

EIA-182 DOMESTIC CRUDE OIL FIRST PURCHASE REPORT INSTRUCTIONS

1. QUESTIONS?

If you have any questions about Form EIA-182 after reading the instructions, please call our toll free number 1-800-638-8812. Firms located in Maryland should call (301) 495-8440.

2. PURPOSE

The Energy Information Administration (EIA) Form EIA-182, "Domestic Crude Oil First Purchase Report," is designed to collect data on both the average cost and volume associated with the physical and financial transfer of domestic crude oil off the property on which it was produced. The monthly reported data represent the initial market value and volume of domestic crude oil production. The primary statistic is the weighted average wellhead price for selected domestic crude oil streams aggregated by State. First purchase volumes are used also in generating estimates of domestic crude oil production. Since the purpose of this report is statistical, definitions vary unavoidably from those of some State agencies whose purpose is strictly fiscal or regulatory (see Definitions).

Data are used by the Department of Energy (DOE) in reviewing the supply, demand, quality, and price changes of crude oil. The average wellhead price(s) are published in the *Petroleum Marketing Monthly*, the *Petroleum Marketing Annual*, the *Monthly Energy Review*, and the *Annual Energy Review*. First purchase volume data are published in the *Petroleum Supply Monthly* and the *Petroleum Supply Annual*. The data are used elsewhere in Federal and State agencies in statistics, data verification, fiscal planning and administering certain income tax credit provisions. In the private sector, the data are used in economic forecasts, market analyses, and refinery operations modeling.

3. WHO MUST SUBMIT

The Form EIA-182 is mandatory pursuant to Section 13(b) of the Federal Energy Administration Act of 1974 (Public Law 93-275) and must be completed by any firm that assumes (or retains) ownership of domestic crude oil as it leaves the lease on which it was produced.

Section 9 explains the possible sanctions for failing to report.

4. WHEN TO SUBMIT

The data collected on Form EIA-182 must be submitted to EIA no later than 30 calendar days after the close of each reporting month. For example, the March 2004 report is due no later than April 30, 2004.

5. WHERE TO SUBMIT

Survey forms may be submitted by facsimile, e-mail, electronic transmission, or mail.

Fax completed forms to: **(301) 495-8483**

E-mail completed forms to: OOG.SURVEYS@eia.doe.gov

Secure File Transfer forms to:

<https://idc.eia.doe.gov/upload/noticeoog.jsp>

Electronic Transmission: The PC Electronic Data Reporting Option (PEDRO) is a Windows-based application that will enable you to enter data interactively, import data from your own database, validate your data online, and transmit the encrypted data electronically to EIA via the Internet or a dial-up modem. If you are interested in receiving this free software, contact the Electronic Data Collection Support Staff at **(202) 586-9659**.

Mail completed forms to:

Energy Information Administration, EI-45
U.S. Department of Energy
P.O. Box 8279
Washington, D.C. 20077-0039
Attn: EIA-182

6. COPIES OF SURVEY FORMS, INSTRUCTIONS AND DEFINITIONS

Copies in portable document format (PDF) and spreadsheet format (XLS) are available on EIA's website at:

www.eia.doe.gov/oil_gas/petroleum/survey_forms/pet_survey_forms.html

You may also access the materials by following the steps below:

- Go to EIA's website at www.eia.doe.gov
- Place a cursor on *By Fuel* near the center of the page and click on *Petroleum* from the drop down menu
- Click on *Survey Forms* on the left side of the page
- Select the materials you want.

Files must be saved to your personal computer. Data cannot be entered interactively on the website.

7. HOW TO COMPLETE THE SURVEY FORM

Basis for Reporting

Report all domestic crude oil to which your firm takes (or retains) title (including arms-length transfers between affiliated firms) when the oil leaves the lease (or property) on which it was produced. The average cost and volume at this point constitute the "first purchase." (See definition of "first purchase.")

Report EIA-182 data on an equity basis in terms of the accounting system of the firm as historically recorded and consistently applied. If a firm's historical method of accounting for crude oil calls for its accounting records to be closed on a particular date each month, only the information available at that time and recorded in the firm's accounting records (i.e., "booked") is to be included in the reports filed for that reporting month.

Exceptions to the reporting provisions covered in this instruction will be granted by EIA only as needed on a case-by-case basis.

Resubmissions

Resubmissions are required if it is found that previously reported volumetric or cost data are in error by more than five percent ($\pm 5\%$). Each resubmission will establish a new base to which the five percent threshold would be applied in determining whether subsequent resubmissions are required. That is, in applying the five percent criterion, the sum of all changes to the previously reported cost or volume data should be used. Resubmissions should be submitted within 120 days after the end of the reporting month.

To file a resubmission, complete and attach a copy of Part I and II to the regular monthly submission. Complete separate submissions for each reporting month in which State/Production area data exceed the threshold. Enter only the full corrected values for cost and volume, not the net (plus or minus) change.

Prior-Period Accounting Adjustments

The purpose of the EIA-182 form is to gather purchase volumes and costs associated with current period activities for statistical and analytical purposes. Therefore, material accounting adjustments associated with prior-period purchases should not be included. Consistent with the resubmission criteria, EIA establishes that a five percent ($\pm 5\%$) change in any reported current period volumes or cost due to prior-period adjustments are material.

