# Chapter 9 Volume/Value Allocation Tools

The P&R has an automated volume and value allocation tool. It uses the rolling weighted average method where the *Production Available for Sale* equals the *Beginning Inventory* plus the *Inventory Adjustment* plus the *Units Produced*.

The Allocation Ratio equals the Lease-level Production Available for Sale divided by the total Production Available for Sale from all leases.

You may use another allocation method such as First In First Out (FIFO), as long as you use it consistently; however, you **cannot** then use the automated P&R allocation tool.

### 9.1

# Original P&R Allocation Option Information

The advantages of using the built-in allocation tool are that you enter less data. Also, when we conduct a compliance analysis on your property and see that you have used the tool, we won't have to scrutinize your allocation methodology to determine whether you did the allocation correctly.

You can't use the allocation tool if you have more than one product such as light and dense soda ash, multiple remotes rolled up into one, or more than one royalty rate for any lease during a single sales month.

NOTE

If you have five or fewer remotes, you cannot roll them up because each of the five or fewer remote sites is required to be established as a separate remote sales point.

### 9.1.1 Lease Level Data Input If Using the Allocation Tools

The only lease-level data needed for input when using the allocation tools are the *Inventory/Volume Adjustment* and *Units Produced*. This will allow the *Production Available for Sale* to be calculated for each lease.

### 9.1.2 *Mine Level Data Input If Using the Allocation Tools*

The following mine-level data listed is required to use the Volume and Value Allocation tools:

Total Unit Sold

Total Units Transferred (to a remote)

**Total Gross Proceeds** 

Total Allowed Transportation Cost

Total Allowed Processing Cost

#### EXAMPLE

- Total Units Sold = 500 tons.
- Total Units Transferred = 50 tons.

Once you have entered the Total Units Sold and the Total Units Transferred, click on the **Allocate Volume** button. The tool will calculate the *Units Transferred* = 25 tons, the *Units Sold* = 250 tons, and the *Ending Inventory* = 500 tons.

NOTE

You must use the Volume Allocation tool prior to using the Value Allocation tool.

