U.S. Department of the Interior
Office of Natural Resources Revenue

COAL WASHING ALLOWANCE REPORT

OMB Control No. 1012-0010
Expires December 31, 2025

FOR ONRR USE ONLY:

1 CUSTOMER NAME _____ ☐ CUSTOMER CODE ☐

ADDRESS _____

CITY _____ STATE _____ ZIP _____ ☐ REPORTING TYPE ☐

☐ REPORTING PERIOD _____ 20 to _____ 20

☐ FOR CUSTOMER USE ONLY:

	6 LEASE NUMBER	7 PRODUCT	MINE NAME	ARM'S-LENGTH/ CUSTOMER-OWNED INDICATOR	PRIOR PERIOD ACTUAL DATA a ROYALTY TONS	b ALLOWANCE RATE PER TON	c ROYALTY ALLOWANCE AMOUNT	11 CURRENT PERIOD ESTIMATED DATA a ROYALTY TONS	b ALLOWANCE RATE PER TON	c ROYALTY ALLOWANCE AMOUNT
1										
2										
3										
4										
5										
6										
7										
8										
9										
10										
11										
12	PAGE TOTAL					XXXXXXXXXXX			XXXXXXXXXXX	
13	REPORT TOTAL (Last Page Only)					XXXXXXXXXXX			XXXXXXXXXXX	

IF MORE LINES ARE NEEDED, ATTACH ADDITIONAL PAGES OF FORM ONRR-4292

I have read and examined the statements in this report and, to the best of my knowledge, they are accurate and complete.

NAME (FIRST, MIDDLE INITIAL, LAST) (typed or printed) DATE:

AUTHORIZED SIGNATURE: DATE:

NAME OF PREPARER: TELEPHONE NUMBER:

Paperwork Reduction Act of 1995 (PRA) Statement: The PRA (44 U.S.C. 3501 et seq.) requires us to inform you that ONRR collects this information to assure full value of minerals removed and to determine the proper royalty due. Responses are required to obtain a benefit (30 CFR 1206.458 and 1206.461). Proprietary information is protected in accordance with standards established by Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1733), the Freedom of Information Act [5 U.S.C. 552(b)(4)], and Department regulations (43 CFR 2). An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. Public reporting burden is estimated at 1.3 hrs/response. Direct all comments of any aspect of this form to the Information Collection Clearance Officer, ONRR, P.O. Box 25165, MS 64400B, Denver, Colorado 80225-0165.

FORM ONRR-4292 – GENERAL INSTRUCTIONS COAL WASHING ALLOWANCE REPORT

In accordance with 30 CFR §§ 1206.457 and 1206.458, you may deduct from your royalty payments a portion of the reasonable, actual cost for washing coal mined from Indian lands. You calculate the allowance on a per ton of clean coal basis, and may not claim an allowance for reject material on which no royalty is due. You are required to report to the Office of Natural Resources Revenue (ONRR) on an annual or, if necessary, more frequent basis. For example, under arm's-length washing contracts, you must submit form ONRR-4292 as frequently as necessary to reflect contract modifications or amendments.

At the end of each reporting period, you must report on page 1 of form ONRR-4292 the actual costs deducted during the prior reporting period and the estimated washing costs to be deducted during the current reporting period. The Schedules for form ONRR-4292 will assist you in assembling the various washing cost items, computing the total costs, calculating the cost per-ton, and computing the total actual and projected allowance amounts. Report and claim allowances on the form ONRR-4430, Production and Royalty Report, in the allowance section of the form.

You may claim as a washing allowance the actual washing costs incurred under arm's length contracts. The washing allowance amount incurred under non-arm's length contracts or no contracts equals the washing system operating costs plus either depreciation plus a return on the remaining undepreciated capital investment or a cost equal to the depreciable investment in the washing system multiplied by the rate of return determined in accordance with 30 CFR § 1206.458(b)(2)(iv)(B).