If the adjustments are traceable to a specific reporting month and would change previously reported data by more than the five percent threshold, file a resubmission in accordance with the instruction given above. Prior-period adjustments that do not change current data more than five percent (5%) may be included with current month data.

Reported Data

Report average cost per barrel and total volume purchased for requested crude oil streams purchased in a State. Any crude oil purchased that does not fall in a named crude oil stream should be reported in the State's "Other" category. Any crude oil purchased in States for which no specific streams are requested should be reported in the State's "Miscellaneous" category.

The average cost includes any taxes and bonuses or discounts applicable to the sale. Report all volumes, less (net of) basic sediment and water (BS&W), corrected to 60 degrees Fahrenheit. All entries should be positive values (no negative costs or volumes) in dollars per barrel (\$/bbl) or 42 - U.S. gallon barrels, respectively. If first purchases were not made during the reporting period, simply enter zero (0) for "Total" (code 72).

Geographical Coverage

All crude oil produced within the 50 States and the District of Columbia, including the Outer Continental Shelf (OCS), is defined as domestic crude oil and subject to the reporting provision of Form EIA-182. In addition, the entire North Slope, including Kuparuk, is reported separately from the remainder of the Alaskan southern mainland. The State/Production areas are listed in Appendix A together with the appropriate two-character alpha codes.

Report offshore production according to legal jurisdiction. Production within the jurisdiction of the State Governments (i.e., 3 statute miles for all States except Florida and Texas, where the limit is 3 marine leagues), shall be reported as mainland first purchases. If the production is outside the jurisdiction of the State Governments, report the location of purchase as the OCS. (The U.S. Government exercises control over the OCS out to the 200-mile limit through the Minerals Management Service (MMS) of the Department of Interior.) For purposes of reporting on this form, the OCS is divided into two production areas: California Coast (CC) and Gulf Coast (GC) - off Louisiana and Texas. Report all U.S. royalty crude oil (in-value and in-kind) originating from either OCS areas as the CC or GC, regardless of point of delivery and/or sale.

PART I. IDENTIFICATION INFORMATION

Enter the numeric codes for the year and month of the reporting period.

Enter the 10-digit identification number.

Enter respondent identification information.

Enter the date this report is being filed.

Indicate if form is a resubmission. If so, show the reporting period for which previously reported data need to be revised. (See "Resubmissions")

In the space entitled, "Comments," please note any significant facts about the reported data that may explain any large changes from previous month's reported data. Please make note if the reported data include prior period adjustments.

PART II. CRUDE OIL FIRST PURCHASES

Enter the numeric codes for the year and month of the reporting period.

Enter the 10-digit number assigned to the reporting firm for this survey.

Report all first purchases of each crude oil stream during the reporting period by the State/ Production area in which the purchased oil was produced.

Enter the average cost per barrel paid for the first purchases of the crude oil stream in the reporting month. Report in \$/bbl.

Enter the total volume of the first purchases of the crude oil stream in the reporting month. Report in actual barrels. If first purchases were not made during the reporting period, simply enter zero (0) for "Total" (code 72).

First purchases that do not fit in any other State/Production Area should be placed on code 71, "OTHER STATE/AREA." Enter the appropriate State postal abbreviation in the parentheses (Refer to Appendix A).

Report the average cost paid per barrel and total volume for all first purchases of domestic crude oil in all State/Production areas during the reporting period. If first purchases were not made during the reporting period, simply enter zero (0) for the "Total (code 72)."

8. PROVISIONS REGARDING CONFIDENTIALITY OF INFORMATION

The information reported on Form EIA-182 will be kept confidential and not disclosed to the public to the extent that it satisfies the criteria for exemption under the Freedom of Information Act (FOIA), 5 U.S.C. §552, the DOE regulations, 10 C.F.R. §1004.11, implementing the FOIA, and the Trade Secrets Act, 18 U.S.C. §1905. The Energy Information Administration (EIA) will protect your information in accordance with its confidentiality and security policies and procedures.

The Federal Energy Administration Act requires the EIA to provide company-specific data to other Federal agencies when requested for official use. The information reported on this form may also be made available, upon request, to another component of the Department of Energy (DOE); to any Committee of Congress, the General Accounting Office, or other Federal agencies authorized by law to receive such information. A court of competent jurisdiction may obtain this information in response to an order. The information may be used for any nonstatistical purposes such as administrative, regulatory, law enforcement, or adjudicatory purposes.

Disclosure limitation procedures are applied to the statistical data published from EIA-182 survey information to ensure that the risk of disclosure of identifiable information is very small.

9. SANCTIONS

The timely submission of Form EIA-182 by those required to report is mandatory under Section 13(b) of the Federal Energy Administration Act of 1974 (FEAA) (Public Law 93-275), as amended. Failure to respond may result in a civil penalty of not more than \$2,750 per day for each violation, or a fine of not more than \$5,000 per day for each criminal violation. The government may bring a civil action to prohibit reporting violations which may result in a temporary restraining order or a preliminary or permanent injunction without bond. In such civil action, the court may also issue mandatory injunctions commanding any person to comply with these reporting requirements.