|   |  |  |  |   |  | Log Out of P&R   |
|---|--|--|--|---|--|--|
| ine Name  | Rusiness Unit  | Sales Month/Year   | S  | ales Point  | Product  |  |
| ARTIN COAL MINE   | Federal/State/Fee  | May, 2007  | M  | line  | Coal   |  |
|   |  |  |  |   |  |  |
| P & R Original  | 500  | Total Units Toronto  |  | 50  |  | to Maluma  |
| otal Units Sold:  | 500  | Total Units Transfer   | ed:  | 50  | Alloca   | are volume   |
| And Course Descender  |  | Total Allowed Dece   |  | 0   | Allege   | te Velve   |
| otal Gross Proceeds.  | \$0  | Total Allowed Proce  | ssing cost: \$   | 0   | Alloca   | ie value   |
| otal Allowed Transportati   | ion Cost: \$0  |  |  |   |  |  |
|   |  |  | (  | Calculate Royalty Du  | ie Sav   | e Before Submitting  |
|   |  |  |  |   |  |  |
|   |  |  |  |   |  |  |
| ease Number: MTM111   | 1112   | Royalty Rate/Fixed Rate: 4%  |  | Land C  | lass: FED  |  |
| ease Number: MTM111<br>Beginning Inventory:   | III2<br>Inventory/Volume Adjustment:   | Royalty Rate/Fixed Rate: 4%<br>Units Produced:   | Production Available   | for Sale: Units Tr  | lass: FED  | Units Sold:  |
| Lease Number: MTM11<br>Beginning Inventory:<br>500  | Inventory/Volume Adjustment:   | Royalty Rate/Fixed Rate: 4%<br>Units Produced:   | Production Available   | for Sale: Units Tr  | lass: FED<br>ansferred:  | Units Sold:<br>250   |
| Lease Number: MTM11<br>Beginning Inventory:<br>i00<br>Inding Inventory:   | Inventory/Volume Adjustment:   | Royalty Rate/Fixed Rate: 4%<br>Units Produced:<br>0<br>Allowed Transportation Cost:  | Production Available<br>500<br>Allowed Processing (  | Land C<br>for Sale: Units Tr<br>25<br>Cost: Royalty   | lass: FED<br>ansferred:<br>Before Allowance:   | Units Sold:<br>250<br>Royalty Payment:   |
| Lease Number: MTM11<br>Beginning Inventory:<br>500<br>Ending Inventory:<br>500<br>Enter your comments he  | 1112<br>Inventory/Volume Adjustment:<br>0<br>Gross Proceeds:<br>\$0.00<br>ere for the above lease:   | Royally Rate/Fixed Rate: 4%       Units Produced:       0       Allowed Transportation Cost:       \$0.00  | Production Available<br>500<br>Allowed Processing 0<br>\$0.00  | Land C       for Sale:     Units Tr       25     Cost:       Cost:     Royalty       \$0.00     | lass: FED<br>ansferred:<br>Before Allowance:   | Units Sold:<br>[250<br>Royalty Payment:<br>\$0.00  |
| cease Number: MTM11<br>Beginning Inventory:<br>OO<br>Ending Inventory:<br>OO<br>nter your comments he   | 1112<br>Inventory/Volume Adjustment:<br>0<br>Gross Proceeds:<br>\$0.00<br>ere for the above lease:   | Royalty Rate/Fixed Rate: 4%<br>Units Produced:<br>Allowed Transportation Cost:<br>§ 0.00   | Production Available<br>500<br>Allowed Processing I<br>\$ 0.00   | for Sale: Units Tr<br>25<br>Cost: Royalty<br>\$0.00   | less: FED<br>ansferred:<br>Before Allowance:   | Units Sold:<br>250<br>Royalty Payment:<br>\$0.00   |
| ease Number: MTM11<br>leginning Inventory:<br>00<br>nding Inventory:<br>00<br>nter your comments he<br>ease Number: MTM111                            | Inventory/Volume Adjustment:         0         Gross Proceeds:         \$0.00         are for the above lease:   | Royalty Rate/Fixed Rate: 4%<br>Units Produced:<br>0<br>Allowed Transportation Cost:<br>\$0.00  | Production Available<br>500<br>Allowed Processing I<br>\$ 0.00   | Land C<br>for Sale: Units Tr<br>25<br>Cost: Royalty<br>\$0.00<br>Land C                         | lass: FED<br>ansferred:<br>Before Allowance:   | Units Sold:<br>250<br>Royalty Payment:<br>\$0.00   |
| Lease Number: MTM11<br>Beginning Inventory:<br>00<br>Ending Inventory:<br>00<br>nter your comments he<br>Lease Number: MTM111<br>Beginning Inventory: | 1112<br>Inventory/Volume Adjustment:<br>Gross Proceeds:<br>\$0.00<br>ere for the above lease:  | Royally Rate/Fixed Rate: 4%         Units Produced:         0         Allowed Transportation Cost:         \$0.00  | Production Available<br>500<br>Allowed Processing I<br>\$0.00<br>Production Available                              | Land C<br>for Sale: Units Tr<br>[25<br>Cost: Royalty<br>\$0.00<br>for Sale: Units Tr            | lass: FED<br>ansferred:<br>Before Allowance:   | Units Sold:<br>250<br>Royalty Payment:<br>\$0.00<br>Units Sold:                          |
| cease Number: MTM11<br>Beginning Inventory:<br>00<br>Ending Inventory:<br>00<br>nter your comments he<br>cease Number: MTM111<br>Beginning Inventory: | Inventory/Volume Adjustment:         0         Gross Proceeds:         \$0.00         ere for the above lease:   | Royally Rate/Fixed Rate: 4%         Units Produced:         0         Allowed Transportation Cost:         \$0.00  | Production Available 500 Allowed Processing ( \$0.00 Production Available 0  | for Sale: Units Tr<br>25<br>Cost: Royalty<br>\$0.00<br>Land C<br>for Sale: Units Tr<br>0        | lass: FED<br>ansferred:<br>Before Allowance:<br>lass: FED<br>ansferred:                      | Units Sold:<br>250<br>Royalty Payment:<br>\$0.00<br>Units Sold:<br>0                     |
| cease Number: MTM11<br>Beginning Inventory:<br>500<br>nding Inventory:<br>100<br>nter your comments he<br>ease Number: MTM111<br>Beginning Inventory: | 1112         Immentory/Volume Adjustment:         0         Gross Proceeds:         \$(0.0)         ere for the above lease:         1112         Immentory/Volume Adjustment:         0         Gross Proceeds:         Gross Proceeds: | Royalty Rate/Fixed Rate: 4%         Units Produced:         0         Allowed Transportation Cost:         \$0.00             Royalty Rate/Fixed Rate: 8%         Units Produced:         0         Allowed Transportation Cost: | Production Available<br>500<br>Allowed Processing I<br>\$0.00<br>Production Available<br>0<br>Allowed Processing I | for Sale: Units Tr<br>25<br>Cost: Royalty<br>\$0.00<br>for Sale: Units Tr<br>0<br>Cost: Royalty | less: FED<br>ansferred:<br>Before Allowance:<br>less: FED<br>ansferred:<br>Before Allowance: | Units Sold:<br>250<br>Royalty Payment:<br>\$0.00<br>Units Sold:<br>0<br>Royalty Payment: |