Determine the washing allowance rate by dividing the total dollar amount by clean tons of coal (as measured at the coal loadout facility).

No cost normally associated with mining, which would normally be conducted in the absence of washing - such as crushing, storing, screening, loading, blending, and any related in-mine haulage - is allowed as a washing cost.

Page 1 of form ONRR-4292 lists royalty allowance amounts claimed during the prior reporting period and estimates of the royalty allowance amount for the new reporting period. Use a separate page 1 for each mine.

Schedule 1 accumulates washing costs and computes the royalty allowance rate and amount for a washing facility.

Schedule 1A summarizes operating, maintenance, and overhead costs for a non-arm's length or no contract washing operation.

Supplemental Schedule 1A details operating, maintenance, and overhead costs that could not be shown on Schedule 1A because of limited space.

Schedule 1B summarizes depreciation and undepreciated investment capital costs for a non-arm's length or no contract washing operation.

INSTRUCTIONS FOR COMPLETING FORM ONRR-4292, PAGE 1

1. ***Customer Name and Address*** -- Enter the company name and address used to report royalties and washing deductions on form ONRR-4430.

2. ***Customer Code*** -- Enter the same company code (previously the payor code) as used on form ONRR-4430.

3. ***For Customer Use Only*** -- Enter your internal account identifier that will distinguish this report for you.

4. ***Reporting Type*** -- Enter the report type indicator as follows:
   - "1" if this is an initial report for the mine and lease number (complete column 11 only)
   - "2" if this is a recurring form reporting the prior and current period data (complete both columns 10 and 11)
   - "3" if this is an amended report to correct previously reported data. An amended report requires a two-line entry. The first line reverses the original entry using a minus sign (-) in all sections of columns 10 and 11, and the second line shows the correct entry.

5. ***Reporting Period*** – Enter the period covered by the actual cost data for the washing allowance reported in column 10. If this is your first report for this mine and lease combination, you will not complete column 10 so the reporting period will be the timeframe covered by the estimated data reported in column 11.

   The reporting period is controlled by the *arm's length/customer owned indicator* in column 9. If you enter a "4" or "5" in column 9:
   - Your initial reporting period will begin with the month your were first authorized to deduct the washing allowance and will end at the end of the calendar year or when the washing terminates, whichever is earlier.

   - Your subsequent reporting periods will begin the first day of the calendar year and end the last day of the calendar year or when the washing terminates, whichever is earlier.

If you enter a "6" in column 9:
   - Your initial reporting period will begin with the month you were first authorized to deduct the washing allowance and will end at the end of the calendar year or when the contract or rate terminates, is modified or amended, whichever is earlier.

   - Your subsequent reporting periods will begin the first day after the period covered by the previous form ONRR-4292 and end the last day of the calendar year or when the contract or rate terminates, is modified or amended, whichever is earlier.

6. ***Lease Number*** -- Enter the lease number as reported on the form ONRR-4430.

7. ***Product*** -- Enter the same product as reported on the form ONRR-4430.

8. ***Mine Name*** -- Enter the mine name associated with this lease for this washing allowance.

9. ***Arm's Length/Customer-Owned Indicator*** – Complete the column as follows:
    - "4" if you incur 100% of the washing costs under non-arm's length conditions
    - "5" if washing costs were a combination of arm's length and non-arm's length conditions
    - "6" if you incur 100% of the washing costs under arm's length conditions

10. ***Prior Period Actual Data*** – Use this column to report actual data for the reporting period. If this is an initial report for start-up, do not complete this column; go to column 11.

    Enter in column 10a the sum of the royalty quantity washed and sold during the reporting period (Schedule 1, line 9) plus the royalty quantity sold during the reporting period but washed during the prior reporting period (tons used in calculation of Schedule 1, line 11).

    Enter in column 10b the washing allowance rate determined by dividing the royalty allowance amount (column 10c) by the royalty quantity (column 10a). Calculate the allowance rate to six decimal places.

    Enter in column 10c the royalty allowance amount shown on Schedule 1, line 12.

