please contact your Royalty Reporting Error Correction Representative at the following web address: <http://onrr.gov/ReportPay/PDFDocs/royassign.pdf>.

5.4 Interest Invoices from ONRR

RSFA encourages you to report your own interest. However, if you do not report interest on your Form ONRR-2014, we assume you have determined that interest reporting is a hardship for your company.

If you do not report interest, we compute interest and notify you of any interest owed to you or to ONRR on an Interest Invoice (see Figures 5-1 to 5-5 for an example of an Interest Invoice and its accompanying reports). The Invoice shows the interest for each lease and sales month adjusted and/or paid late on your Form ONRR-2014. The Invoice also contains interest, if any, that ONRR owes you for Federal oil and gas leases. ***We do not pay interest on solid mineral, geothermal, or Indian leases.***

If you have questions concerning your Interest Invoice or about current rates, please call us. Current contact information is available on our web site at:

Federal contacts: <http://onrr.gov/ReportPay/PDFDocs/finserAssign.pdf>

Indian contacts: <http://onrr.gov/ReportPay/PDFDocs/FSIndianCoAssign.pdf>

5.5 Interest and Estimates

An estimate gives you an additional month to report and pay your actual royalties. The estimate can help reduce late payment interest charges. If sales data is not received timely to report to ONRR, an estimate will allow additional time to report without incurring interest charges. The estimate is set up at the lease level, and not by product code.

NOTE

Insufficient/oversufficient estimates are calculated at the lease level.

Insufficient Estimate Interest (Federal and Indian Oil and Gas)

You owe interest for insufficient estimates if actual royalties reported during the extended estimate period exceed the estimate you previously submitted for the lease. We define the extended estimate period as the time the due date is extended for a sales month, because of an estimate. For example, for the sales month of

January 2013, royalties were due on February 28, 2013. If you previously had reported an estimate, the extended due date is March 31, 2013. The extended estimate period is one calendar month, in this case the month of March 2013.

We calculate insufficient estimate interest only on the insufficient portion for the number of days you actually use in the extended estimate period (the number of days in the extended estimate period or fewer if you report before the end of the extended estimate period). For example, suppose you have an estimate of \$100 on a lease for sales month January 2013. On March 20, 2013, you report royalties of \$300. You would owe insufficient estimate interest on \$200 (\$300 reported less \$100 estimate) for 20 days (March 1, 2013 through March 20, 2013—time used in the extended period).

NOTE

To get the benefit of the estimate, you must report within the extended period for both Federal and Indian leases.

EXAMPLE

This example shows how to calculate insufficient estimate interest based on the scenario just explained.

Assumptions:

You established an estimate for a lease for the January 2013 sales month.

Sales month	01/2013
Due date without an estimate	02/28/2013
Due date with an estimate	03/31/2013
Extended estimate period	03/01/2013 to 03/31/2013
Estimate amount filed	\$100
Royalty amount reported and paid	<u>\$300</u>
Estimate insufficiency	<\$200>
If royalties are reported and paid on 03/20/2013,	you pay 20 days' insufficient estimate interest on \$200.
If royalties are reported and paid on 03/31/2013,	you pay 31 days' insufficient estimate interest on \$200.
If royalties are reported and paid on 04/14/2013,	you pay 47 days' late payment interest on \$300.

Note: Reporting on April 14, 2013, is after the extended period and does not get the benefit of the estimate.

To avoid or minimize insufficient interest assessments:

- Establish an estimate equal to the highest historical sales for the lease, or
- Establish a lesser estimate that can be timely adjusted when you anticipate sales might exceed the estimate.

5.5.1

Oversufficient Estimate Interest (Federal Oil and Gas Only)

Like overpayment interest, oversufficient estimate interest applies only to Federal oil and gas leases (*not Indian, geothermal, or solid minerals*) for sales months January 1997 and later. ONRR pays interest at the overpayment interest rate on the amount the estimate exceeds actual royalties. The determining factor in the post-RSFA oversufficient estimate interest calculation is **the date the report was received, not the payment receipt date**. If we receive the report within the second month after the sales month, we use the reported royalties to determine the insufficient or oversufficient estimate amount on which to calculate interest. If we receive the report after the two-month window, we consider the entire estimate balance oversufficient (since there was no reporting), and we calculate and pay interest to the reporter on the estimate balance. We then calculate late payment interest for the time the royalties are late once reporting occurs, from the original due date of the sales month to the date the report is paid.

