

## Minerals Management Service, Interior

## § 216.2

released by written notice of the obligation to maintain records.

(c) *Access to records.* The Associate Director for Minerals Revenue Management shall have access to all records in the possession of the lessee, operator, revenue payor, or other person pertaining to compliance with royalty obligations under Federal geothermal leases (regardless of whether such records were generated more than 6 years before a request or order to produce them and they otherwise were not disposed of), including, but not limited to:

(1) Qualities and quantities of all products extracted, processed, sold, delivered, or used by the operator/lessee;

(2) Prices received for products, prices paid for like or similar products, and internal transfer prices; and

(3) Costs of extraction, power generation, electrical transmission, and by-product transportation.

(d) *Inspection of Records.* The lessee, operator, revenue payor, or other person required to keep records shall be responsible for making the records available for inspection. Records shall be made available at a business location of the lessee, operator, revenue payor, or other person during normal business hours upon the request of any officer, employee, or other party authorized by the Secretary. Lessees, operators, revenue payors, and other persons will be given a reasonable period of time to produce records.

[56 FR 57286, Nov. 8, 1991, as amended at 67 FR 19111, Apr. 18, 2002]

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## PART 215—ACCOUNTING AND AUDITING STANDARDS [RESERVED]

## PART 216—PRODUCTION ACCOUNTING

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AUTHORITY: 5 U.S.C. 301 *et seq.*; 25 U.S.C. 396, 2107; 30 U.S.C. 189, 190, 359, 1023, 1751(a); 31 U.S.C. 3716, 9701; 43 U.S.C. 1334, 1801 *et seq.*; and 44 U.S.C. 3506(a).

SOURCE: 51 FR 8175, Mar. 7, 1986, unless otherwise noted.

### Subpart A—General Provisions

#### § 216.1 Purpose.

The purpose of this part is to ensure that the Federal Government receives proper information regarding energy and mineral resources removed from Federal and Indian leases and federally approved agreements, including the Outer Continental Shelf (OCS).

#### § 216.2 Scope.

This part governs the reporting of oil or gas operations information on Federal and Indian leases or federally approved agreements including leases or

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agreements on the OCS. This part also governs the reporting of other operational information associated with production from Federal and Indian leases or federally-approved agreements when such operations occur prior to the point of sale or royalty determination, whichever is applicable. Reporters are required to submit certain production reports to MMS as set forth in this part.

[58 FR 45254, Aug. 27, 1993, as amended at 66 FR 45773, Aug. 30, 2001]

### §216.6 Definitions.

For purposes of this part:

*Agreement* means a binding arrangement between two or more parties purporting to the act of agreeing or of coming to a mutual arrangement that is accepted by all parties to a transaction (e.g., communitizations, unitization, gas storage, or compensatory royalty agreements.).

*Alaska Native Corporation* means a corporation created pursuant to the provisions of the Alaska Native Claims Settlement Act (43 U.S.C. 1601 *et seq.*).

*Associate Director* means the Associate Director for Minerals Revenue Management of the MMS.

*Facility* means a structure(s) used to store or process Federal or Indian mineral production prior to or at the point of royalty determination.

*Federal lease* means a lease concerning minerals owned by the United States and includes a lease where an Alaska Native Corporation receives all or part of the royalties accruing from that lease, and the MMS has not waived administration of that lease.

*First purchaser* means any entity receiving the lease production in a first transfer for value transaction.

*Gas* means any fluid, either combustible or noncombustible, which is extracted from a reservoir and which has neither independent shape nor volume, but tends to expand indefinitely; a substance that exists in a gaseous or rarefied state under standard temperature and pressure conditions.

*Indian lease* means a lease concerning lands or interest in lands of an Indian Tribe or an Indian allottee, his heirs or devisees, held in trust by the United States or which is subject to Federal restriction against alienation, includ-

ing mineral resources and mineral estates reserved to an Indian Tribe or an Indian allottee, his heirs or devisees thereto in the conveyance of a surface or non-mineral estate, except that such term does not include any lands subject to the provisions of section 3 of the Act of June 28, 1906 (34 Stat. 539).

*Lease* means any contract, profit-share arrangement, joint venture, permit, or other agreement issued or approved by the United States under a mineral leasing law that authorizes exploration for, extraction of, or removal of oil or gas—or the land area covered by that authorization, whichever is covered by the context.