11. ***Current Period Estimated Data*** – Use column 11 to report estimated data for the current reporting period.

    The washing tonnage or allowance rate may be the same as the actual tonnage or rate reported in column 10. If so, enter the corresponding values from columns 10a, 10b, and 10c into columns 11a, 11b, and 11c. If you believe the tonnage or the rate for the new reporting period will be different from the prior reporting period, then adjust the estimates accordingly. Report the allowance rate to six decimal places. Please take care to ensure the estimates are as accurate as possible.

    If you incur washing costs solely under arm's length conditions, compute estimates for a washing facility start-up as follows:
    - Enter in column 11a the estimated clean coal tonnage from washing operations during the new reporting period.
    - Enter in column 11b the allowance rate per ton as specified in the arm's length contract and as shown on Schedule 1, line 6.
    - If the arm's length contract rate is on a raw coal (input tonnage) basis, convert that rate to a cost per clean ton basis. Report the allowance rate to six decimal places.
    - Enter in column 11c the estimated royalty allowance amount computed by multiplying column 11a by column 11b.

    If you incur washing costs under non-arm's length conditions or a combination of both arm's length or non-arm's length conditions:
    - Use Schedules 1, 1A, and 1B to estimate the allowance rate and amount.
    - Enter in column 11a the estimated royalty tons to be washed, expressed in terms of clean coal tonnage.
    - Enter in column 11b the estimate allowance rate per ton from Schedule 1, line 6.
    - Enter in column 11c the estimated royalty allowance amount from Schedule 1, line 10.

12. ***Page Total*** – Enter page totals for columns 10a, 10c, 11a, and 11c.

13. ***Report Total*** – If you submit more than one page 1 of form ONRR-4292, sum the lines 12 of each page and enter the total on line 13 of the last page 1 of the report packet.

Complete the bottom portion of the form with your dated name, signature, and the name and phone number of the person completing the form. Check the appropriate box indicating if you consider the submitted information proprietary or nonproprietary.

SCHEDULE 1 -- COAL WASHING SUMMARY SHEET

Customer Name and Code: _____ / _____

Address: _____

City _____ State _____ Zip _____

Lease Number: _____

Mine Name: _____

Facility Name/ID Number: _____

Product: _____

_____

Period: 20 to 20

Depreciation and Return on Undepreciated Capital Investment (From Schedule 1B)

(a) Plant Depreciation	(b) Undepreciated Capital Investment at Beginning-of-Period	(c) Rate of Return	(d) Return on Undepreciated Capital Investment	(e) Depreciation Plus Return on Capital Investment	
$	$		$	$	1

Operating, Maintenance, and Overhead Expenses (From Schedule 1A, Line 18) $ _____ 2

Total Non-Arm's-Length Plant Expenses $ _____ 3

Total Plant Output (Including non-Federal coal washed by lessee) _____ 4

Non-Arm's-Length Washing Cost Per Ton Clean Coal $ _____ 5a

Arm's-Length washing Cost per Ton Clean Coal $ _____ 5b

Total Allowance Rate per Ton Clean Coal _____ 6

Total Quantity of Lease Coal Washed During the Reporting Period and Sold. _____ 7

Lease Ad Valorem Royalty Rate _____ % 8

Royalty Quantity of Coal Washed and Sold During the Reporting Period _____ 9

Royalty Washing Allowance Amount $ _____ 10

Royalty Washing Allowance Amount for Coal Washed During the Prior Period and Sold During the Report Period = Allowance Rate for Deferred Tons (_____) times Lease Tons of Deferred Coal Sold During the Reporting Period (_____ Tons) Times the lease Ad Valorem Royalty rate (_____%). $ _____ 11

Total Royalty Washing Allowance Amount $ _____ 12

INSTRUCTIONS FOR COMPLETING FORM ONRR-4292, SCHEDULE 1

Use Schedule 1 to accumulate washing costs and compute the royalty allowance rate and amount for the washing facility. If you wash coal under arm's length conditions, you must complete only Schedule 1 (do not complete Schedules 1A or 1B).

