



U.S. Department of the Interior

Office of Natural Resources Revenue



DOI Revenue Collections and Impacts on Materiality

Greg Gould, Director

June 12, 2013

Industry Compliance



Accurate Revenues & Data



Professionalism & Integrity

ONRR Revenues: By Revenue Stream

Reported Revenues by Category
FY 2012 by Accounting Year



Revenue Type	Commodity	2012			Total
		American Indian	Federal Offshore	Federal Onshore	
Reported Royalties	Coal (ton)	\$76,648,300.11	\$0.00	\$799,306,819.57	\$875,955,119.68
	Gas (mcf)	\$116,001,425.57	\$483,634,710.08	\$976,195,023.72	\$1,575,831,159.37
	NGL (gal)	\$20,549,877.33	\$243,047,858.84	\$298,372,581.73	\$561,970,317.90
	Oil (bbl)	\$424,305,947.39	\$5,216,309,404.25	\$1,275,117,598.04	\$6,915,732,949.68
	Other Products	\$3,393,954.67	\$55,157.58	\$171,867,334.00	\$175,316,446.25
Rents		\$1,799,319.08	\$228,134,487.21	\$48,294,350.10	\$278,228,156.39
Bonus		\$0.00	\$663,714,729.00	\$844,586,175.42	\$1,508,300,904.42
Other Revenues		\$58,604,141.24	\$27,864,564.18	(\$1,331,188.53)	\$85,137,516.89
Total		\$701,302,965.39	\$6,862,760,911.14	\$4,412,408,694.05	\$11,976,472,570.58



Office of Surface Mining Collections

	FY 2012 Revenue
Coal Reclamation Fees (AML)	\$249,502,840.63
Late Payment Interest, Penalty and Admin Fees	\$222,165.68
Civil Penalties for SMCRA Violations	\$202,159.76
Total	\$249,927,166.07

OSM is responsible for the collection of coal reclamation fees assessed on all coal production in the US. Reclamation fees are:

- Assessed on present production and
- Deposited into the interest bearing Abandoned Mine Land Reclamation Fund for distribution by OSM.

AML fees are assessed at the rates of:

- \$0.28/ton on surface mined coal,
- \$0.12/ton on underground mined coal, and
- \$0.08/ton on lignite.



Bureau of Ocean Energy Management Collections

Royalties, rents and bonuses for offshore Federal leases are collected on behalf of BOEM by ONRR.

In FY 2012, BOEM collected approximately \$2.1 million in cost recovery fees, examples include:

- application processing
- leasing and adjudication
- exploration plans
- resource evaluation permits
- appeals



Bureau of Safety and Environmental Enforcement Collections

	FY 2012 Collection
Inspection Fees	\$58,824,765.61
Cost Recovery Fees	\$6,606,709.00
Total	\$65,431,474.61

There are two categories of **inspection fees**:

- Annual facility fees, which range from \$10,500 to \$31,500 per facility based on the number of wells in place at the start of the fiscal year and
- Rig-inspection fees, which are assessed per inspection and are either \$16,700 or \$30,500 based on water depths.

Examples of **cost recovery fees** include: application processing and service fees associated with various production and development applications, pipeline applications, facility and well permits, platform, exploration and development plans, and appeals.



Bureau of Land Management Collections

COLLECTIONS	Actual PY 2012
<u>Mineral Leasing</u>	
Noncomp. Filing Fee - 2419.1	\$34,000
Misc Grazing (actually mineral leasing receipts) - 5044 a/	\$95,000
Policy: Fee on Nonproducing Oil and Gas Leases b/	\$0
Policy: Hardrock mine reclamation fees - 5111.1 c/	\$0
<u>Cost Recovery Fees</u>	
Energy and Minerals Case-by-Case Srv Chrgs (subactivity 5104)	\$1,820,000
Aleyeska Pipeline (subactivity 5106)	\$3,866,000
Policy: Energy & Minerals Fixed Fee Svc Chgs - 5107.1 (subactivity 5104) g/	\$1,471,000
<u>Miscellaneous Receipts</u>	
Renewable Energy (Wind/Solar) ROW Rents h/	\$0
<u>Offsetting collections and other collections</u>	
Mining Claim Holding Fees j/ Excess over appropriated amount is deposited to General Fund account 14-2032	\$64,362,000
Mining law fees cost recovery	\$1,444,000
MLA oil and gas pipeline rights of way 14F3875.011 k/	\$10,662,000
Policy: Onshore oil and gas lease inspection fees l/	\$0
APD Processing Fees m/	\$33,986,000
Policy: Sale of helium o/	\$198,419,000
Total	\$316,159,000



U.S. Geological Survey Data

USGS does not collect revenue information for either energy or non-energy minerals.

