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

Request to Exceed Regulatory Allowance Limitation Form ONRR-4393

OMB Control Number 1012-0005
Expires September 30, 2026

1 **ONRR USE**

RECEIPT DATE (MM/DD/CCYY) ____/____/____

DECISION DATE (MM/DD/CCYY) ____/____/____

PROJECT COMMENTS: _____

PROJECT NO. _____

UPDATE: ADD / CHANGE / DEACTIVATE (circle one)

APPROVED / DENIED / BOTH (circle one)

2 PAYOR CODE: _____

3 REPORTING PERIOD
FROM: _____ TO: _____

4 REQUEST TO EXCEED ALLOWANCE LIMIT FOR (circle one):

Oil Transportation (Federal)
Oil Transportation (Indian)
Gas Transportation (Federal)
Gas Transportation (Indian)
Gas Processing (Federal Only)

5 PAYOR NAME: _____

6 PAYOR ADDRESS: _____

_____

7 PAYOR CONTACT: _____

8 TELEPHONE: ( ) _____

ONRR USE 9 LINE NO.	10 A/D	11 LEASE NUMBER	12 AGREEMENT NUMBER	13 PROD CODE	14 SALES TYPE CODE	ONRR USE 15 A/C/D	16 LINE COMMENTS
1							
2							
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Paperwork Reduction Act of 1995 (PRA) Statement: The PRA (44 U.S.C. 3501 *et seq.*) requires us to inform you that we collect this information to ensure that royalties are paid properly. ONRR uses the information to determine whether the lessee qualifies for an exception to the allowance limitation regulations at 30 CFR part 1206. Responses are required to obtain a benefit. ONRR protects proprietary information under the standards that the 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 the Department regulations (43 CFR 2) establish. 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. ONRR estimates the public reporting burden for this form to average 58 hours per response, including the time for reviewing instructions, gathering and maintaining data, and completing and reviewing the form. Direct comments regarding the burden estimate or any other aspect of this form to the Office of Natural Resources Revenue, Attn: Rules & Regs Team, MS 61030A, PO Box 25165, Denver CO 80225-0165.

Request to Exceed Regulatory Allowance Limitation
Form ONRR-4393

General Instructions

Form ONRR-4393 is used by the reporter to ensure that ONRR receives the lease data required to make a decision on the request to exceed the regulatory allowance limitations by including the lease number, the agreement number (if applicable), the product code, and the sales type code for the product being processed or transported.

In accordance with 30 CFR 1206.109 for Federal oil, § 1206.156 for Federal gas, § 1206.54 for Indian oil, and § 1206.177 for Indian gas, your transportation allowance deduction at the sales type code level may not exceed 50 percent of the value of the oil, unprocessed gas, residue gas, or gas plant product. Upon request of a lessee, ONRR may approve a transportation allowance deduction in excess of the limitations. To receive this approval, the lessee must demonstrate that the transportation costs incurred in excess of the limitations were reasonable, actual, and necessary. Under no circumstances may an allowance reduce the value for royalty purposes under any individual contractual arrangement to zero. An application for exception (using form ONRR–4393, Request to Exceed Regulatory Allowance Limitation) must contain all relevant and supporting documentation necessary for ONRR to make a determination.

In accordance with § 1206.158 for Federal gas, the processing allowance deduction on the basis of an individual contractual arrangement may not exceed 66 2/3 percent of the value of each gas plant product (such a value to be reduced first for any transportation allowances related to postprocessing transportation authorized by § 1206.156). Upon request of a lessee, ONRR may approve a processing allowance in excess of the regulatory allowance limitation. The lessee must demonstrate that the processing costs incurred in excess of the regulatory allowance limitation were reasonable, actual, and necessary. An application for exception (using form ONRR–4393, Request to Exceed Regulatory Allowance Limitation) must contain all relevant and supporting documentation necessary for ONRR to make a determination. Please note that lessee’s on Indian lands are not allowed to exceed the regulatory processing allowance limit of 66 2/3 percent.

Line-by-Line Instructions

1. For ONRR use only.

2. Enter the payor code used to report royalties and allowance deductions on form ONRR-2014.

3. Enter the reporting period “From” and “To” dates in which the allowance reported on the form ONRR-2014 may exceed the regulatory allowance limitations. Note: If the lessee anticipates exceeding the regulatory limit for only certain months of the year, the lessee may submit a request with a reporting period that covers the entire year. The reporting period will begin the first day of the calendar year or when the transportation or processing contract begins, is modified or amended, and will end the last day of the calendar year or when the transportation or processing contract or rate terminates, is modified or amended whichever is earlier.

4. Circle the type of allowance for which you are requesting an exception to the regulatory limitations. Note: Only one type of allowance may be circled per form. Therefore, if the lessee is requesting to exceed the 50 percent regulatory allowance limitation for gas transportation and also requesting to exceed the 66 2/3 percent regulatory allowance limitation for Federal gas processing, then the lessee must submit two separate forms ONRR-4393.

5. Enter the payor name used to report royalties and transportation/processing deductions on form ONRR-2014.

6. Enter the payor address used to report royalties and transportation/processing deductions on form ONRR-2014.

7. Enter the payor contact name of the person who completed the form ONRR-4393.

8. Enter the telephone number of the payor contact listed above.

9. For ONRR use only. (Note: If the number of lease number/agreement number/product code/sales type code combinations being listed exceeds the number of lines on the form ONRR-4393, use additional forms ONRR-4393.)

10. For ONRR use only.

11. Enter the same lease number as reported on form ONRR-2014.

12. Enter the same agreement number as reported on form ONRR-2014.

13. Enter the same product code as reported on form ONRR-2014.

14. Enter the same sales type code reported on form ONRR-2014.

15. For ONRR use only.

16. For ONRR use only.