§ 1218.10

Subpart F—Geothermal Resources

1218.300 Payment of royalties, rentals, and deferred bonuses.
1218.301 Method of payment.
1218.302 Late payment or underpayment charges.
1218.303 May I credit rental towards royalty?
1218.304 May I credit rental towards direct use fees?
1218.305 How do I pay advanced royalties I owe under BLM regulations?
1218.306 May I receive a credit against production royalties for in-kind deliveries of electricity I provide under contract to a State or county government?
1218.307 How do I pay royalties due for my existing leases that qualify for near-term production incentives under BLM regulations?

Subpart G—Indian Lands [Reserved]

Subpart H—Service of Official Correspondence

1218.500 What is the purpose of this subpart?
1218.520 What definitions apply to this subpart?
1218.540 How does ONRR serve official correspondence?
1218.560 How do I submit Form ONRR–4444?
1218.580 When do I submit Form ONRR–4444?

Subpart I [Reserved]

Subpart J—Debt Collection and Administrative Offset

1218.700 What definitions apply to the regulations in this subpart?
1218.701 What is ONRR’s authority to issue these regulations?
1218.702 What happens to delinquent debts you owe ONRR?
1218.703 What notice will ONRR give you of our intent to refer a matter to Treasury to collect a debt?
1218.704 What is ONRR’s policy on interest and administrative costs?
1218.705 What is ONRR’s policy on recommending revocation of your ability to engage in Federal or Indian leasing, licensing, or granting of easements, permits, or rights-of-way?
1218.706 What debts may ONRR refer to Treasury to collect by administrative offset or tax refund offset?


Subpart A—General Provisions

§ 1218.10 Information collection.

The information collection requirements contained in this part have been approved by OMB under 44 U.S.C. 3501 et seq. The forms, filing date, and approved OMB clearance numbers are identified in §1210.10 of this chapter.

[57 FR 41867, Sept. 14, 1992]

§ 1218.40 Assessments for incorrect or late reports and failure to report.

(a) An assessment of an amount not to exceed $10 per day may be charged for each report not received by Office of Natural Resources Revenue (ONRR) by the designated due date for geothermal, solid minerals, and Indian oil and gas leases.

(b) An assessment of an amount not to exceed $10 per day may be charged for each incorrectly completed report for geothermal, solid minerals, and Indian oil and gas leases.

(c) For purpose of assessments discussed in this section, a report is defined as follows:

(1) For coal and other solid minerals leases, a report is each line on Form ONRR–4430, Solid Minerals Production and Royalty Report; or on Form ONRR–2014, Report of Sales and Royalty Remittance, as appropriate.

(2) For Indian oil and gas and all geothermal leases, a report is each line on Form ONRR–2014.

(d) An assessment under this section shall not be shared with a State, Indian tribe, or Indian allottee.

(e) The amount of the assessment to be imposed pursuant to paragraphs (a) and (b) of this section shall be established periodically by ONRR. The assessment amount for each violation will be based on ONRR’s experience with costs and improper reporting. The
ONRR will publish a Notice of the assessment amount to be applied in the FEDERAL REGISTER.

§ 1218.41 Assessments for failure to submit payment of same amount as Form ONRR–2014 or bill document or to provide adequate information.

(a) The ONRR may assess an amount not to exceed $250 when the amount of a payment submitted by a reporter/payor for geothermal, solid minerals, and Indian oil and gas leases is not equivalent in amount to the total of individual line items on the associated Form ONRR–2014, Form ONRR–4430, or a bill document, unless ONRR has authorized the difference in amount.

(b) The ONRR may assess an amount not to exceed $250 for each payment for geothermal, solid minerals, and Indian oil and gas leases submitted by a reporter/payor that cannot be automatically applied to the associated Form ONRR–2014, Form ONRR–4430, or a bill document because of inadequate or erroneous information submitted by the reporter/payor.

(c) For purposes of this section, inadequate or erroneous information is defined as:

1. Absent or incorrect payor-assigned document number, required to be identified by the reporter/payor in Block 4 on Form ONRR–2014 (document 4 number), or the reuse of the same incorrect payor-assigned document 4 number in a subsequent reporting period.

2. Absent or incorrect bill document invoice number (to include the three-character alpha prefix and the nine-digit number) or the payor-assigned document 4 number required to be identified by the reporter/payor on the associated payment document, or the reuse of the same incorrect payor-assigned document 4 number in a subsequent reporting period.

3. Absent or incorrect name of the administering Bureau of Indian Affairs Agency/Area office; or the word “allotted” or the tribe name on payment documents remitted to ONRR for an Indian tribe or allottee. If the payment is made by EFT, the reporter/payor must identify the tribe/allottee on the EFT message by a pre-established five-digit code.

(d) For purposes of this section, the term “Form ONRR–2014” includes submission of reports of royalty information, such as Form ONRR–4430.

(e) For purposes of this section, a bill document is defined as any invoice that ONRR has issued for assessments, late-payment interest charges, or other amount owed. A payment document is defined as a check or wire transfer message.

(f) The amount of the assessment to be imposed pursuant to paragraphs (a) and (b) of this section shall be established periodically by ONRR. The assessment amount will be based on ONRR's experience with costs and improper reporting and/or payment as specified in this section. The ONRR will publish a Notice in the FEDERAL REGISTER of the assessment amount to be applied with the effective date.

§ 1218.42 Cross-lease netting in calculation of late-payment interest.

(a) Interest due from a payor on any underpayment for any Federal mineral lease or leases (onshore or offshore) and on any Indian tribal mineral lease or leases for any production month shall not be reduced by offsetting against that underpayment any overpayment made by the payor on any other lease or leases, except as provided in paragraph (b) of this section. Interest due from a payor or any underpayment on any Indian allotted lease shall not be reduced by offsetting against any overpayment on any other Indian allotted lease under any circumstances.

(b) Royalties attributed to production from a lease or leases which should have been attributed to production from a different lease or leases may be offset to determine whether and to what extent an underpayment