*Lessee* means any person to whom the United States, an Indian Tribe, or an Indian allottee, issues a lease, or any person who has been assigned an obligation to make royalty or other payments required by the lease.

*Measurement device* means a mechanical or electrical device that is used to measure production of oil or gas for sales, transfers, and/or royalty determination.

*Mineral leasing law* means any Federal law administered by the Secretary authorizing the disposition under lease of oil or gas.

*Oil* means any fluid hydrocarbon substance other than gas which is extracted in a fluid state from a reservoir and which exists in a fluid state under the existing temperature and pressure conditions of the reservoir. Oil includes liquefiable hydrocarbon substances such as drip gasoline or other natural condensates recovered in a liquid state from gas.

*Operator* means any person, including a lessee who has control of, or who manages operations on, any oil and gas lease site on Federal (including the OCS) or Indian lands. “Operator” also means any entity engaged in the business of developing, drilling for, producing, transporting, purchasing, selling, or processing oil or gas and/or which has the responsibility of reporting production from a lease or a portion thereof.

*Outer Continental Shelf (OCS)* has the same meaning as provided in section 2 of the Outer Continental Shelf Lands Act, 43 U.S.C. 1331.

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*Person* means any individual, firm, corporation, association, partnership, consortium or joint venture.

*Raw make* means natural gas liquids (NGL's) that are extracted from the wet gas stream at a gas plant (e.g., ethane through natural gasoline) which sometimes is transferred to a fractionation plant for further processing.

*Reporter* means any reporting entity required to submit a production report or form to the MMS.

*Secretary* means the Secretary of the Interior or his/her designee.

[51 FR 8175, Mar. 7, 1986, as amended at 58 FR 45254, Aug. 27, 1993; 66 FR 45773, Aug. 30, 2001; 67 FR 19111, Apr. 18, 2002]

### § 216.10 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 30 CFR 210.10.

[57 FR 41867, Sept. 14, 1992]

### § 216.11 Electronic reporting.

You must submit your Oil and Gas Operations Report, Form MMS-4054, in accordance with electronic reporting requirements in 30 CFR part 210.

[64 FR 38123, July 15, 1999]

### § 216.15 Reporting instructions.

(a) Specific guidance on how to prepare and submit required information collection reports and forms to MMS is contained in the production reporter handbook. The production reporter handbook is available from the Minerals Management Service, Minerals Revenue Management, P.O. Box 17110, Denver, Colorado 80217-0110.

(b) Production reporters should refer to the handbook for specific guidance with respect to production reporting requirements. If additional information is required, the reporter should contact the MMS at the above address. The telephone number is listed in the handbook.

[53 FR 16412, May 9, 1988, as amended at 57 FR 41867, Sept. 14, 1992; 58 FR 64903, Dec. 10, 1993; 67 FR 19111, Apr. 18, 2001]

### § 216.16 Where to report.

(a) All reporting forms listed in this part that are mailed or sent by U.S. Postal Service express mail should be mailed to the Minerals Management Service, Minerals Revenue Management, P.O. Box 17110, Denver, Colorado 80217-0110.

(b) Reports delivered to MMS by special couriers or overnight mail, except U.S. Postal Service express mail, shall be addressed as follows: Minerals Management Service, Minerals Revenue Management, Building 85, Denver Federal Center, Denver, Colorado 80225.

(c) A report is considered received when it is delivered to MMS at the addresses specified in paragraphs (a) and (b) of this section. Reports received at the MMS addresses specified in paragraphs (a) and (b) of this section after 4 p.m. mountain time are considered received the following business day.

[56 FR 20127, May 2, 1991, as amended at 57 FR 41867, Sept. 14, 1992; 58 FR 64903, Dec. 10, 1993; 67 FR 19111, Apr. 18, 2002]

### § 216.20 Applicability.

The requirements of this part shall apply to all oil and gas operators reporting information on Federal and Indian leases or federally-approved agreements, including leases or agreements on the OCS.

[58 FR 45254, Aug. 27, 1994, as amended at 66 FR 45773, Aug. 30, 2001]

### § 216.21 General obligations of the reporter.

The reporter shall submit accurately, completely and timely, pursuant to the requirements of this part, all information forms and other information required by MMS. Specific guidance on the use of the required forms is contained in the production reporter handbook. Copies of the handbook are available from the MMS.

