

**OIL AND GAS ROYALTY REPORT TO THE STATE OF MONTANA**

Please return completed form to the  
 Department of Natural Resources and Conservation  
 P. O. Box 201601, Helena MT 59620-1601

Montana State Lease # \_\_\_\_\_

Field \_\_\_\_\_

For Month of \_\_\_\_\_

Unit or P.A. \_\_\_\_\_

Description of the entire tract under this lease, or if the operator making this report has control of less than the entire lease, then the description of the land on which he has right to operate:

Township \_\_\_\_\_ Range \_\_\_\_\_ Section \_\_\_\_\_ ¼ of ¼ or lot \_\_\_\_\_ County \_\_\_\_\_

Commodity (i.e., Oil, Gas, Condensate) \_\_\_\_\_

Scale of Royalties: **Please see Reverse side of this form.**

	A	B	C	D	E	F	G	H
Names of wells or Unit Tracts	Total Production in BBL, MCF Or Gal	Royalty (LORI)	Tract Participation Factor for Units	Owners Interest Decimal (Royalty X Tract Factor)	Number of Bbls, MCFs or Gals due State in Royalty	Posted Field Price/BBL, MCF or Gal	Total Amount of All Sales	Total Value State's Royalty
	$G \times D = H$ $A \times D \times F = H$ $A \times F = G$ $A \times D = E$ $B \times C = D$ $G / A = F$							

(Authorized representatives of Lessee of record)

Company: \_\_\_\_\_

Check if:

Address: \_\_\_\_\_

Operator [ ]

By: \_\_\_\_\_

Purchaser [ ]

Title of: \_\_\_\_\_

Lessee [ ]

### **Royalty Schedule on Leases Issued Prior to March, 1983**

- A. On that portion of the average production of oil, or condensate from a gas well, for each producing well not exceeding 3,000 barrels for the calendar month, twelve and one half percentum (12½%).
- B. On that portion of the average production oil, or condensate from a gas well, for each producing well exceeding 3,000 barrels but not exceeding 6,000 barrels for the calendar month, seventeen and one half percentum (17½%).
- C. On that portion of the average production of oil, or condensate from a gas well, for each producing well exceeding 6,000 barrels for the calendar month, twenty-five percentum (25%).
- D. On the average production of gas, or associated gas from an oil well, for each producing well for the calendar month, twelve and one half percentum (12½%).

### **Royalty Schedule on Leases Issued After March, 1983**

- A. On the average production of oil or condensate from a gas well, for each producing well for the calendar month, thirteen percentum (13%).
- B. On the average production of gas, or associated gas from an oil well, for each producing well for the calendar month, twelve and one half percentum (12½%).

### **Royalty Schedule on Leases Issued Since September, 2005**

- A. On the average production of oil or condensate from a gas well, for each producing well for the calendar month, sixteen and 67/100ths percentum (16.67%).
- B. On the average production of gas, or associated gas from an oil well, for each producing well for the calendar month, sixteen and 67/100ths percentum (16.67%).

### **Time for Payment**

#### 36.25.217 OPERATIONS ON STATE LEASES

(6) On or before the last day of each month every holder of a producing oil or gas lease shall make a report to the department for the preceding calendar month on a form the department prescribes. The report shall show the amount of oil or gas produced and saved during the preceding month, the amount of oil and gas sold, the price obtained, the total amount of all sales, and additional information as required on the form. The reports shall be signed by the lessee or some responsible person having knowledge of the facts reported, and shall be accompanied by payment of the amount due the state as royalty for the month covered by the report, unless the state's royalty is being or has been paid direct by the purchaser of the production. When the lessee is required by the Oil and Gas Conservation Board to file a completion report (form 4) with the Board, he shall also file one copy of the completion report with the Department of Natural Resources and Conversation.

- Note: 1. Royalties are paid in addition to rentals and are free of all tax, costs and deductions.
2. Late royalties are subject to interest assessment.