# WHAT IS IN A PUN

ROYALTY REPORTING TO THE NMSLO

# WHAT IS A PUN

PUN is an acronym for Production Unit Number.  This is a unique 7 digit reporting ID for the New Mexico State Land Office (NMSLO).

NMSLO is the only entity that still uses PUN as a reporting requirement.

# PUN BUSINESS RULES

**Property Name**

- All wells within the same PUN will have the same property name

- Wells with section numbers or their well numbers in their name will result in multiple puns

- Utilize OCD's recommendation of having State Com, Fed Com, Unit or Unit Com in wells that are associated with agreements

- The simpler the better

**Property ID**

- The wells will need the same property ID as assigned by OCD

**Pool**

- To be assigned the same PUN they must be producing from the same formation

**Agreement Number**

- All wells within the same PUN will have the same agreement number if applicable

**OGRID**

- Wells that have the same PUN will have the same operator

3

# PUN BUSINESS RULES

**Property Name**

- All wells within the same PUN will have the same property name

**Property ID**

- The wells will need the same property ID as assigned by OCD

- NMSLO utilizes the information filed with OCD to determine the Property ID
  - If the wells are to be grouped together it is necessary to verify that this number is consistent

**Pool**

- To be assigned the same PUN they must be producing from the same formation

**Agreement Number**

- All wells within the same PUN will have the same agreement number if applicable

**OGRID**

- Wells that have the same PUN will have the same operator

4

# PUN BUSINESS RULES

## Property Name
- All wells within the same PUN will have the same property name

## Property ID
- The wells will need the same property ID as assigned by OCD

## Pool
- To be assigned the same PUN they must be producing from the same formation

- Different producing formations will have a different PUN
  - This helps NMSLO keep track of royalties per formation

- A well producing from multiple formations will have multiple PUNs associated with it

## Agreement Number
- All wells within the same PUN will have the same agreement number if applicable

## OGRID
- Wells that have the same PUN will have the same operator

# PUN BUSINESS RULES

## Property Name

- All wells within the same PUN will have the same property name

## Property ID

- The wells will need the same property ID as assigned by OCD

## Pool

- To be assigned the same PUN they must be producing from the same formation

## Agreement Number

- All wells within the same PUN will have the same agreement number if applicable

- Even with the same agreement number, if one of the other rules is not followed there can be multiple PUNs issued

## OGRID

- Wells that have the same PUN will have the same operator

# PUN BUSINESS RULES

## Property Name
- All wells within the same PUN will have the same property name

## Property ID
- The wells will need the same property ID as assigned by OCD

## Pool
- To be assigned the same PUN they must be producing from the same formation

## Agreement Number
- All wells within the same PUN will have the same agreement number if applicable

## OGRID
- Wells that have the same PUN will have the same operator

- Wells with different operators will have unique PUNs

- If a company purchases wells they can utilize the existing PUN as long as they purchase all wells associated with the PUN

# PUN RELATIONSHIPS



### STATE A

- Well #1
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34013
- Agreement #: N/A

### STATE A

- Well #2
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34013
- Agreement #: N/A

### STATE A

- Well #3
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34013
- Agreement #: N/A

### STATE A

- Well #4
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34013
- Agreement #: N/A

## All wells will have the same PUN

# PUN RELATIONSHIPS

### STATE A #1

- Well #1
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34013
- Agreement #: N/A

### STATE A #2

- Well #2
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34014
- Agreement #: N/A

### STATE A #3

- Well #3
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34015
- Agreement #: N/A

### STATE A #4

- Well #4
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34016
- Agreement #: N/A

## All wells will have a different PUN

# PUN RELATIONSHIPS



**STATE A**

- Well #1
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34013
- Agreement #: N/A

**STATE A**

- Well #2
- Operator: CC Oil
- Pool: <span style="color:red">Delaware</span>
- Property ID: 34013
- Agreement #: N/A

**STATE A**

- Well #3
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34013
- Agreement #: N/A

**STATE A**

- Well #4
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34013
- Agreement #: N/A

## Well #2 will have it's own PUN
## Wells #1, #3, #4 will have the same PUN

# PUN RELATIONSHIPS

**STATE A**

- Well #1
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34013
- Agreement #: N/A

**STATE A**

- Well #2
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34013
- Agreement #: N/A

**STATE A**

- Well #3
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34013
- Agreement #: 348689

**STATE A**

- Well #4
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34013
- Agreement #: 348689