EXAMPLE

This example shows how Federal oversufficient estimate interest is calculated.

Assumptions:

You established an estimate for a lease for the January 2013 sales month.

Sales month	01/2013
Due date without an estimate	02/28/2013
Due date with an estimate	03/31/2013
Extended estimate period	03/01/2013 – 03/31/2013 (31 days)
Estimate amount filed	\$300.00
Royalty amount reported and paid	<u>\$100.00</u>
Estimate oversufficiency	\$300 or \$200.00 (depending on when the royalties are reported)
If royalties are reported and paid on 03/20/2013 (report month 03/2013),	we pay 31 days' oversufficient estimate interest on \$200.
If royalties are reported and paid on 03/31/2013 (report month 03/2013),	we pay 31 days' oversufficient estimate interest on \$200.
If royalties are reported and paid on 04/14/2013 (report month 04/2013),	we pay 31 days' oversufficient estimate interest on \$300 and you pay 45 days' late payment interest on \$100.00

For oversufficient estimate balances, ONRR pays you for the entire month of the extended period (instead of time used in the extended estimate period).

5.6

Interest and Adjustment Reason Code 35 (ARC 35)

Late payment interest charges will not be assessed due to the formation, expansion, contraction, or termination of a Unit or Communization Agreement so long as lump-sum retroactive royalties are received, by ONRR, by the end of the month following the month of approval by BLM, BIA, or BSEE.

You may use ARC 35 **one time** per the event referenced above.

Interest will be calculated from the end of the next month following the approval date of the letter from BLM, BIA, or BSEE if not reported/paid timely.

5.7

What Is the Running Balance Method (Federal Oil and Gas Only)?

Effective October 2014, ONRR implemented a new interest billing module. This module calculates interest using a netting methodology for all reporting for a lease on the same royalty document or Form ONRR-2014. This is basically the Running Balance Method (RBM) and it only comes into play when multiple sales months are reported for a lease on the same ONRR Form-2014. Previously interest was calculated from the royalty due date to the payment date for each sales month. Under the RBM, interest is calculated from the royalty due date to the next transaction for the lease (when multiple sales months are reported). ONRR believes this is a more efficient process and better represents the concept of interest equaling the time value of money. Interest invoices will still have three supporting reports: the Interest Schedule, the Estimate Detail Report, and the Late Payment Allocation Report (see Figures 5-1 through 5-5).

NOTE

Insufficient/oversufficient estimate calculations were not changed by the new Running Balance Method of calculating interest.

EXAMPLE

Assumptions:

ONRR received a Form ONRR-2014 on February 15, 2014, containing one lease.

Sales Month	Due Date	Royalties Reported
08/2011	09/30/2011	\$1,200.00
09/2011	10/31/2011	(\$900.00)
09/2012	10/31/2012	(\$2,000.00)
09/2013	10/31/2013	\$2,000.00

\$300.00 payment made 02/28/2014

Old Method

Sales Month	Due Date	Royalty Reported	Interest Amount Due	Interest Calculation Period
08/2011	09/30/2011	\$1,200.00	\$90.11	Interest due 09/30/2011 to 02/28/2014
09/2011	10/31/2011	(\$900.00)	(\$42.44)	Interest owed 10/31/2011 to 02/15/2014
09/2012	10/31/2012	(\$2,000.00)	(\$55.86)	Interest owed 10/31/2012 to 02/15/2014
09/2013	10/31/2013	\$2,000.00	<u>\$150.19</u>	Interest due 10/31/2013 to 02/28/2014
Total Interest Due			\$142.20	

Payment for \$300.00 was made on 02/28/2014.