USGS collects the following information for **energy related minerals**:

- 1.Information on the geologic processes that concentrate identified energy resources, and
- 2.Information from assessments of the quantity, quality, and distribution of undiscovered energy resources

USGS collects the following information for **non-energy minerals** :

- 1.Production and use of mineral commodities (both domestic and international),
- 2.Geologic processes that concentrate identified mineral resources, and
- 3.Assessments of the quantity, quality, and distribution of undiscovered mineral resources



DOI Summary: Extractive Revenue Collections

ONRR = \$11.9 billion (Federal and Indian)

OSM = \$250 million

BOEM = \$2.1 million

BSEE = \$65.4 million

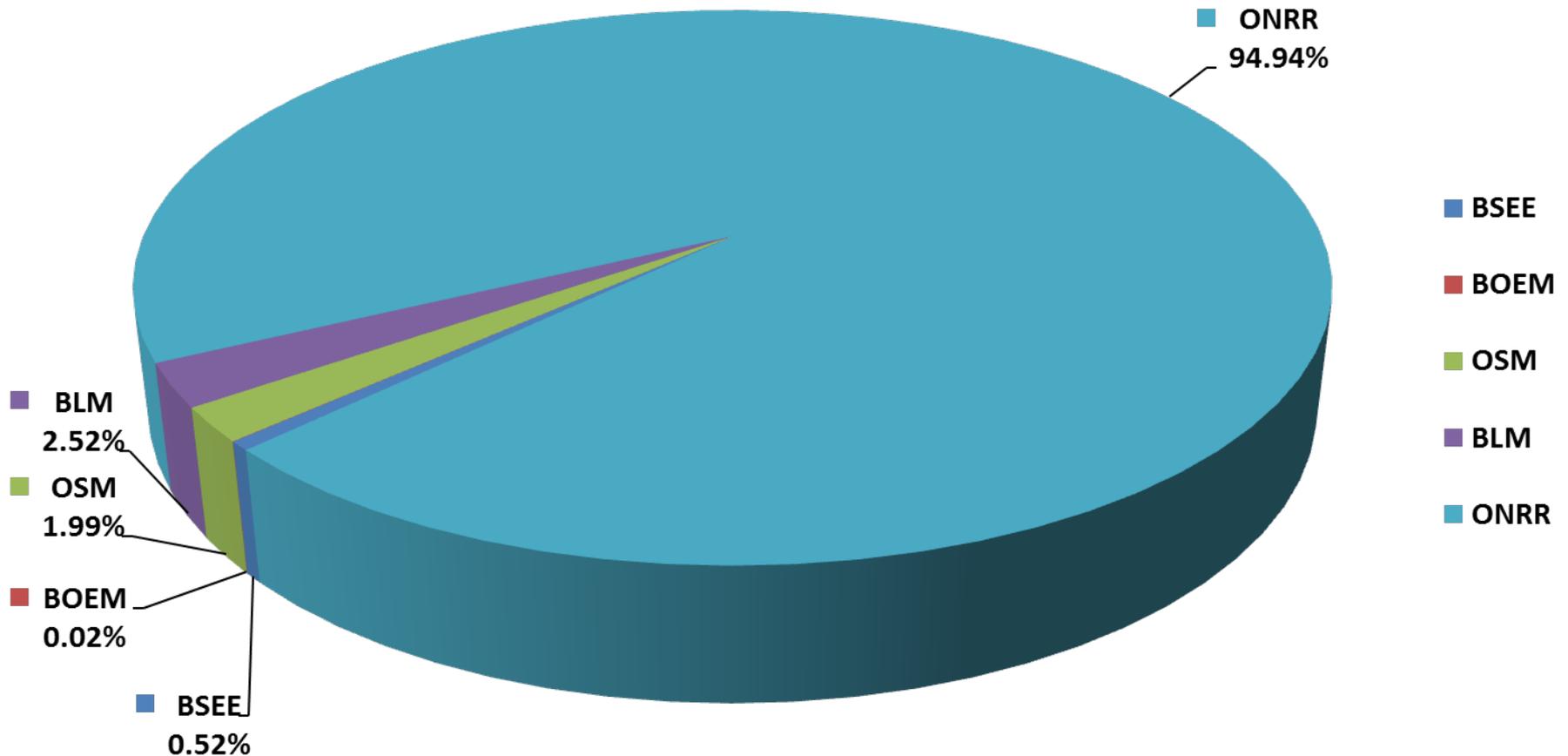
BLM = \$316.1 million

USGS = no revenue collections



Department of the Interior

Extractive Revenue Collections FY 2012





ONRR Revenues: Materiality Considerations

Impacts of Materiality Threshold Options

Applied to ONRR's Total FY 2012 Federal Reported Revenues

Revenue Type		Materiality Threshold Options					
		All	\$1 million	\$5 million	\$10 million	\$15 million	\$20 million
Total Revenues	Unique Payors*	3,157	363	184	132	101	90
	Revenue Coverage	\$11,275,169,605	98.53%	94.97%	91.65%	88.30%	86.63%
Coal (Royalties)	Unique Payors	52	32	22	17	10	8
	Revenue Coverage	\$799,306,820	99.54%	96.91%	93.14%	82.89%	78.79%
Oil (Royalties)	Unique Payors	859	234	131	101	86	78
	Revenue Coverage	\$6,491,427,002	99.22%	96.95%	94.23%	92.11%	90.86%
Gas (Royalties)	Unique Payors	1,200	229	123	95	82	74
	Revenue Coverage	\$1,459,829,734	97.05%	91.29%	87.99%	85.95%	83.18%
NGL (Royalties)	Unique Payors	330	162	103	82	72	65
	Revenue Coverage	\$541,420,441	99.28%	96.56%	94.54%	93.70%	91.88%
Rents	Unique Payors	2,171	299	162	120	95	84
	Revenue Coverage	\$276,428,837	88.81%	84.25%	71.73%	66.87%	62.39%
Bonuses	Unique Payors	303	119	66	56	46	43
	Revenue Coverage	\$1,508,300,904	98.28%	92.02%	88.48%	85.05%	84.24%
Source: Office of Natural Resources Revenue							

* Count of entities reporting to ONRR based on their registered unique payor identification number. Companies may have more than one payor code.