Complete a separate Schedule 1 for each line reported on page 1 of form ONRR-4292.

You must submit a clear schematic diagram, on no larger than 8-1/2 x 11-inch paper, illustrating the wash plant, including major pieces of equipment and flow lines.

Customer Name, Code, and Address – Enter the same company name, code, and address as used on Page 1 of the form ONRR-4292, Coal Washing Allowance Report.

Lease and Mine Information – Enter the same lease number and mine name combination as used on Page 1 of the form ONRR-4292. Enter a facility name or number unique to the washing facility. Enter the same product as entered on Page 1. Enter the same reporting period as shown in item 5 on Page 1.

Complete lines 1 through 5a only if you wash your coal under a non-arm's length or no-contract arrangement.

1. ***Depreciation and Capital Investment*** – Complete this line only if you wash coal under non-arm's length or no contract conditions.
   - ***(a) Plant Depreciation*** – Use the figure calculated from column 6 on Schedule 1B.
   - ***(b) Undepreciated Capital Investment at Beginning-of-Period*** -- Use the figure calculated from column 5 on Schedule 1B.
   - ***(c) Rate of Return*** – The rate of return is the industrial rate associated with Standard and Poor's BBB rating. Enter the monthly average rate as published in Standard and Poor's Bond Guide for the first month of the reporting period.
   - ***(d) Return on Undepreciated Capital Investment*** – Multiply column b by column c.
   - ***(e) Depreciation Plus Return on Capital Investment*** – Sum columns a and d.

2. ***Operating, Maintenance, and Overhead Expenses*** – Use the figure calculated from line 18 on Schedule 1A.

3. ***Total Non-Arm's Length Plant Expenses*** – Sum lines 1 and 2.

4. ***Total Plant Output*** – Enter the washing plant's total output in tons for the reporting period, including all non-Indian washed coal.

5. ***(a) Non-arm's Length Washing Cost Per Ton Clean Coal*** – Divide line 3 by line 4, computing to 6 decimal places.

   (b) Arm's Length Washing Cost Per Ton Clean Coal – Enter the washing cost rate as found in your arm's length contract.

6. ***Total Allowance Rate Per Ton Clean Coal*** – Sum lines 5a and 5b.

7. ***Total Quantity of Leased Coal Washed During the Reporting Period and Sold*** – Enter the total tonnage of leased coal washed and sold during the reporting period.

8. ***Lease Ad Valorem Royalty Rate*** – Enter the ad valorem royalty rate found in the Indian lease terms.

9. ***Royalty Quantity of Coal Washed and Sold During the Reporting Period*** – Multiply line 7 by line 8.

10. ***Royalty Washing Allowance Amount*** – Multiply line 6 by line 9.

11. ***Royalty Washing Allowance Amount for Coal Washed During the Prior Period*** – Multiply the lease tons of deferred coal sold during the current reporting period by the prior period royalty washing allowance amount and by the lease ad valorem royalty rate.

12. ***Total Royalty Washing Allowance Amount*** – Sum lines 10 and 11.

U.S. DEPARTMENT OF THE INTERIOR
Office of Natural Resources Revenue

CUSTOMER IDENTIFICATION BLOCK	
Customer Name and Code:	
Lease No:	
Mine Name:	
Facility ID No:	
Period:	20 to 20

SCHEDULE 1A -- NON-ARM'S-LENGTH WASHING OPERATIONS, MAINTENANCE AND OVERHEAD EXPENDITURES

☐ Estimated Costs - Check when estimating costs for system/segment start-up.