#### EXAMPLE

- The allocation ratio for Lease 1 = Production Available for Sale for Lease 1 ÷ the Mine total Production Available for Sale = 50%
- Lease 1 Units Sold = Ratio  $1 \times \text{Total Units Sold} (50\% \times 500) = 250$ .
- Lease 1 Units Transferred = Ratio 1 × Total Units Transferred (50% × 50) = 25

#### For Value Allocation:

- Enter the Total Gross Proceeds = \$50,000.
- Enter the Total Allowed Processing Cost = \$10,000.
- Enter the Total Allowed Transportation Cost = \$5,000.

Once you have entered the Total Gross Proceeds, the Total Allowed Processing Cost, and the Total Allowed Transportation Cost, click on the **Allocate Value** button. The P&R will calculate the *Gross Proceeds, Allowed Processing Cost,* and *Allowed Transportation Cost* for each lease.

These results are based on the same ratios that were used in the Volume Allocation:

- Lease 1 Gross Proceeds = Ratio 1 × Total Gross Proceeds = 50% × \$50,000 = \$25,000.
- Lease 1 Allowed Processing Cost =  $50\% \times $10,000 = $5,000$ .
- Lease 1 Allowed Transportation Cost =  $50\% \times $5,000 = $2,500$ .

Click on the **Calculate Royalty Due** button to calculate *Royalty Before Allowance* and *Royalty Payment* for each lease. In this case, the lease 1 *Royalty Before Allowance* is  $$1,000 ($25,000 \times 4\% \text{ royalty rate})$  and the *Royalty Payment* is  $$700 ($30,000 - $2,500, and - $5,000 \times 4\% \text{ royalty rate}).$ 

After you have completed loading the lease-level data using the Allocation Tool, click on the **Save Before Submitting** button at the top or bottom of the page to navigate back to the Mine-Level Summary page.

