

Mineral Proceeds

The abandonment period for unclaimed mineral proceeds is three years and commences on the date you were first unable to make payment to the owner because you had lost contact. This could be the date of an uncashed check, the date of a returned check or the date the owner's funds are put into suspense because the whereabouts are unknown.

Do not report owners who are in suspense for legal or other such reasons if you have contact with them.

The letter requirement (due diligence) applies only to property that is being reported on your annual report for the first time. Once a letter has been mailed to a missing owner, the due diligence requirement has been satisfied. Letters are not required for ongoing production once the owners have been reported to the state.

Wyoming is considered a **Current Pay State** for unclaimed property reporting. This means the first time you report a missing owner, you remit the total net amount you are holding for that owner, as of the date of your remittance, even though the three-year abandonment period may not have run on the entire balance they are owed.

Once an owner has been listed on a report, do not include continuing payments due on the same property in subsequent years' reports. See below for instructions for remitting continuing payments due an owner.

Property that must be remitted is not limited to royalties held in suspense. You must also review your records for abandoned working interests, delay rentals, overriding royalties, etc. Your revenue accounting department may have information on returned or uncashed checks for owners not yet in suspense.

Special Rules for Wyoming Production: Wyoming law provides that dormant mineral proceeds from Wyoming production be reported and remitted to the Wyoming Unclaimed Property Division if: (1) the last known address is in this state; (2) the records do not reflect the last known address but it is established that the last known address is in this state; (3) there is no last known address but the holder is domiciled in the state; OR (4) the mineral interest is located in this state AND the last known address is in a state that has no provision for this type of property OR the last known address is unknown and the holder is a domiciliary of a state that does not have a provision for this type of property. Please refer to Wyoming Statute 34-24-117 for further details.

Unclaimed mineral proceeds are to be escrowed when the ownership is disputed or the account is in litigation.

Please Note: The Unclaimed Property Division's Tax Id Number is 83-0208667.

This number and the Unclaimed Property Division's address should only be used for generating and mailing current production payments for the benefit of the missing owner. Do not update the owner's permanent records by overwriting their social security number or last known address with the State of Wyoming Unclaimed Property Division's number and address.

General rules for reporting mineral proceeds

- Do not aggregate mineral proceeds. List all names on your initial report, so that *subsequent payments* you make to the Unclaimed Property Division for ongoing production can be credited to the correct owner.
- Do not include an owner of one or more wells or leases on your report if the cumulative *net amount* owed is a negative amount.
- Do not reduce the total amount due for all owners by subtracting the owners with a negative balance.

- Remit the total net amount you are holding for the owners as of the date of your remittance to the Unclaimed Property Division, even though the three-year abandonment period may not have run on the entire balance due the owner, as long as the oldest payment due is more than three years old.

- Each owner should be listed only once on your report with the net amount due that owner for all leases/wells combined in one total.

- When reporting, please include the owner number you use to identify an individual in your records. This number should be included on the report as well as all ongoing payments to the Unclaimed Property Division to aid in the claims process. Additionally, please include the lease name(s) and well name(s) on the report if possible.

Continuing payments due owner

After you have remitted money on behalf of a missing owner, any additional amounts that accrue in subsequent years should be submitted as follows:

1. Current production payments should not be accompanied by a report form, nor should that owner be reported again on a subsequent report.

Do not commingle newly-reported owners with those previously reported.

2. Payments should be sent on whatever time basis you use to pay other owners - monthly, quarterly, or *annually in the case of minimum amounts*. Remit only one check per year if an owner is due less than \$25.
3. One check for the total due all owners is required. Your check should be accompanied by supporting detail providing the dollar amount due each owner, with all owners identified by name and owner number as they appeared on your initial report. Please provide the *grand total due each owner*, even though they may have more than one interest.

NOTE: If the *net* total due an owner for all leases is a negative amount, you may not recover production costs by deducting negative amounts from the total amount you are remitting for other missing owners.

4. If you sell or otherwise transfer a lease, or someone else assumes responsibility for paying owners, please inform us of the new lease owner or payor with your final payment.
5. Do not continue to send current production payments to our office for any owner that has contacted you.

Other types of property which must be reported by oil and gas companies

Oil and gas companies are required to report other types of property besides mineral proceeds. Examples of other property types held by corporations are securities and securities-related cash, expense checks, vendor checks, employee wages (one-year abandonment period), and miscellaneous outstanding checks.

Need Assistance?

Please contact the Wyoming Unclaimed Property Division at:

307-777-5590
upreports@wyo.gov