Running Balance – New Method

Sales Month	Due Date	Royalty Reported	New Balance	Interest Amount Due	Interest Calculation Period
08/2011	09/30/2011	\$1,200.00	\$1,200.00	\$3.06	Interest due 09/30/2011 to 10/31/2011
09/2011	10/31/2011	(\$900.00)	\$300.00	\$9.18	Interest due 10/31/2011 to 10/31/2012
09/2012	10/31/2012	(\$2,000.00)	(\$1,700.00)	(\$33.89)	Interest due 10/31/2012 to 10/31/2013
09/2013	10/31/2013	\$2,000.00	\$300.00	<u>\$2.74</u>	Interest due 10/31/2013 to 02/28/2014
Total Interest Due (Owed)				(\$18.91)	

Payment for \$300.00 was made on 02/28/2014.

5.8

Basic Requirements for Reporting Interest

Report interest on the same Form ONRR-2014 that you use to report the related late or adjusting royalty report lines. Reporting interest on the same Form ONRR-2014 as the late or adjusting entry allows us to match up the principal for which the interest is due with the associated interest line so we can verify the calculation. If your reported calculations are correct, the lines simply pass through the financial accounting system processing. If we find a discrepancy between the amount you calculated and the amount we calculated, we will send you an INT statement. (This statement shows you the differences between each of your reported interest calculations and each of our interest calculations. We assess or pay the sum of the differences).

Report the ONRR lease number, sales month, transaction code, adjustment reason code when applicable, royalty value less allowances, and payment method.

To report an interest line:

- **If you owe ONRR interest**, use transaction code 21 and report a positive amount in the royalty value less allowances field.
- **If ONRR owes you interest**, use transaction code 22 and report a negative amount in the royalty value less allowances field. The sales month must be January 1997 or later.
- **If the interest is related to an estimate**, report adjustment reason code 71.
- **If the interest is related to a compliance review**, report adjustment reason code 72. Use this adjustment reason code when interest applies to overpayments or underpayments discovered during a compliance review and you choose to report interest payments or recoupments on Form ONRR-2014.
- **For all other interest report lines** use either zeros or spaces for the adjustment reason code.

NOTE

Adjustment reason codes 71 and 72 can be reported only with transaction codes 21 or 22.

After you have reported your own interest on a Form ONRR-2014, you will never make a correcting entry because any discrepancies between what you report and what we calculate will be billed on an interest invoice. This means that adjustment reason codes 71 and 72 are not used to make adjusting entries but are used only to tell what kind of interest is being reported.

For a summary of interest calculation and reporting information for Form ONRR-2014, see Table 5-1.

5.9

Calculating Interest

For interest you owe ONRR, calculate that interest from the due date of the sales month you are adjusting to the date we receive your payment.

For interest ONRR owes you, calculate that interest from the due date of the sales month you are adjusting (without regard to an extended due date because of an estimate) to the date we receive your Form ONRR-2014 recouping the overpayment.

Use the rates established by the Internal Revenue Code, 26 United States Code (U.S.C.) 6621(a)(1) and (2) (Supp. 1987). The overpayment interest rate is currently 2 percentage points less than the underpayment interest rate.

Both rates are compounded daily. The interest rate table is updated quarterly on our website, ONRR.gov. Current contact information is available on our web site:

Federal contacts: <http://onrr.gov/ReportPay/PDFDocs/finserrAssign.pdf>

Indian contacts: <http://onrr.gov/ReportPay/PDFDocs/FSIndianCoAssign.pdf>

We use the following formula to calculate interest:

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

I = Interest amount

A = Assessment amount

R = Interest rate in decimal form

N = Number of days in the year (365 or 366)

n = Number of days in the period (n is an exponent)

You can use this formula in a spreadsheet program, such as Excel, to calculate the interest you owe us or the interest we owe you.

NOTE

If you report the interest ONRR owes you, you must also report the interest you owe ONRR and vice versa. You cannot choose one without the other.

Instructions on rounding and how to account for a time period containing changes in the interest rate are located on the ONRR.gov website at <http://onrr.gov/ReportPay/interest.htm>.

5.10

Examples of Reporting Interest Owed to You or to Us

The following examples show how to report an overpayment and an underpayment with related interest.

EXAMPLE

ONRR owes interest to the reporter. This example shows how to report when we owe you interest.

Assumptions:

- On September 30, 2012, you report and pay \$100,000 on gas for sales month August 2012.
- In December 2012, you determine the line was overpaid by \$20,000.