|   |   |   |  |   | Log Out of P&R                         |
|---|---|---|--|---|--|
| line Name<br>IARTIN COAL MINE   | Business Unit<br>Federal/State/Fee  | Sales Month/Year<br>May, 2007   | Sales Point<br>Mine  | Produ<br>Coal   | ct                                     |
| & D. Original   |   |   |  |   |  |
| otal Units Sold:  | 500   | Total Units Transfe   | rred: 50   | AI  | locate Volume                          |
| Catal Owners Descardes  |   |   |  |   |  |
| rotal Gross Proceeds:<br>Fotal Allowed Transportati   | ion Cost: \$5000<br>\$5000  | Total Allowed Proc  | essing Cost: (10000  | ate Royalty Due   | Save Before Submitting                 |
| rotal Gross Proceeds:<br>Fotal Allowed Transportati<br>Lease Number: MTM111   | ion Cost: \$5000<br>\$5000  | Total Allowed Proc  | essing Cost: (10000  | Land Class: FED   | Save Before Submitting                 |
| rotal Gross Proceeds:<br>Fotal Allowed Transportati<br><b>xease Number: MTM111</b><br>Beginning Irwentory:                      | ion Cost: \$5000<br>\$5000<br>112<br>Inventory/Volume Adjustment:             | Total Allowed Proc<br>Royalty Rate/Fixed Rate: 4%<br>Units Produced:                                      | essing Cost: si 10000<br>Calcule<br>Production Available for Sale: | Land Class: FED<br>Units Transferred:                                     | Save Before Submitting                 |
| oral Gross Proceeds:<br>Total Allowed Transportati<br>Lease Number: MTM111<br>Beginning Inventory:<br>200                       | ion Cost: \$5000<br>\$5000<br>Inventory/Volume Adjustment:<br>0               | Total Allowed Proc<br>Royalty Rate/Fixed Rate: 4%<br>Units Produced:<br>0                                 | Production Available for Sale:                                     | Land Class: FED<br>Units Transferred:                                     | Save Before Submitting Units Sold: 250 |
| Total Gross Proceeds:<br>Fotal Allowed Transportati<br>Lease Number: MTM111<br>Beginning Inventory:<br>500<br>Ending Inventory: | ion Cost: \$5000<br>\$5000<br>Inventory/Volume Adjustment:<br>Gross Proceeds: | Total Allowed Proc<br>Royalty Rate/Fixed Rate: 4%<br>Units Produced:<br>0<br>Allowed Transportation Cost: | Production Available for Sale:<br>500<br>Allowed Processing Cost:  | Land Class: FED<br>Units Transferred:<br>[25<br>Royalty Before Allowance: | Units Sold:<br>250<br>Royalty Payment: |

# 9.2

# Volume/Value P&R Allocation Option Information

The advantage of using the built-in Allocation Tool is that you enter less data. Also, when we conduct a compliance analysis on your property and see that you have used the tool, we won't have to scrutinize your allocation methodology to determine whether you did the allocation correctly.

You cannot use the Allocation Tool if you have more than one product, such as light and dense soda ash, multiple remotes rolled up into one, or more than one royalty rate for any lease during a single sales month.



If you have five or fewer remotes, you cannot roll them up because each of the five of fewer remote sites is required to be established as a separate remote sales point.

Upon opening the first sales month that a Volume/Value Adjustment will be completed for, you will see the columns shown below.

| Field                    | Description   |
|--------------------------|---|
| Current Values           | This shows the current values that the P&R has in the system including any adjustments made on prior reports.                                     |
| Computed Differences     | This shows the net adjustments for any changes that are made during the current session.  |
| User Entered Differences | If not using the Allocation Tools, you can enter all adjustments by lease in this field.  |
| Total Differences        | This will show the total difference for each category<br>which is the sum of the Computed Differences<br>Column and the User Entered Differences. |

