

Summary: Allegations that Company Failed to Report Oil and Gas Production Unfounded

Report Date: June 6, 2017

OIG initiated an investigation after receiving allegations that an oil and gas company failed to report production from Federal leases or pay mineral royalties from October 2010 through March 2014.

Our investigation disclosed the allegations were unfounded, but during the investigation we identified reporting discrepancies and facilitated the proper accounting and recovery of unpaid royalties by the Office of Natural Resources Revenue (ONRR). We found a royalty payment was incorrectly held in an undesignated account and a refund associated with an estimated royalty payment was remitted in error to another company. Both issues were resolved by ONRR, and as a result, \$12,923 in Federal royalties were recovered.

This is a summary of a report of investigation issued to the Director of ONRR.