## Wells #1 and #2 will have the same PUN

## Wells #3 and #4 will have the same PUN

# PUN RELATIONSHIPS



**STATE A**

- Well #1
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34013
- Agreement #: 348689

**STATE A**

- Well #2
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34013
- Agreement #: 348689

**STATE A COM**

- Well #3
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34017
- Agreement #: 348689

**STATE A COM**

- Well #4
- Operator: CC Oil
- Pool: Wolfcamp
- Property ID: 34017
- Agreement #: 348689

## Wells #1 and #2 will have the same PUN

## Wells #3 and #4 will have the same PUN

# PUN LEASE RELATIONSHIP

## PUN

- Can have many leases associated with a PUN

- PUNs are unique based on NMSLO PUN business rules

- Leases are not an equal split and have their own reporting percentage within the PUN

## LEASE

- Based on the leases inside the PUN boundaries

- Can have multiple PUNs attached to a Lease

- Leases identify the beneficiaries whom the royalties belong to

- It is necessary to report to all leases tied to the PUN

# COMMON REPORTING ERRORS - CC

The NMSLO classifies errors made in reporting into three categories:

**Non-Critical Errors**

Do not generate notices, but **_may_** trigger an account review or audit.

**Critical Errors**

**Will** generate assessment/ credit notices, or will cause detail lines and the associated revenue allocation to suspend, or may cause detail lines to reject.

**Reject Errors**

Credit detail line errors that **will** cause the line to be rejected and **will** generate assessment notices.

# COMMON REPORTING ERRORS

## Non-Critical Errors

**Missing volumes**
All detail lines require MCF or BBL volumes.

*Volumes will appear underreported against C115 reporting. May trigger an audit.*

**Incorrect Pressure Base**
NM Standard Pressure Base = 15.025.

**Not Reporting Notices on a Return**
Payment for assessments being made, or credits being used, but not reported on a return.

*Payment will sit unapplied on account and notices will remain outstanding until matched via a return, or return may be underpaid without credit matched to return.*

**Amended Returns with no change to volumes or values**
Backouts/reversals and rebooks are identical to historical reporting.

*Full-month amendments are not required. Only detail lines with changes to volumes/values should be submitted.*

# COMMON REPORTING ERRORS

## Critical Errors

**Invalid Gross Proceeds**
Gross proceeds is 0, but there is a value reported in royalty paid.

**Computational Error**
Incorrect calculation of royalty due on a specific detail line.

**V0 Leases**
Should be set up exactly at 16.667% or .16667 to match ONGARD calculation.

**State Net Interest (SNI)**
Wells that include different land ownership types have an SNI ≠ 100%. Royalty reporting must be adjusted.

**PUN/Lease Combination Does Not Exist**
Lines reported with this error will go into suspense.

**Credits Claimed**
Credit line entries are greater than debit line entries previously submitted for the same sales period, PUN & lease.

**Negative Net Proceeds**
Report 0 for negative gross proceeds, or deductions equal to gross proceeds for negative net proceeds.

# COMMON REPORTING ERRORS

## Critical Errors

**Invalid Gross Proceeds**
Gross proceeds is 0, but there is a value reported in royalty paid.

| PUN | LEASE | SEQ | MTH | YR | PRD | TRN | ARM IND | OIL VOL | GAS VOL | NGL | BTU | GRS PROCD | TRNSP | MKT | PROC | ROY PAID |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1223941 | VB | 541 | 4 | 2022 | 7 | 51 | Y | 0 | 1005 | 1714 | 0 | 0 | 0 | 366 | 70 | 70 |
| 1223941 | V0 | 5667 | 4 | 2022 | 7 | 51 | Y | 0 | 1005 | 1714 | 0 | 0 | 0 | 366 | 62 | 62 |

*These lines will generate a computational notice if not corrected prior to processing. Computational notices must be cleared through an amended return by reversing the line EXACTLY as originally reported and then reporting the line correctly. Amendments submitted to clear computational notices must be submitted separately from other amended reporting or new sales period reporting.*