[51 FR 8175, Mar. 7, 1986, as amended at 67 FR 19111, Apr. 18, 2002]

### § 216.25 Confidentiality.

(a) Information obtained by MMS pursuant to the rules of this part shall be open for public inspection and copying during regular office hours upon a written request, pursuant to rules at 43 CFR part 2, except that:

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(1) Notwithstanding any other provision of this part, information obtained from a reporter under this part relating to a minerals agreement approved pursuant to the Indian Mineral Development Act of 1982, 25 U.S.C. 2101 *et seq.*, the Tribal Leasing Act of 1938 (25 U.S.C. 396a *et seq.*), or the Allotted Indian Mineral Development Act of 1909 (25 U.S.C. 396), shall not be released without the written consent of the Indian Tribe(s) or individual Indian(s) who are parties to the mineral agreement.

(2) Information obtained from a reporter pursuant to this part that constitutes a trade secret and/or commercial or financial information which is privileged or confidential, or other information that may be withheld under the Freedom of Information Act (5 U.S.C. 552(b)), such as geologic and geophysical data concerning wells, shall be available for public inspection in accordance with 43 CFR part 2. When such information is related to Indian lands, consent to release the information must also be obtained from the cognizant Tribe or allottee.

(b) If any geologic and/or geophysical data is submitted under this part, these shall be made available to the public only in accordance with the provisions of 30 CFR 250.3, 250.4 and 252.7, if these relate to an offshore lease, and in accordance with 43 CFR 3162.8 if these relate to an onshore Federal or Indian lease.

### § 216.30 Special forms and reports.

When special forms or reports other than those referred to in the regulations in this part are necessary, instructions for the filing of such forms or reports will be provided by the Associate Director. Such requests will be made in conformity with the requirements of the Paperwork Reduction Act of 1995, and are expected to involve less than 10 respondents annually.

[51 FR 8175, Mar. 7, 1986, as amended at 67 FR 19112, Apr. 18, 2002]

### § 216.40 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 MMS by the designated due date.

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(b) An assessment of an amount not to exceed \$10 may be charged for each incorrectly completed report.

(c) For purposes of oil and gas reporting under the PAAS, a report is defined as each line of production information required on the Monthly Report of Operations (Form MMS-3160), Oil and Gas Operations Report (Form MMS-4054), Gas Analysis Report (Form MMS-4055), Gas Plant Operations Report (Form MMS-4056), and Production Allocation Schedule Report (Form MMS-4058).

(d) The MMS will not make assessments for reporting problems which are beyond the control of the reporter (e.g., reports received late because of bad weather). The reporter shall have the burden of proving that a reporting problem was unavoidable.

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

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

[51 FR 8175, Mar. 7, 1986, as amended at 52 FR 27546, July 22, 1987; 53 FR 16412, May 9, 1988; 58 FR 64903, Dec. 10, 1993; 59 FR 38905, Aug. 1, 1994; 66 FR 45773, Aug. 30, 2001]

## Subpart B—Oil and Gas, General

### § 216.50 Monthly report of operations.

(a) You must submit a Monthly Report of Operations, Form MMS-3160, if you operate either an onshore Federal or Indian lease or an onshore federally-approved agreement that contains one or more wells that are not permanently plugged and abandoned. You may submit Form MMS-3160 electronically.

(b) You must submit a Form MMS-3160 for each well for each calendar month, beginning with the month in which you complete drilling, unless you have only test production from a drilling well or MMS tells you in writing to do otherwise.

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(c) MMS must receive your completed Form MMS-3160 according to the following table:

If you submit your form . . .	We must receive it by . . .
(1) Electronically .....	The 25th day of the second month following the month for which you are reporting.
(2) Other than electronically ..	The 15th day of the second month following the month for which you are reporting.

(d) You must continue reporting until either:

(1) BLM approves all wells as permanently plugged or abandoned and you dispose of all inventory; or

(2) The lease or agreement is terminated.

(e) You are not required to submit Form MMS-3160 if:

(1) You are authorized to submit an Oil and Gas Operations Report, Form MMS-4054, instead of a Form MMS-3160; or

(2) You operate a gas storage agreement. You must report gas storage agreements to the appropriate BLM office.

