

Summary: Suspected False Mineral Reports Submitted to the Office of Natural Resources Revenue

Report Date: September 2021

Report Number: 20-0295

The OIG investigated allegations that an oil and gas company intentionally reduced its reported mineral sales volumes to decrease its mineral royalty liabilities associated with Indian mineral leases in North Dakota.

We found the company's initial submission of royalty reports to the Office of Natural Resources Revenue (ONRR) included overreported sales volumes because of errors and inadvertent miscalculations. The company, however, subsequently adjusted its royalty reports after ONRR notified the company that it owed additional royalties.

We reviewed the source documentation the company submitted to ONRR and found the documentation supported its adjusted reporting. ONRR reviewed and approved the company's oil and gas sales volume adjustments, and ONRR confirmed the company properly paid its royalty obligations.

This is a summary of an investigative report we issued to the ONRR Director.