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- On December 31, 2012, you reverse and correct the original \$100,000 line to reflect the correct royalty due, \$80,000.
- On the same Form ONRR-2014, you report overpayment interest on \$20,000 from October 1, 2012, to December 31, 2012 (92 days at 2% compounded daily). This creates a credit of \$100.80 for the interest amount.
- The overpayment interest rate is 2% for the whole period.

NOTE

It should be noted that these entries would not necessarily trigger the 10% excessive overpayment rule. This rule is applied to a payor's total royalty payment to ONRR for the month and not to individual leases.

The information reported on Form ONRR-2014 is shown on the following fact sheet.

Form ONRR 2014 Fact Sheet

Report Date 12/31/2012

	Detail Line		
	Adjustment Line	Correcting Line	Interest Amount Owed to Payor
Line Number	1	2	3
API Well Number			
ONRR Lease Number	0540088880	0540088880	0540088880
ONRR Agreement Number			
Product Code	04	04	
Sales Type Code	ARMS	ARMS	
Sales MO/YR	082012	082012	082012
Transaction Code	01	01	22
Adjustment Reason Code	10	10	
Sales Volume	-400000.00	320000.00	
Gas MMBtu	-4100000.00	328000.00	
Sales Value	-800000.00	640000.00	
Royalty Value Prior to Allowances	-100000.00	80000.00	-100.80
Transportation Allowance Deduction			
Processing Allowance Deduction			
Royalty Value Less Allowances	-100000.00	80000.00	-100.80
Payment Method Code	3	3	3

Page
Total -20,100.80
Report
Total -20,100.80

EXAMPLE

Reporter owes interest to ONRR. This example shows how to report when you owe us interest.

Assumptions:

- In May 2013 and after the adjustment made in the previous example, you determine the correct royalty amount for sales month August 2012 was \$120,000.
- On May 31, 2013, you reverse and correct the December 31, 2012, report line.
- Your December 31, 2012, Form ONRR-2014 correction reduced the royalty value to \$80,000 and reported an interest credit on the \$20,000 overpayment from October 1, 2012, to December 31, 2012 of \$100.80. Effectively, this reduced your original royalty payment to \$80,000. Therefore, you now owe interest on \$40,000 from October 1, 2012, to May 31, 2013 (212 days at 3% compounded daily).
- Report this interest line on the same Form ONRR-2014 used to correct the royalty value to \$120,000.

The information reported on Form ONRR-2014 is shown on the following fact sheet.

Form ONRR 2014 Fact Sheet

Report Date 05/31/2013

	Detail Line		
	Adjustment Line	Correcting Line	Interest Amount Owed to Payor
Line Number	1	2	3
API Well Number			
ONRR Lease Number	0540088880	0540088880	0540088880
ONRR Agreement Number			
Product Code	04	04	
Sales Type Code	ARMS	ARMS	
Sales MO/YR	082012	082012	082012
Transaction Code	01	01	21
Adjustment Reason Code	10	10	
Sales Volume	-320000.00	480000.00	
Gas MMBtu			
Sales Value	-640000.00	960000.00	
Royalty Value Prior to Allowances	-80000.00	120000.00	806.06
Transportation Allowance Deduction			
Processing Allowance Deduction			
Royalty Value Less Allowances	-80000.00	120000.00	806.06
Payment Method Code	3	3	3

Page
Total 40,806.06
Report
Total 40,806.06

5.11

Summary of Interest Calculation and Reporting Information

Table 5-1 provides a quick reference for the basics of calculating and reporting interest on Form ONRR-2014.

