TO: State Mineral and Energy Board Members

FROM: Rachel Boudreaux Newman, CPA
      Audit Director
      Mineral Income Division

DATE: June 8, 2022

AUDIT REPORT

As of May 31, 2022, field audit collections totaled $3,239,020.15, which includes $187,789.06 in royalty exceptions, $3,029,017.04 in interest, and $22,214.05 in penalties. During the month of May 2022, two audits were closed. The current number of open royalty audits is 45.

Royalties collected in May 2022 totaled $21,919,394.75. Fiscal Year to Date totaled $168,989,855.59, as compared to last year’s Fiscal Year to Date Royalties of $93,298,107.19 as of May 31, 2021.

Monthly state royalty reports submitted in May totaled 254, which include 87 SR1s for oil, 141 SR2s for gas, and 26 SR5s for plant products.

Items on the report are as follows:

1. Staff report to the Board that the election for June 2022 gas royalty is to be paid on a processed basis at the Discovery Plant at Larose and the Sea Robin Plant at Henry per the terms of the State Texaco Global Settlement Agreement.