(f) Specific and detailed guidance on how to prepare and submit the required production data on the Form MMS-3160 are contained in the MMS *PAAS Onshore Oil and Gas Reporter Handbook*. See § 216.15 of this part.

(g)(1) Operators already reporting onshore lease production data to MMS in accordance with § 216.53 of this part on the effective date of this rule may request to change to the provisions of this section. Any request to change to the requirements of this section must be made by advance written notice to MMS and have MMS approval.

(2) An operator who reports production data to MMS for offshore leases in accordance with § 216.53 of this part may request to report for its onshore leases in accordance with the requirements of that section. Any such request must be made by advance written notice to MMS and have MMS approval.

(h)(1) Except where disclosure is required by law, information submitted on Form MMS-3160 that MMS classifies as confidential will be protected as such by both MMS and BLM for the period of 1 year. Operators must petition MMS for each lease or agreement to

obtain a confidential classification and to extend the classification period beyond 1 year.

(2) Except as provided by statute, information submitted on Form MMS-3160 in regard to Federal leases and Indian leases which are part of a unit containing non-Indian leases is not considered to be confidential.

(3) Except where disclosure is required by law, all information submitted on Form MMS-3160 in regard to Indian leases, other than those included in paragraph (d)(2) of this section, will be considered to be confidential.

(4) Except as provided in this subsection, all other information will be released.

[53 FR 16412, May 9, 1988, as amended at 58 FR 45254, Aug. 27, 1993; 58 FR 64903, Dec. 10, 1993; 64 FR 38123, July 15, 1999]

**§ 216.51 Facility and Measurement Information Form.**

A Facility and Measurement Information Form (Form MMS-4051) must be filed for each facility or measurement device which handles production from any Federal or Indian lease, or federally-approved agreement, through the point of first sale or the point of royalty computation, whichever is later. The completed form must be filed by any operator (reporting production on a Form MMS-4054) of an onshore Facility Measurement Point (FMP) that handles production from any Federal or Indian lease or federally-approved agreement prior to, or at the point of royalty determination, or any operator who acquires an onshore FMP that is currently reporting to the PAAS. The report must be filed no later than 30 days after the establishment of a new facility or measurement device, or 30 days after a change is made to an existing facility or measurement device.

[58 FR 45254, Aug. 27, 1993]

**§ 216.52 First Purchaser Report.**

The First Purchaser Report (Form MMS-4053) must be filed by first purchasers only upon the specific request of MMS.

[51 FR 8175, Mar. 7, 1986. Redesignated at 58 FR 64903, Dec. 10, 1993]

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**§216.53 Oil and Gas Operations Report.**

(a) You must file an Oil and Gas Operations Report, Form MMS-4054, if you operate one of the following that contains one or more wells that are not permanently plugged or abandoned:

- (1) An OCS lease or federally-approved agreement; or
- (2) An onshore Federal or Indian lease or federally-approved agreement for which you elected to report on a Form MMS-4054 instead of a Form MMS-3160.

(b) You must submit a Form MMS-4054 for each well for each calendar month, beginning with the month in which you complete drilling, unless you have only test production from a drilling well or MMS tells you in writing to do otherwise.

(c) MMS must receive your completed Form MMS-4054 according to the following table:

If you submit your form . . .	We must receive it by . . .
(1) Electronically .....	The 25th day of the second month following the month for which you are reporting.
(2) Other than electronically ..	The 15th day of the second month following the month for which you are reporting.

(d) You must continue reporting until either:

- (1) BLM or MMS approves all wells as permanently plugged or abandoned and you dispose of all inventory; or
- (2) The lease or agreement is terminated.

(e)(1) Notwithstanding the provisions of paragraph (c) of this section and §216.50, the due date for submittal of the Oil and Gas Operations Report (Form MMS-4054) or Monthly Report of Operations (Form MMS-3160) for the production months of July, August, and September 2005 for Federal offshore and onshore oil and gas leases by oil and gas lessees or operators who make the certification required under paragraph (e)(2) of this section is extended to December 15, 2005 (if you do not file electronically) or December 27, 2005 (if you file electronically).