# COMMON REPORTING ERRORS

## Critical Errors

**Computational Error**
Incorrect calculation of royalty due on a specific detail line.

| PUN | LEASE | SEQ | MTH | YR | PRD | TRN | ARM IND | OIL VOL | GAS VOL | NGL | BTU | GRS PROCD | TRNSP | MKT | PROC | ROY PAID | ROY COMP | Diff | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1231751 | V0 | 4562 | 7 | 2023 | 1 | 51 | Y | 32 | 0 | 0 | 0 | 2396 | 0 | 0 | 0 | 372 | 399 | 27 | |
| 1231751 | V0 | 4641 | 7 | 2023 | 1 | 51 | Y | 19 | 0 | 0 | 0 | 1398 | 0 | 0 | 0 | 217 | 233 | 16 | 1 |
| 1231751 | V0 | 4726 | 7 | 2023 | 1 | 51 | Y | 11 | 0 | 0 | 0 | 799 | 0 | 0 | 0 | 124 | 133 | 9 | |
| 1392258 | VB | 2563 | 7 | 2023 | 3 | 51 | Y | 0 | 10231 | 0 | 0 | 20027 | 9787 | 1835 | 0 | 1920 | 1576 | -344 | |
| 1392258 | VB | 2563 | 7 | 2023 | 7 | 51 | Y | 0 | 67216 | 0 | 0 | 32647 | 6751 | 1266 | 0 | 4855 | 4618 | -237 | 2 |
| 1392333 | VB | 2563 | 7 | 2023 | 3 | 51 | Y | 0 | 955 | 0 | 0 | 1870 | 914 | 171 | 0 | 179 | 147 | -32 | |

*These lines will generate both a computational assessment[1] and a computational credit[2]. Computational notices must be cleared through an amended return by reversing the line EXACTLY as originally reported and then reporting the line correctly. Amendments submitted to clear computational notices must be submitted separately from other amended reporting or new sales period reporting.*

***ONGARD Royalty Calculation: (Gross Proceeds – Deductions) * Royalty Rate %***

# COMMON REPORTING ERRORS

## Critical Errors

**V0 Leases**
Should be set up exactly at 16.667% or .16667 to match ONGARD calculation.

5 Digits

| PUN | LEASE | SEQ | OIL VOL | GAS VOL | NGL | BTU | GRS PROCD | TRNSP | MKT | PROC | ROY PAID | ROY COMP | Diff | Roy % Paid |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1394877 | V0 | 9256 | 8200 | 0 | 0 | 0 | 659143 | 6358 | 0 | 0 | 108798 | 108800 | 2 | 16.6667% |
| 1394854 | V0 | 9256 | 13495 | 0 | 0 | 0 | 973781 | 10373 | 0 | 0 | 160568 | 160571 | 3 | 16.6667% |
| 1394854 | V0 | 9256 | 17702 | 0 | 0 | 0 | 1422935 | 13724 | 0 | 0 | 234869 | 234873 | 4 | 16.6667% |
| 1355399 | V0 | 8700 | 18344 | 0 | 0 | 0 | 1357498 | 2757 | 0 | 0 | 225790 | 225795 | 5 | 16.6667% |
| 1397417 | V0 | 2372 | 22254 | 0 | 0 | 0 | 1702543 | 0 | 0 | 0 | 283757 | 283763 | 6 | 16.6667% |
| 1397417 | V0 | 2372 | 28063 | 0 | 0 | 0 | 2173080 | 0 | 0 | 0 | 362180 | 362187 | 7 | 16.6667% |
| 1397417 | V0 | 2372 | 28063 | 0 | 0 | 0 | 2174121 | 0 | 0 | 0 | 362353 | 362361 | 8 | 16.6666% |
| 1355399 | V0 | 8700 | 35345 | 0 | 0 | 0 | 2745313 | 5574 | 0 | 0 | 456623 | 456632 | 9 | 16.6667% |

*This minor difference in the royalty percentage will generate a computational notice. Computational notices must be cleared through an amended return by reversing the line EXACTLY as originally reported and then reporting the line correctly. Amendments submitted to clear computational notices must be submitted separately from other amended reporting or new sales period reporting.*

# COMMON REPORTING ERRORS

## Critical Errors

**Other Options**

Allocation Percentages
and Beneficiary Information

Wells Related to Leases

### Search Allocation Percentages/Benefit Information

Open Search Criteria (click here)

One Record Returned for
PUN: 1378780.

Total State Net Interest : 50%

Export Grid To Excel (click here)

| LEASE NUMBER | ASSIGNMENT NUMBER | ACRES IN PUN | PERCENTAGE IN PUN |
|---|---|---|---|
| LG-7641 | 2 | 80 | 50 |

**State Net Interest (SNI)**
Wells that include different land ownership types have an SNI ≠ 100%. Royalty reporting must be adjusted.