|  |  |            |   |                     | OMB Control Num     | ber 1010-0120, Expiration Date: 10 | )/31/2007 |
|--|--|------------|---|---------------------|---------------------|------------------------------------|-----------|
|  |  |            |   |                     |                     | Log Out of P&R                     | Help      |
| Mine Name<br>MARTIN COAL MINE  | Business Unit<br>Federal/State/Fee                       | Sal<br>Api | es Month/Year<br>il, 2007   | Sales Point<br>Mine |                     | Product<br>Coal                    |           |
| P & RAdjustment<br>Interest Bearing Indicator:<br>Interest From Date:<br>Initiated By:   | Yes ◯ No ອ<br>Day: 31 ❤ Month: Augus<br>MMS ◯ Customer ● | t 🗸        | Year 2001 🗸   |                     |                     | culate Royalty Due                 |           |
| Allocate New Values<br>Total Sales Volume Difference:<br>Total Sales Value Difference:<br>Total Allowed Transportation Cost<br>Difference: | 0<br>\$0<br>\$0  | Tot<br>Tot | al Units Transferred Difference:<br>al Allowed Processing Cost Differen | 0<br>ce: \$ 0       |                     | Allocate Volume<br>Allocate Value  |           |
| Lease Number: MTM111112<br>Land Class: FED   | Current Values   |            | Computed Differences  | User                | Entered Differences | Total Difference                   |           |
| Beginning Inventory:   | 0  |            | 0   | N/A                 |                     | 0                                  |           |
| Units Produced:  | 1,000  |            | N/A   | 0                   |                     | 0                                  |           |
| Inventory/Volume Adjustment  | 0  |            | N/A   | 0                   | I                   | 0                                  |           |
| Production Available for Sale:   | 1,000  |            | 0   | 0                   |                     | 0                                  |           |
| Units Transferred :  | 0  |            | 0   | 0                   |                     | 0                                  |           |
| Units Sold:  | 500  |            | 0   | 0                   |                     | 0                                  |           |
| Allowed Transportation Cost:   | \$ 100.00  |            | \$ 0.00   | \$ 0.00             |                     | \$ 0.00                            |           |
| Allowed Processing Cost:   | \$ 500.00  |            | \$ 0.00   | \$ 0.00             |                     | \$ 0.00                            |           |
| Gross Proceeds:  | \$ 8,000.00  |            | \$ 0.00   | \$ 0.00             |                     | \$ 0.00                            |           |
| Ending Inventory:  | 500  |            | 0   | 0                   |                     | 0                                  |           |
| Royalty Rate/Fixed Rate:   | 4.00%  |            |   |                     | Royalty Payment:    | \$ 0.00                            |           |

EXAMPLE

The last Original P&R submitted for this company was April 2007.

NOTE

In the first column is a list of the three months that need to be adjusted. You must open each adjustment month in order, from the earliest adjustment to the most recent. The P&R will automatically choose the month you need to adjust next. You have a decrease in the Sales Volume of negative 200 tons. *This means that 200 fewer tons were produced than were previously reported.* 

Enter the negative tons into the Total Sales Volume Difference field and click on the **Allocate Volume** button.

| Mine Name<br>MARTIN COAL MINE                    | Business Unit<br>Federal/State/Fee | Sales Month/Year<br>April, 2007           | Sales Point<br>Mine      | Product<br>Coal                 |
|--|------------------------------------|---|--------------------------|---------------------------------|
| P & R Adjustment                                 |                                    |   |                          |                                 |
| Interest Bearing Indicator:                      | Yes 🔿 No 💿                         |   |                          |                                 |
| Interest From Date:                              | Day: 31 💙 Month: August            | Year. 2001 V                              | Cal                      | culate Royalty Due              |
| Initiated By:                                    | MMS 🔘 Customer 💿                   |   |                          | Complete Sales Month Adjustment |
| Allocate New Values                              | $\frown$                           |   | ,                        |                                 |
| Total Sales Volume Difference:                   | -200                               | Total Units Transferred Difference:       | 0                        | Allocate Volume                 |
| Total Sales Value Difference:                    | \$                                 | Total Allowed Processing Cost Difference: | \$                       | Allocate Value                  |
| Total Allowed Transportation Cost<br>Difference: | \$                                 |   |                          |                                 |
| Lease Number: MTM111112<br>Land Class: FED       | Current Values                     | Computed Differences                      | User Entered Differences | Total Difference                |
| Beginning Inventory:                             | 0                                  | 0   | N/A                      | 0                               |
| Units Produced:                                  | 1,000                              | N/A                                       | 0                        | 0                               |
| Inventory/Volume Adjustment                      | 0                                  | N/A                                       | 0                        | 0                               |
| Production Available for Sale:                   | 1,000                              | 0   | 0                        | 0                               |
| Units Transferred :                              | 0                                  | 0   | 0                        | 0                               |
| Units Sold:                                      | 500                                | 0   | 0                        | 0                               |
| Allowed Transportation Cost:                     | \$ 100.00                          | \$ 0.00                                   | \$ 0.00                  | \$ 0.00                         |
| Allowed Processing Cost:                         | \$ 500.00                          | \$ 0.00                                   | \$ 0.00                  | \$ 0.00                         |
| Gross Proceeds:                                  | \$ 8,000.00                        | \$ 0.00                                   | \$ 0.00                  | \$ 0.00                         |
| Ending Inventory:                                | 500                                | 0   | 0                        | 0                               |
| Royalty Rate/Fixed Rate:                         | 4.00%                              |   | Royalty Payment:         | \$ 0.00                         |