A. Lessee's Operating Costs for Washing Facility

Operations Supervision and Engineering	$	1
Operations Labor		2
Utilities		3
Materials and Supplies		4
Ad Valorem Property Taxes		5
Rent / Leasing		6
Other (specify). Attach Supplemental Schedule 1A as necessary		7
Total Operating Costs -- Subtotal	$	8

B. Lessee's Maintenance Costs

Maintenance Supervision	$	9
Maintenance Labor		10
Materials		11
Other (specify). Attach Supplemental Schedule 1A as necessary		12
Total Maintenance Costs -- Subtotal	$	13

C. Lessee's Overhead Allocation (specify)

_____	$	14
_____		15
Other (specify) use Supplemental Schedule 1A		16
Total Overhead Allocation	$	17
D. Total Operating and Maintenance Costs	$	18

INSTRUCTIONS FOR COMPLETING FORM ONRR-4292, SCHEDULE 1A

Use Schedule 1A to record reasonable, actual operating, maintenance, and overhead costs for a washing facility for the prior reporting period. You must complete a separate Schedule 1A for each washing facility. On the following page of instructions is a list of allowable and nonallowable costs to use as a guide in determining operating, maintenance, and overhead costs. You must use this schedule only when the facility contract is non-arm's length, either because you or an affiliate owns the facility.

Customer Information Block – Enter the same customer name and code as used on Page 1 of the form ONRR-4292, Coal Washing Allowance Report.

Enter the same lease number and mine name as used on Page 1 of the form ONRR-4292.

Enter a name or facility number unique to the washing facility.

Enter the same reporting period as shown in item 5 on Page 1 on form ONRR-4292.

Part A and Part B – Identify and list on Part A and Part B all operating and maintenance costs directly attributable to the washing facility during the reporting period. If you need additional space to identify or explain other cost items, complete and attach a Supplemental Schedule 1A noting the nature and amount of the cost.

Total Operating Costs – Subtotal (8) – Sum lines 1-7.

Total Maintenance Costs – Subtotal (13) – Sum lines 9-12.

Part C – Identify and list all overhead costs directly allocable and attributable to the operations and maintenance of washing facility. If you need additional space, complete and attach a Supplemental Schedule 1A noting the nature and amount of the expenditure.

Total Overhead Allocation - (17) – Sum lines 14-16.

Part D, Total Operating and Maintenance Costs – Sum lines 8, 13, and 17.

ALLOWABLE AND NONALLOWABLE OPERATING, MAINTENANCE, AND CAPITAL COSTS

Allowable Capital Costs – Allowable capital costs are generally those costs for depreciable fixed assets (including costs of delivery and installation of capital equipment) which are an integral part of the wash plant.

Nonallowable Capital Costs – Nonallowable capital costs include costs incidental to marketing (e.g., storage and treatment). Also, schools, hospitals, roads, sewer and other capital improvements or equipment not an integral part of the transportation facility are not allowable capital costs. The capital cost associated with the preparation of an environmental impact statement is not allowable. However, capital costs for environmental equipment that are an integral part of the transportation facility are allowable.

Allowable Operating Costs – Allowable operating and maintenance costs are those nondepreciable costs that are directly attributable to the operation and maintenance of a wash plant. These expenditures include:

- Salaries and wages paid to employees and supervisors while engaged in the operation and maintenance of equipment and facilities
- Fuel and utility costs directly related to washing lease products
- Repairs, labor, materials, and supplies directly related to equipment and facilities
- Insurance and ad valorem property taxes (Federal and State income taxes are not allowable deductions)
- Arm's-length rental, leasing, or contract service costs for equipment, facilities, on-site location or maintenance of equipment and facilities
- General administrative overhead costs (headquarters, personnel, telephone service, payroll taxes, employee benefits, vehicle expenses, office supplies, etc.). The total of these costs is limited to those reasonable expenditures directly attributable and allocable to the operation and maintenance of the wash plant.

Nonallowable Operating Costs – Nonallowable operating costs include:

- Costs incidental to marketing, and other operating costs associated with nonallowable capital expenditures which are not directly allocable or attributable to the washing of lease products.
- Federal and State income taxes, production taxes, royalty payments, or fees such as State severance taxes
- Costs for services that you are obligated to perform at no cost to the lessor.