Multiply Volumes, Gross Proceeds, and Deductions by the % in PUN, then calculate royalties due.

Example: October 2023 Sales - Volume 2,654 BBLS, Gross Proceeds $228,392

2,654 * 50%

$228,392 * 50%

| PUN | LEASE | SEQ | PRD | TRN | ARM IND | OIL VOL | GAS VOL | NGL | BTU | GRS PROCD | TRNSP | MKT | PROC | ROY PAID |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1378780 | LG | 7641 | 1 | 51 | Y | 1327 | 0 | 0 | 0 | 114196 | 0 | 0 | 0 | 14275 |

114,196 * 12.5% royalty rate

# COMMON REPORTING ERRORS

## Critical Errors

| PUN | LEASE | SEQ | MTH | YR | PRD | TRN | ARM IND | OIL VOL | GAS VOL | NGL | BTU | GRS PROCD | TRNSP | MKT | PROC | ROY PAID |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1116218 | B0 | 229 | 11 | 2022 | 1 | 51 | Y | 2137 | 0 | 0 | 0 | 210604 | 0 | 0 | 0 | 26326 |
| 1116218 | B0 | 229 | 11 | 2022 | 1 | 51 | Y | -2137 | 0 | 0 | 0 | -220604 | 0 | 0 | 0 | -27578 |

**Credits Claimed**
Credit line entries are greater than debit line entries previously submitted for the same sales period, PUN & lease.

*An invalid backout where credits are greater than debits will result in a rejected credit line. Rejected credit lines generate remittance assessments and interest assessments. Use the Royalty Reported Detail History information in your online filing account to ensure that your credit lines match your historical reporting.*

**Welcome - New Mexico Oil and Gas Unified Online Filing**

Choose an OGRID:

Select an Activity:
- Upload a Royalty CSV File (Training Mode)
- Upload a Royalty CSV File
- Royalty Online Web Filing
- Royalty Online Web Filing (RPD)
- Royalty Flaring data from the OCD C115B form
- Royalty Suspense (View Only)
- Royalty Suspense
- Royalty Reported Detail History
- Royalty Payment History
- Royalty Outstanding Billing Statement
- Royalty Remittance Document Request
- Royalty Status and History

**Royalty Detail History Search**

OGRID:

Start Sales Period: __ / ____
(MM/YYYY) Month Year

End Sales Period: __ / ____
(MM/YYYY) Month Year

PUN:

Lease Prefix:

Lease Sequence Number:

Product Type: All

Search

# COMMON REPORTING ERRORS

## Critical Errors

**Example 1, Negative Gross Proceeds: -$1,557**

| PUN | LEASE | SEQ | MTH | YR | PRD | TRN | ARM IND | OIL VOL | GAS VOL | NGL | BTU | GRS PROCD | TRNSP | MKT | PROC | ROY PAID |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1391568 | V0 | 3427 | 8 | 2020 | 4 | 51 | Y | 0 | 519 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

**Negative Net Proceeds**
Report 0 for negative gross proceeds, or deductions equal to gross proceeds for negative net proceeds.

**Example 2, Gross Proceeds: $1,557, Processing Deductions $3,000 = Negative Net Proceeds**

| PUN | LEASE | SEQ | MTH | YR | PRD | TRN | ARM IND | OIL VOL | GAS VOL | NGL | BTU | GRS PROCD | TRNSP | MKT | PROC | ROY PAID |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1391568 | V0 | 3427 | 8 | 2020 | 4 | 51 | Y | 0 | 519 | 0 | 0 | 1557 | 0 | 0 | 1557 | 0 |

# ROYALTY REPORTING BEFORE A PUN

**PUN Searches**

PUN Details Information

PUN Lease Information

PUN Well Completion Information

API Pool Inquiry

PUN History Inquiry

OGRID PUN Inquiry

Well Completion to
PUN/OGRID Inquiry

**Other Options**

Allocation Percentages
 and Beneficiary Information

Wells Related to Leases

Navigate to the Royalty PUN Inquiry website at:
http://web.slo.state.nm.us/Applications/RoyaltyPunInquiry/Default.aspx

and use the **API Pool Inquiry** to determine if a PUN has been assigned to the well.

If no PUN has been assigned, report the detail line using the last seven digits of the well's API number as the PUN.