The next step is to enter the value adjustments. For example:

- The Total Sales Value Difference is a negative \$3200.00.
- The Total Allowed Processing Cost Difference is a negative \$250.00.
- The Total Allowed Transportation Cost Difference is a negative \$25.00.

Once you have entered the values as noted above, click on the **Allocate Value** button.

| Vine Name<br>MARTIN COAL MINE                    | Business Unit<br>Federal/State/Fee | Sales Month/Year<br>April, 2007           | Sales Point<br>Mine      | Product<br>Coal                 |
|--|------------------------------------|---|--------------------------|---------------------------------|
| P & R Adjustment                                 |                                    |   |                          |                                 |
| Interest Bearing Indicator:                      | Yes O No 💿                         |   |                          |                                 |
| Interest From Date:                              | Day: 31 Month: August              | Year: 2001 Y                              |                          | Iculate Royalty Due             |
| Initiated By:                                    | MMS 🔘 Customer 💿                   |   |                          | Complete Sales Month Adjustment |
| Allocate New Values                              |                                    |   |                          |                                 |
| Total Sales Volume Difference:                   | -200                               | Total Units Transferred Difference:       | 0                        | Allocate Volume                 |
| Total Sales Value Difference:                    | \$ -3200                           | Total Allowed Processing Cost Difference: | \$ -250.00               | Allocate Value                  |
| Total Allowed Transportation Cost<br>Difference: | \$ -25.00                          |   |                          |                                 |
| Lease Number: MTM111112<br>Land Class: FED       | Current Values                     | Computed Differences                      | User Entered Differences | Total Difference                |
| Beginning Inventory:                             | 0                                  | 0   | N/A                      | 0                               |
| Units Produced:                                  | 1,000                              | N/A                                       | 0                        | 0                               |
| Inventory/Volume Adjustment                      | 0                                  | N/A                                       | 0                        | 0                               |
| Production Available for Sale:                   | 1,000                              | 0   | 0                        | 0                               |
| Units Transferred :                              | 0                                  | 0   | 0                        | 0                               |
| Units Sold:                                      | 500                                | 0   | -100                     | 0                               |
| Allowed Transportation Cost:                     | \$ 100.00                          | \$ 0.00                                   | \$ 0.00                  | \$ 0.00                         |
| Allowed Processing Cost:                         | \$ 500.00                          | \$ 0.00                                   | \$ 0.00                  | \$ 0.00                         |
| Gross Proceeds:                                  | \$ 8,000.00                        | \$ 0.00                                   | \$ 0.00                  | \$ 0.00                         |
| Ending Inventory:                                | 500                                | 0   | 100                      | 0                               |
| Royalty Rate/Fixed Rate:                         | 4.00%                              |   | Royalty Payment:         | \$ 0.00                         |

NOTE

The User Entered Differences Field will populate.