TABLE 5-1 Summary of interest calculation and reporting information

Reason for Calculating Interest	Interest Calculation Period	Transaction Code	Adjustment Reason Code	Interest Amount
Royalty adjustments, late royalties, late rents, late minimum royalties, late advance royalties	For interest you owe ONRR: from the due date of the royalty line to the date ONRR receives the payment .	21	00 or blank	Always positive
	For interest ONRR owes you: from the due date of the royalty line to the date ONRR receives the Form ONRR-2014.	22		Always negative
Insufficient estimate balances	For interest you owe ONRR: from the due date of the 1st month after production to the document receipt date or the due date of the 2nd month after production, whichever comes first.	21	71	Always positive
Oversufficient estimate balances	For interest ONRR owes you: from the due date of the 1st month after production to the due date of the 2nd month after production.	22		Always negative
Compliance review-related adjustments	For interest you owe ONRR: from the due date of the royalty line to the date ONRR receives the payment .	21	72	Always positive
	For interest ONRR owes you: from the due date of the royalty line to the date ONRR receives the Form ONRR-2014.	22		Always negative
Marginal property true-up adjustments	For interest you owe ONRR: from the due date of the royalty line to the date ONRR receives the payment .	21	00 or blank	Always positive
	For interest ONRR owes you: from the due date of the royalty line to the date ONRR receives the Form ONRR-2014.	22		Always negative

Figure 5-1 Interest Invoice

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

INVOICE

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

Invoice No: INT100000100
Invoice Date: 05/31/14
Customer Number: 44444
Due Date: 06/30/2003

**FED01
1**

TOTAL AMOUNT DUE: 2,509.33

For billing questions, please call 1-800-433-9801 EXT 3613

Description	MMS Lease No.	Agency Lease	Line	Document ID	PAD Number	Sales Date	Lease Name	Receipt Date	Amount Due
Interest on Estimates	0540106050	OCS-G 10605	1	ESTIMATE		01/2014		03/28/2014	(9.31)
Interest on Estimates	0540106550	OCS-G 10655	2	ESTIMATE		01/2014		03/28/2014	9.03
Interest on Royalty	0540012550	OCS-G 1255	3	ROY100000123		11/2013		04/15/2014	1,505.18
Interest on Royalty	0540012550	OCS-G 1255	4	ROY100000123		12/2013		04/15/2014	862.87
Interest on Royalty	0540012550	OCS-G 1255	5	ROY100000123		11/2013		04/15/2014	479.44
Interest on Royalty	0540012550	OCS-G 1255	6	ROY100000123		12/2013		04/15/2014	280.73
Interest on Royalty	0540001250	OCS-G 0125	7	ROY100000155		09/2012		12/31/2014	(618.61)
SUBTOTAL									2,509.33
TOTAL AMOUNT DUE:									2,509.33

PLEASE READ THE LETTER ENCLOSED WITH THIS INTEREST STATEMENT. IT EXPLAINS HOW YOU CAN APPLY THE AMOUNT OF INTEREST MMS OWES YOU TO ANOTHER ROYALTY OBLIGATION, OR REQUEST A REFUND.

Original

INT

Figure 5-2 Interest Schedule

Report: ZEPRT01		U.S. Department of the Interior Office of Natural Resources Revenue		Page No. 1	Run Date 12/19/2014	Run Time 15:16:05													
Business Unit: FED01		Invoice: INT100000000		Interest Schedule - Invoice															
Dist Code: 0		Customer: 12345 Oil & Gas Company, Inc.		Total for bill line															
Bankruptcy Petition Date:		Unique Finding Identifier:																	
Line Nbr	Reference Doc ID	Lease No.	Pre Post	Sale Dt	Roy/Bill Lease Amt	Receipt Date	Ass Cd	Est Ind	Due Date	Payment Date	Payment Amount	Principal Balance	Accumulated Assessment	From Dt.	To Dt.	Days	Int Rate	Int Amount Due	
1	100100000000	111222223		8/31/2011	1,200.00	2/15/2014	UPROY	N	9/30/2011		300.00	1,200.00	1,200.00	9/30/2011	10/31/2011	31	0.0300	3.06	
				9/30/2011	-900.00	2/15/2014	UPROY	N	10/31/2011			300.00	303.06	10/31/2011	12/31/2011	61	0.0300	1.52	
				9/30/2012	-2,000.00	2/15/2014	UPROY	N	10/31/2012			-1,700.00	304.58	1/1/2012	10/31/2012	304	0.0300	7.68	
				9/30/2013	2,000.00	2/15/2014	UPROY	N	10/31/2013			300.00	-1,687.73	10/31/2012	12/31/2012	61	0.0200	-5.64	
												-1,693.37	1/1/2013	10/31/2013	303	0.0200	-28.35		
												300.00	278.29	10/31/2013	12/31/2013	61	0.0300	1.40	
												0.00	279.58	1/1/2014	2/28/2014	58	0.0300	1.34	
												0.00	0.00	2/28/2014	2/28/2014	0	0.0000	0.00	
Total for bill line																			
1 -18.98																			
														Total of all Negative Bill Lines for Invoice		INT100000000			-33.58
														Total of all Positive Bill Lines for Invoice		INT100000000			15.00
														Total Interest for Invoice		INT100000000			-18.98