## API Pool Inquiry

Search Criteria:

API ST CODE: **30 - NEW MEXICO**

API COUNTY CODE: 25 - Lea

API WELL IDN: 50335 (Optional, 5 digits)

API POOL IDN: (Optional, 5 digits)

POOL NAME: (Optional, first few characters)

☐ Show Printable Version

Search

One row returned for the search criteria.          Export To Excel (click here)

| API | WELL NUM | POOL ID | POOL NAME | PUN ATTACHED | PUN EFF DTE | PUN TERMN DTE |
|-----|----------|---------|-----------|--------------|-------------|---------------|
| 30-025-50335 | 009H | 17644 | DIAMONDTAIL;BONE SPRING | | | |

*Example: Well 30-025-50335. PUN Attached is blank in search. Use PUN 2550335 for royalty reporting until a PUN is assigned.*

23

# ROYALTY REPORTING BEFORE A PUN

If the lease is unknown, please contact the Compliance Bureau at royaltycompliance@slo.state.nm.us for assistance, or if the PUN or lease is inactive. *Reporting to dummy leases ie: 99-9999 is not allowed.*

The Land Office is unable to distribute the funds to the appropriate beneficiary when royalty is reported with an invalid PUN and/or lease number. Royalty reported with invalid PUN and/or lease will be suspended until the remitter submits the correct PUN and/or lease.

Each month, a each remitter with suspended lines will be emailed a Suspended Detail Line Report. A correction must be submitted in a subsequent report or cleared online as soon as the correct PUN or lease number is obtained.



*When a new PUN is assigned, that should be the ONLY thing that needs to be corrected to clear lines out of suspense.*

# ROYALTY REPORTING AFTER A PUN

Once a PUN has been assigned, new royalty reporting must be made to the new PUN, and all existing suspense for the well needs to be cleared from your account. Royalty Detail Suspense Lines can be cleared in several ways:

**PREFERRED OPTION 1:** Online filing website. Log on to the following website and select the activity 'Royalty Suspense':
https://secure.slo.state.nm.us/OnlineFiling/OSCOnlinePortal/Login.aspx

**OPTION 2:** Respond to your Suspense Notice, making corrections on the Excel spreadsheet provided, and email it back to Compliance with your written approval. Compliance staff will clear it and inform you when it is done.

**OPTION 3**: Submit an amended return to reverse line items out.
*Remitters must submit an amended return to clear items if the original line entry has generated a computational error. Amended returns must be submitted separately from the current return.*



Welcome - New Mexico Oil and Gas Unified Online Filing

Choose an OGRID: 241469 - SLO-RMD HOLDING ACCOUNT

241469 - SLO-RMD HOLDING ACCOUNT

Select an Activity:
Upload a Royalty CSV File (Training Mode)
Upload a Royalty CSV File
Royalty Online Web Filing
Royalty Online Web Filing (RPD)
Royalty Flaring data from the OCD C115B form
Royalty Suspense (View Only)
Royalty Suspense
Royalty Reported Detail History
Royalty Payment History
Royalty Outstanding Billing Statement
Royalty Remittance Document Request
Royalty Status and History



**State Land Office**
Royalty Management Division
**Monthly Royalty Detail Suspense Notification**

Dear Remitter:

This is our monthly Royalty Detail Suspense Notice requiring your immediate action. Attached for your review and action is a detailed Excel worksheet outlining each detail suspense item in your company's suspense account.

# ACCURACY IN REPORTING

- Volumes are verified against C115 filings with OCD
  - Disposition volumes are used
  - OCD and NMSLO filing requires 15.025 pressure base

- Reporting proper product codes
  - 1 – Oil
  - 3 – Process Gas
  - 4 – Unprocessed Gas
  - 7 – Natural Gas Liquids
    - Must include NGL Gallons when reporting
    - Must include MCF volume when reporting

| Product Code | Type |
| --- | --- |
| 1 | Oil |
| 2 | Oil Condensate |
| 4 | Unprocessed Gas |
| 3 | Processed (Residue) Gas |
| 7 | Gas Plant Products |
| 17 | Carbon Dioxide Gas (C02) |

# PRODUCT CODE 7 MCF REPORTING

- Product Code 7 MCF reporting = Wellhead MCF – Residue MCF
  - Reported at 15.025 pressure base
  - WH from Settlement Statements

- This is not MCF Equivalents or BOE

# ALLOWABLE DEDUCTIONS

- CONOCOPHILLIPS COMPANY v. LYONS (2012)
  - Supreme Court of New Mexico.
  - CONOCOPHILLIPS COMPANY and Burlington Resources Oil & Gas Company, L.P., Plaintiffs–Appellees, v. Patrick H. LYONS, Commissioner of Public Lands of the State of New Mexico, Defendant–Appellant.
  - No. 32,624.
  - Decided: August 24, 2012

