

DISCLAIMER FOR ONRR UNBUNDLING WEBSITE

Non-Arm's-Length Agreements

Lessees transporting and processing Federal and Indian natural gas under **non-arm's-length agreements** are obligated to comply with the regulations for claiming allowances for transportation and processing costs, including [30 CFR §§ 1206.157\(b\)](#) and [1206.159\(b\)](#) (*Federal*) and [30 CFR §§ 1206.178\(b\)](#) and [1206.180\(b\)](#) (*Indian*). In this case, lessees must base their transportation and processing allowance on their reasonable actual costs and may not use the values posted on this website.

Arm's-Length Agreements

Lessees transporting and processing Federal and Indian natural gas under **arm's-length agreements** are obligated to comply with the regulations for claiming allowances for transportation and processing costs, including [30 CFR §§ 1206.157\(a\)](#) and [1206.159\(a\)](#) (*Federal*) and [30 CFR §§ 1206.178\(a\)](#) and [1206.180\(a\)](#) (*Indian*). When a lessee pays a bundled rate under an arm's-length contract, the lessee must unbundle that rate in order to comply with the regulations. A lessee may use the Unbundling Cost Allocations (UCAs) posted on this website as a means of unbundling.

ONRR provides the UCAs on this website based on the best information available to ONRR at the time of publication. If ONRR receives more accurate information, then ONRR will update and modify the UCAs. You may use these UCAs *as estimates* for later time periods until such time as ONRR provides updated information. When ONRR updates or modifies information you may be subject to additional royalty obligations, or a credit, and associated interest under the provisions at [30 CFR §§ 1206.156\(d\)](#) (for transportation allowances) and [1206.158\(e\)](#) (for processing allowances). When ONRR updates the UCAs for a specific year you should adjust previously submitted royalty lines only for that specific year. Do not change previously reported data until ONRR publishes actual values. You should use the most recent UCAs as estimates for future reporting months.