U.S. DEPARTMENT OF THE INTERIOR
Office of Natural Resources Revenue

CUSTOMER IDENTIFICATION BLOCK	
Customer Name and Code:	
Lease No:	
Mine Name:	
Facility ID No:	
Period:	20 to 20

SCHEDULE 1B -- NON-ARM'S-LENGTH WASHING FACILITIES DEPRECIATION AND CAPITAL EXPENDITURE SUMMARY

1	2	3	4	5	6	7
Expenditure Item	Initial Capital Investment and Date Placed in Service	Salvage Value	Depreciable Life/Years of Depreciation Taken to Date	Beginning-of-Year Undepreciated Capital Investment	Depreciation	End-of-Year Undepreciated Capital Investment
	$	$		$	$	$

8 Totals $ $

INSTRUCTIONS FOR COMPLETING FORM ONRR-4292, SCHEDULE 1B

Use Schedule 1B to summarize actual or estimated washing facility depreciation and undepreciated capital investment for computing return on investment for each non-arm's length or no-contract washing facility. These costs are capital equipment that is an integral part of the wash plant. You must complete a separate Schedule 1B for each washing facility.

Complete the customer identification block (see Schedule 1A instructions).

Complete a line for each facility capital expenditure item as follows:

1. ***Expenditure Item*** -- Identify the capital expenditure item. List all major equipment exceeding $50,000 in initialized capitalized value individually.

2. ***Initial Capital Investment and Date Placed in Service*** – Enter the initial capital expenditure amount and the date the expenditure was placed in service.

3. ***Salvage Value*** – Enter a reasonable salvage value.

4. ***Depreciable Life/Years of Depreciation Taken to Date*** -- Enter the depreciable life of the expenditure and the number of years of depreciation taken to date.

5. ***Beginning-of-Year Undepreciated Capital Investment*** – Enter the undepreciated capital investment at beginning-of-year. In computing this value, deduct salvage from the initial capital investment.

6. ***Depreciation*** – Enter the amount of depreciation to be taken for the year. In computing depreciation, you may elect to use either a straight-line depreciation method or a unit of production method based on the life of the equipment. Once you make an election, you may not alternate methods without ONRR approval. Do not depreciate equipment below a reasonable salvage value.

7. ***End-of-Year Undepreciated Capital Investment*** – Enter the undepreciated capital investment at end-of-year. Compute this by subtracting depreciation from the beginning-of-year undepreciated capital investment. Also use this amount as the next year's beginning-of-year undepreciated capital investment.

8. ***Totals*** – Sum columns 5 and 6 and enter on Schedule 1, Part A, columns g and e, or Part B, columns g and e, accordingly.

U.S. DEPARTMENT OF THE INTERIOR
Office of Natural Resources Revenue

CUSTOMER IDENTIFICATION BLOCK			
Customer Name and Code:			
Lease No:			
Mine Name:			
Facility ID No:			
Period:	20	to	20

SUPPLEMENTAL SCHEDULE 1A-- NON-ARM'S-LENGTH WASHING FACILITIES, OPERATIONS, MAINTENANCE, AND OVERHEAD EXPENDITURES

Type of Expenditure - Describe:	$
Total	$

INSTRUCTIONS FOR COMPLETING FORM ONRR-4292, SUPPLEMENTAL SCHEDULE 1A

Use Supplemental Schedule 1A to identify and document operating, maintenance, and overhead expenditures listed under the "Other" expenditure categories on Schedule 1A.

Complete the customer identification block (see Schedule 1A instructions).

Complete a separate Supplemental Schedule 1A for other operating costs, other maintenance costs, and other overhead costs associated with the washing facility. Describe and specify each expenditure item and amount. Retain receipts and invoices in your office, subject to audit. Sum the amounts of each expenditure on the Total line. Enter the total amount of the operations, maintenance, or overhead expenditures on Schedule 1A, line 7, 12, or 16, as appropriate.