# ALLOWABLE DEDUCTIONS

- Allowable
  - Post production costs to make the product merchantable

- Non Allowable
  - New Mexico Gas Processors Tax
  - Low Volume Fees
  - Penalties
  - Marketing fees
  - Any other costs not incurred to make product merchantable
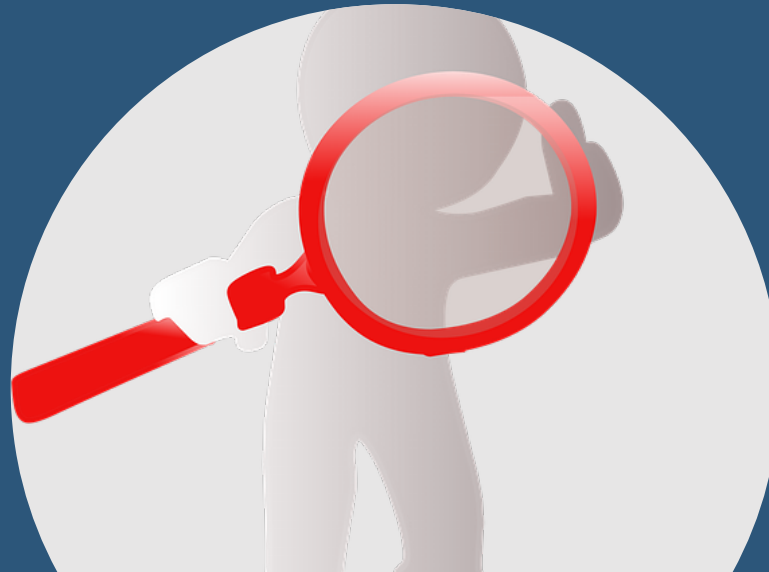
# SO YOU'VE BEEN SELECTED FOR AN AUDIT

WHAT TO REMEMBER

# AUDIT

It is not a question of how to avoid an audit.

It is a question of when you will be audited.

NMSLO is required to audit 80% of royalties in a 5 year time cycle.

The goal of audit is for the verification that royalties have been submitted correctly.

This forces the audit team to focus on remitter education. To ensure that royalties are submitted the first time correctly.

# HOW TO MINIMIZE THE AUDIT SCOPE

- Ensure proper reporting of volumes
  - The audit team conducts a risk assessment of the properties operated and remitted on by a company
  - Remember to put in your MCF volumes for product code 7s
  - Variances in C115 volumes to reported volumes is an audit concern

- Ensure all leases are reported to
  - The audit team reviews historical reporting to ensure that all leases in a PUN are reported to
  - Reporting to incorrect leases is an audit concern

- Ensure gross value is reported correctly and not a net value
  - Reporting a net value will result in a low price per MCF.  This is an audit concern

# COMPLIANCE ACTIVITY

**Account Reviews & Collections**
Assessments and Computational Notices must be cleared within 30 days to keep an account in good standing. Billing statements are available in Online Filing.

**PUN and Suspense**
PUNs are issued and emailed to operators weekly, and suspense notices are sent out monthly for review and action.

**Advance Royalty Deposit**
Annual calculation for all large royalty remitters who's average monthly royalty payments are greater than $25,000. Notices sent out in June and adjustments due by July 25th.

**Refunds**
Credits and unapplied payments are all eligible for refund and require a full compliance review prior to refund. Download and submit the Notice of Intent to Request Claim for Refund.

# FREQUENTLY UTILIZED LINKS

- https://www.nmstatelands.org/
  - New Mexico State Land Office Home Page

- http://web.slo.state.nm.us/Applications/RoyaltyPunInquiry/
  - PUN Inquiry screen used to research wells/leases/PUN assignments/Beneficiary

- https://secure.slo.state.nm.us/OnlineFiling/OSCOnlinePortal/Login.aspx
  - Online filing portal

- https://www.nmstatelands.org/divisions/oil-gas-and-minerals/royalty-management-forms/
  - Royalty Filing Forms and Instructions

# THANK YOU!

✉ EBACA@SLO.STATE.NM.US; CCANO@SLO.STATE.NM.US

🔗 HTTP://WWW.NMSTATELANDS.ORG