



## Federal Royalties

### Minimizing Federal Royalty Liabilities for the Oil and Gas Industry

The oil and gas industry faces unique challenges related to reporting royalties for production on federal land and water. Frequent changes in the rules and guidelines set forth by the Office of Natural Resources Revenue (ONRR) make it difficult to maximize incentives and deductions while maintaining compliance and avoiding civil penalties.

Ryan's history of collaborating with ONRR has provided us a thorough understanding of complex royalty issues such as unbundling. With an established track record of delivering a high-quality work product that ONRR can trust, our clients experience more timely processing and disbursement of refunds. In addition, our relationship with ONRR has afforded us several opportunities to be at the forefront in the development of industry standards for unbundling.

Our industry knowledge, coupled with our understanding of widely used accounting systems, production systems, and ONRR's review processes, allows us to effectively assist clients in a non-intrusive fashion that maximizes the benefit to our clients. Let Ryan assist you in minimizing your royalty burden, decreasing your risk of civil penalties, and providing you with the additional capital you need to manage and grow your company.

### Winning Results for Ryan Clients

- \$45 million in transportation allowance refunds
- Turned an unbundling audit into a net credit scenario
- \$1.3 million volume/value discrepancy refund

Ryan's industry specialists understand your unique royalty challenges and market dynamics. Our custom royalty solutions for the oil and gas industry protect profitability and cash flow. Ryan represents 88% of the Fortune 500 oil and gas companies, while delivering more than \$1.3 billion in savings.



### Services

- Company-Owned Assets
- Third-Party Transportation Fees
- Third-Party Processing Fees
- Application of UCAs
- Volume/Value Adjustments
- Royalty Relief Wells
- Audit Defense
- Data Mining Inquiries

## Our Strength Is Our People

Ryan has the largest Severance Tax and Royalty practice in North America, with more than 40 professionals located in Houston and Calgary, and relationships with nearly every jurisdiction. Our experience is unmatched by any other national, regional, or local provider.

Our talented team includes former oil industry management and staff, governmental auditors, and certified public accountants. Our proven experience providing superior severance tax and royalty solutions to both integrated and non-integrated oil and gas companies is unmatched in the industry. We execute strategies that maximize every severance tax and royalty benefit to our clients, from incentive and deduction identification to audit resolution to compliance, ensuring maximum economic recovery.

## The Ryan Advantage

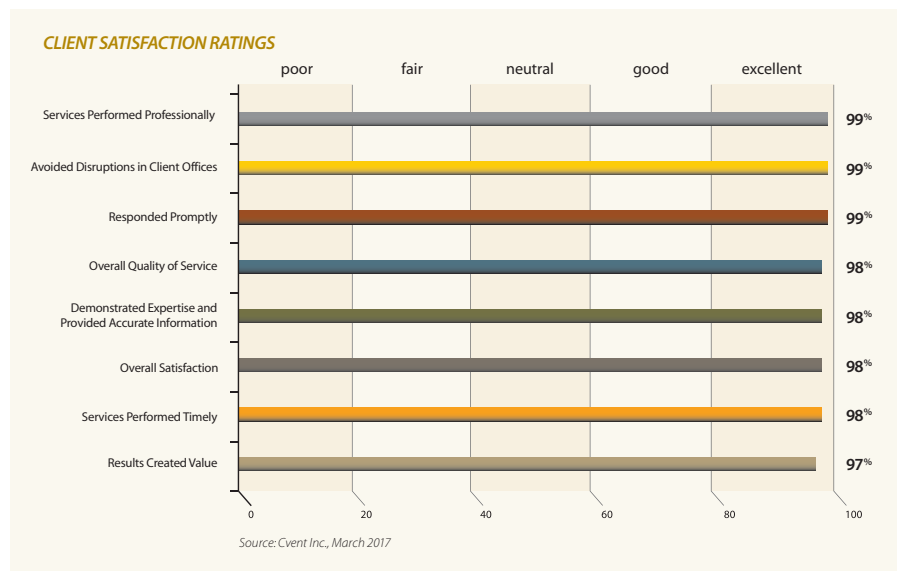
Ryan clients benefit from a single point of contact, transparent and responsive communication, and a thorough and credible approach to minimizing federal royalty liabilities. Our rigorous and multi-layered internal operating procedures ensure work quality and uniformity to help our clients manage and mitigate risks while achieving maximum royalty savings.

Ryan's commitment to client service means that our clients' priorities are our priorities. And our clients appreciate the difference our approach provides. In a recent independent client survey, our clients ranked us substantially above our competition. We were rated 98% in client satisfaction, accuracy, and technical competence, with a score of 99% in professionalism and avoiding disruptions while in client offices.



### Key Indicators of Opportunity

- Currently under audit
- Data mining requests
- Notices of Orders to Comply (NOCs)
- Significant company-owned assets
- Complex PA/CA/Unit agreements
- Complex gas sales contracts
- Asset acquisitions



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### Award-Winning Tax Services

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