(2) The extended due dates in paragraph (e)(1) of this section will apply to Oil and Gas Operations Reports (Form MMS-4054) and Monthly Reports of Operations (Form MMS-3160) by any les-

see or operator who certifies that a hurricane that struck the Gulf of Mexico coast of the United States in August or September 2005 disrupted the lessee's or operator's operations to the extent that it prevented the lessee or operator from submitting an accurate Form MMS-4054 or MMS-3160.

(3) Paragraphs (e)(1) and (e)(2) of this section do not apply to Indian leases or to Federal leases for minerals other than oil and gas.

(4) Certifications under paragraph (e)(2) of this section should be submitted either:

(i) By mail to: Robert Prael, Financial Manager, Minerals Management Service, Minerals Revenue Management, P.O. Box 25165, MS 350B1, Denver, CO 80225-0165, or

(ii) By e-mail to *Robert.Prael@mms.gov*.

(f)(1) A lessee or operator who submits a certification required under paragraph (e)(2) of this section may rely on the extended due dates prescribed in paragraph (e)(1) of this section unless and until MMS notifies the lessee or operator that MMS does not accept the certification.

(2) If MMS notifies a lessee or operator that MMS does not accept the lessee's or operator's certification under paragraph (e)(2) of this section, the due date for the Oil and Gas Operations Report or Monthly Report of Operations will be the date specified in the notice.

[64 FR 38124, July 15, 1999, as amended at 70 FR 56852, Sept. 29, 2005]

**§216.54 Gas Analysis Report.**

When requested by MMS, any operator must file a Gas Analysis Report (GAR) (Form MMS-4055) for each royalty or allocation meter. The form must contain accurate and detailed gas analysis information. This requirement applies to offshore, onshore, or Indian leases.

(a) MMS may request a GAR when you sell gas, or transfer gas for processing, before the point of royalty computation.

(b) When MMS first requests this report, the report is due within 30 days. If MMS requests subsequent reports, they will be due no later than 45 days after

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the end of the month covered by the report.

[63 FR 26367, May 12, 1998]

**§ 216.55 Gas Plant Operations Report.**

(a) You must submit a Gas Plant Operations Report, Form MMS-4056, if you operate either:

(1) A gas plant that processes gas originating from an OCS lease or federally-approved agreement before the point of final royalty determination; or

(2) A gas plant that processes gas from an onshore Federal or Indian lease or federally-approved agreement before the point of final royalty determination, and MMS has asked you to submit a Form MMS-4056.

(b) You must submit a Form MMS-4056 for each calendar month beginning with the month gas processing is initiated.

(c) MMS must receive your completed Form MMS-4056 according to the following table:

If you submit your Form MMS-4054 . . .	We must receive your Form MMS-4056 by . . .
(1) Electronically .....	The 25th day of the second month following the month for which you are reporting.
(2) Other than electronically ..	The 15th day of the second month following the month for which you are reporting.

(d) Your report must show 100 percent of the gas.

(e) You are not required to file a Form MMS-4056 if:

(1) Your plant has not processed gas that originated from a Federal onshore, OCS, or Indian lease, or federally-approved agreement before the point of final royalty determination for 6 months; and

(2) You notified MMS in writing within 30 days after the end of the 6-month period.

(f) You must file a Form MMS-4056 when your plant resumes processing gas that originated from a Federal onshore, OCS, or Indian lease, or federally-approved agreement before the point of final royalty determination.

[64 FR 38124, July 15, 1999]

**§ 216.56 Production Allocation Schedule Report.**

(a) Any operator of an offshore Facility Measurement Point (FMP) handling

production from a Federal lease or federally-approved agreement that is commingled (with approval) with production from any other source prior to measurement for royalty determination must file a Production Allocation Schedule Report (Form MMS-4058). This report is not required whenever all of the following conditions are met:

(1) All leases involved are Federal leases;

(2) All leases have the same fixed royalty rate;

(3) All leases are operated by the same operator;

(4) The facility measurement device is operated by the same person as the leases/agreements;

(5) Production has not been previously measured for royalty determination; and

(6) The production is not subsequently commingled and measured for royalty determination at an FMP for which Form MMS-4058 is required under this part.

(b) You must submit a Production Allocation Schedule Report, Form MMS-4058, for each calendar month beginning with the month in which you first handle production covered by this section.