Figure 5-3 Estimate Exception Bill Details

U. S. Department of the Interior Office of Natural Resources Revenue Minerals Revenue Management									
Estimate Exception Bill Details									
Report ID:	Sale Dt	Document	Line	Receipt dt	Prod Cd	Trans Cd	Royalty Amt	Estimate Amt	Variance
ZEPREP100									
Unit : FED01	Invoice :	INT100000000							
Customer :	12345	Oil & Gas Company, Inc							
Contract									
Line No. :	1	Lease No. :	1112222223						
Beginning Balance									
1112222223	01/31/2014	ROY100000123	00000001	02/28/2014		03		3,000.00	
Ending Balance									
1112222224	01/31/2014	ROY100001233	00000001	03/28/2014		04	01	763.19	
			Line Total					763.19	-2,736.81

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Run Date 12/19/2014
Run Time 15:16:05

Figure 5-4 Late Payment Allocation (Payment Detail)

Report ID: ZEPAP701	U.S. Department of the Interior	Page No. 2		
Business Unit: FED01	Office of Natural Resources Revenue	Run Date 12/19/2014		
Dist Code: 0	Late Payment Allocation - Prebill	Run Time 15:16:05		
Invoice: INT100000000				
Customer: 12345 Oil & Gas Company, Inc.				
Document: ROY100000000	Receipt Date: 02/15/2014	Total Amount: \$300.00		
PAD Number: XXXXXX				
Payment ID	Payment Date	Payment Amount	Total Payment Per Date	Pay Seq Nbr
121314	2/15/2014	\$2900.00	\$2900.00	1
	2/26/2014	\$300.00	\$300.00	2

Figure 5-5 Late Payment Allocation – Prebill

U.S. Department of the Interior Office of Natural Resources Revenue Late Payment Allocation - Prebill										Page No. 2				
										Run Date 12/19/2014				
										Run Time 15:16:05				
Report ID: ZEPH701	Invoice: INT100000000				Receipt Date: 02/15/2014				Total Amount: \$300.00					
Business Unit: FEG01	Customer: 12345				Oil & Gas Company, Inc.									
Dist Code: 0	PAD Number: XXXXXX													
Document: R0Y100000000														
Bill Line Nbr	Lease	Doc Line/Item Line	Geo Ind	Mst Ind	Man Flag	Sales Date	TC	ARC	Due Date	Est Ind	Int Ind	Accepted Amount	Allocated Amount	Pay Seq Nbr
1	1112222223	1	N	N	N	08/2011	01	00	09/30/2011	N		\$1,000.00	\$1,000.00	1
1	1112222223	8	N	N	N	08/2011	01	10	09/30/2011	N		\$200.00	\$200.00	1
										Subtotal:	Y	\$1,200.00	\$1,200.00	
1	1112222223	2	N	N	N	09/2011	01	00	10/31/2011	N		-\$500.00		
1	1112222223	5	N	N	N	09/2011	01	10	10/31/2011	N		-\$400.00		
										Subtotal:	Y	-\$900.00		
1	1112222223	3	N	N	N	09/2012	01	00	10/31/2012	N		-\$1,200.00		
1	1112222223	7	N	N	N	09/2012	01	10	10/31/2012	N		-\$800.00		
										Subtotal:	Y	-\$2,000.00		
1	1112222223	4	N	N	N	09/2013	01	00	10/31/2013	N		\$1,700.00	\$1,700.00	1
1	1112222223	6	N	N	N	09/2013	01	10	10/31/2013	N		\$300.00	\$300.00	2
										Subtotal:	Y	\$2,000.00	\$300.00	
										Total:		\$300.00	\$3,200.00	
										Document Total:		\$300.00	\$3,200.00	