Click on the **Calculate Royalty Due** button, then click on **Complete Sales Month Adjustment**.

You will be returned to the Summary Volume/Value Adjustment page, where you can see whether the month in question has been completed or not.

The Royalty Payment column will populate after you enter adjustment data on the next page.

If you have a subsequent month, you must click on the **Open Adjustment** button to open the Adjustment Detail page for the indicated month.

|                         |  |   |                            | OMB Control Number 1010-0120, Expiration Date: 1<br>Log Out of P&R | 0/31/2007<br><u>Help</u> |
|-------------------------|--|---|----------------------------|--|--------------------------|
| Mine Nan<br>MARTIN (    | ne Business Unit<br>COAL MINE Federal/State/Fee  | Sales Month/Year<br>April, 2007                             | Sales Point<br>Mine        | Product<br>Coal  |                          |
| In order t<br>bring the | to create the volume adjustment indicated on the previo<br>e mine profile up-to-date. Do you wish to continue with t | us page, please complete an adjustment f<br>his adjustment? | or each of the following m | onths. These adjustments must be completed in order                | ' to                     |
|                         |  |   |                            |  |                          |
| <u>Click here</u>       | e if you do not wish to continue_  |   |                            | Ν  |                          |
| Click here              | e if you do not wish to continue   | Completed   | ,                          | Royalty Payment  |                          |
| Click here              | e if you do not wish to continue   | <b>Completed</b><br>Yes                                     | ,                          | Royalty Payment<br>\$-517.50                                       |                          |
| Click here              | e if you do not wish to continue   | Completed<br>Yes<br>No                                      | ,                          | Royalty Payment<br>\$-517.50<br>\$ 0                               |                          |
|                         | e if you do not wish to continue<br>Sales Month/Year<br>04/30/2007<br>05/31/2007                                     | Completed<br>Yes<br>No<br>Total:                            |                            | Royalty Payment<br>\$ -517.50<br>\$ 0<br>\$ -517.50                |                          |

Once you have completed all months in the Volume/Value Adjustment Report:

• Click on the **Create Payment** button when all months have been adjusted and you are ready to submit the report.

|                           |                   |                 |   | OMB Control Number 1010-0120, Expiration Date: 10/31/2007<br>Helo |
|---------------------------|-------------------|-----------------|---|---|
| Mine Name                 | Business Unit     |                 |   |   |
| MARTIN COAL MINE          | Federal/State/Fee |                 |   |   |
| Main Payment              |                   |                 |   | -   |
| Submission ID:            |                   | PAR29686        |   |   |
| Customer Number:          |                   | MA839           |   |   |
| Customer Document ID:     |                   | PAR29686        |   |   |
| Payment Method:           |                   | Electronic Fund | ls Transfer 💌   |   |
| Federal/Indian Indicator: |                   | FED01           |   |   |
| Volume/Value Adjustment T | fotal:            | \$ -517.50      |   |   |
| Sub Total:                |                   | \$ -517.50      |   |   |
| Credit 1 Amount:          |                   | \$ 0.00         |   |   |
| Credit 1 Doc ID:          |                   | -               |   |   |
| Grand Total:              |                   | \$ -517.50      |   |   |
|                           |                   | Ente            | er your comments here for the above Mine Pa<br>late Royalty Due | yment:  |
|                           |                   |                 | Cancel Submission   |   |

• Click on the **Submit P&R to ONRR** button.

If you made a mistake or need to cancel your report, click the **Cancel Submission** button.

NOTE

This action will cancel the entire report. No data will be saved.

**Remember** the advantages of the allocation tools:

- Less data input,
- Less change of error, and
- Less compliance scrutiny.

You cannot use the volume allocation tool if you have more than one product, multiple remotes rolled up into one, or more than one royalty rate for any lease during a singles sales month.