(c) MMS must receive your Form MMS-4058 according to the following table:

If you submit your Form MMS-4054 . . .	We must receive your Form MMS-4058 by . . .
(1) Electronically .....	The 25th day of the second month following the month for which you are reporting.
(2) Other than electronically ..	The 15th day of the second month following the month for which you are reporting.

[58 FR 45255, Aug. 27, 1993. Redesignated at 58 FR 64903, Dec. 10, 1993, as amended at 64 FR 38124, July 15, 1999]

**§ 216.57 Stripper royalty rate reduction notification.**

In accordance with its regulations at 43 CFR 3103.4-1, titled "Waiver, suspension, or reduction of rental, royalty, or minimum royalty," the Bureau of Land Management (BLM) may grant reduced royalty rates to operators of low producing oil leases to encourage continued production. Operators who have been granted a reduced royalty rate(s)

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by BLM must submit a Stripper Royalty Rate Reduction Notification (Form MMS-4377) to MMS for each 12-month qualifying period that a reduced royalty rate(s) is granted.

[58 FR 64903, Dec. 10, 1993]

**Subpart C—Oil and Gas, Onshore  
[Reserved]**

**Subpart D—Oil, Gas, and Sulfur,  
Offshore [Reserved]**

**Subpart E—Solid Minerals, General  
[Reserved]**

**Subpart F—Coal [Reserved]**

**Subpart G—Other Solid Minerals  
[Reserved]**

**Subpart H—Geothermal  
Resources [Reserved]**

**Subpart I—Indian Land [Reserved]**

**PART 217—AUDITS AND  
INSPECTIONS**

**Subpart A—General Provisions [Reserved]**

**Subpart B—Oil and Gas, General**

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**Subpart C—Oil and Gas, Onshore  
[Reserved]**

**Subpart D—Oil, Gas and Sulfur, Offshore  
[Reserved]**

**Subpart E—Coal**

217.200 Audits.

**Subpart F—Other Solid Minerals**

217.250 Audits.

**Subpart G—Geothermal [Reserved]**

**Subpart H—Indian Lands [Reserved]**

AUTHORITY: 35 Stat. 312; 35 Stat. 781, as amended; secs. 32, 6, 26, 41 Stat. 450, 753, 1248; secs. 1, 2, 3, 44 Stat. 301, as amended; secs. 6, 3, 44 Stat. 659, 710; secs. 1, 2, 3, 44 Stat. 1057;

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47 Stat. 1487; 49 Stat. 1482, 1250, 1967, 2026; 52 Stat. 347; sec. 10, 53 Stat. 1196, as amended; 56 Stat. 273; sec. 10, 61 Stat. 915; sec. 3, 63 Stat. 683; 64 Stat. 311; 25 U.S.C. 396, 396a–f, 30 U.S.C. 189, 271, 281, 293, 359. Interpret or apply secs. 5, 5, 44 Stat. 302, 1058, as amended; 58 Stat. 483–485; 5 U.S.C. 301, 16 U.S.C. 508b, 30 U.S.C. 189, 192c, 271, 281, 293, 359, 43 U.S.C. 387, unless otherwise noted.

**Subpart A—General Provisions  
[Reserved]**

**Subpart B—Oil and Gas, General**

AUTHORITY: The Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701 *et seq.*).

SOURCE: 49 FR 37345, Sept. 21, 1984, unless otherwise noted.

**§ 217.50 Audits of records.**

The Secretary, or his/her authorized representative, shall initiate and conduct audits relating to the scope, nature and extent of compliance by lessees, operators, revenue payors, and other persons with rental, royalty, net profit share and other payment requirements on a Federal or Indian oil and gas lease. Audits also will relate to compliance with applicable regulations and orders. All audits will be conducted in accordance with the notice and other requirements of 30 U.S.C. 1717.

**§ 217.51 Lease account reconciliation.**

Specific lease account reconciliations shall be performed with priority being given to reconciling those lease accounts specifically identified by a State or Indian tribe as having significant potential for underpayment.

**§ 217.52 Definitions.**

Terms used in this subpart shall have the same meaning as in 30 U.S.C. 1702.

**Subpart C—Oil and Gas, Onshore  
[Reserved]**

**Subpart D—Oil, Gas and Sulfur,  
Offshore [Reserved]**