10. FILING FORMS WITH FEDERAL GOVERNMENT AND ESTIMATED REPORTING BURDEN

Respondents are not required to file or reply to any Federal collection of information unless it has a valid OMB control number. Public reporting burden for this collection of information is estimated to average 4.3 hours per response, including the time of reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information including suggestions for reducing this burden to: Energy Information Administration, Statistics and Methods Group, EI-70, 1000 Independence Avenue, S.W., Washington, D.C. 20585; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C.

11. DEFINITIONS

Average Cost - Total cost of first purchases of a crude stream during the reference month divided by the total volume purchased; also known as the weighted average cost. Total cost includes any taxes and bonuses or discounts applicable to the sale.

Crude Oil - A mixture of hydrocarbons that exists in the liquid phase in natural underground reservoirs and remains liquid at atmospheric pressure after passing through surface separating facilities. Depending upon the characteristics of the crude stream, it may also include:

- a. Small amounts of hydrocarbons that exist in gaseous phase in natural underground reservoirs but are liquid at atmospheric pressure after being recovered from oil well (casinghead) gas in lease separators and are subsequently commingled with the crude stream without being separately measured;
- b. Small amounts of nonhydrocarbons produced with the oil, such as sulfur and various metals; and
- c. Drip gases, and liquid hydrocarbons produced from tar sands, gilsonite, and oil shale.

Liquids produced at natural gas processing plants are excluded. Crude oil is refined to produce a wide array of petroleum products, including heating oils; gasoline, diesel and jet fuels; lubricants; asphalt; ethane, propane, and butane; and many other products used for their energy or chemical content.

Domestic Crude Oil - Produced in the United States including the Outer Continental Shelf (OCS). Refer to "Geographical Coverage" on page 2 of these instructions.

Firm - An association, company, corporation, estate, individual, joint venture, partnership, or sole proprietorship, or any other entity, however organized, including: (a) charitable or educational institutions; (b) the Federal Government, including corporations, departments, Federal agencies and other instrumentalities; and (c) State and local Governments.

A firm may consist of (1) a parent entity, including the consolidated and unconsolidated entities (if any) that it directly or indirectly controls; (2) a parent and its consolidated entities only; (3) an unconsolidated entity; or (4) any part or combination of the above. Reporting by parent companies is preferred to minimize the possibility of double-counting or under-reporting.

- a. **Parent and its Consolidated Entities** - A parent and those firms (if any) directly or indirectly controlled by the parent which are consolidated with the parent for purposes of financial statements prepared in accordance with generally accepted accounting principles historically and consistently applied. An individual shall be deemed to control a firm which is directly or indirectly controlled by him/her or by his/her father, mother, spouse, children or grandchildren.
- b. **Unconsolidated Entity** - A firm directly or indirectly controlled by a parent but not consolidated with the parent for purposes of financial statements prepared

in accordance with generally accepted accounting principles. An unconsolidated entity includes any firm consolidated with the unconsolidated entity for purposes of financial statements prepared in accordance with generally accepted accounting principles historically and consistently applied. An individual shall be deemed to control a firm which is directly or indirectly controlled by him/her or by his/her father, mother, spouse, children, or grandchildren.

- c. **Parent and Affiliated Firms** - A parent and those firms which are its (a) consolidated and (b) unconsolidated entities.

First Purchase (of crude oil) - An equity (not custody) transaction commonly associated with a transfer of ownership of crude oil associated with the physical removal of the crude oil from a property for the first time (also referred to as a lease sale). A first purchase normally occurs at the time and place of ownership transfer where the crude oil volume sold is measured and recorded on a run ticket or other similar physical evidence of purchase. The volume purchased and the cost of such transaction shall not be measured farther from the wellhead than the point at which the value for landowner royalties is established, if there was a separate landowner.

Special Cases:

- a. **Transfers Between Affiliated Companies** - Shall be defined to occur as if in arms-length transactions.
- b. **Transfers on the Alaska North Slope** - Shall include all crude oil fed into the Trans-Alaskan Pipeline. All such crude oil shall be reported as a first purchase at Pump Station Number One on the Trans-Alaskan Pipeline, and the first purchase price shall include all transportation and gathering charges to that point.
- c. **Transfers Involving Naval Petroleum Reserve (NPR)** - Shall be reported as a first purchase if the crude oil is purchased from either (1) a commercial producer/operator on the NPR (but not the USG per se) or (2) the USG (DOE) selling NPR royalty crude oil.
- d. **Transfers Involving U.S. Offshore Properties** - Shall be reported as a first purchase if the crude oil is purchased from either (1) a commercial producer/operator including the royalty-in-value portion or (2) the USG (Minerals Management Service) selling the royalty-in-kind portion. In all cases, the total amount paid for first purchases shall exclude transportation costs to the mainland. Purchases from production outside the three (3) mile limit shall be reported as Gulf Coast (GC) or California Coast (CC). Purchases from production in State waters within the three (3) mile limit shall be reported as Louisiana or Texas (LA or TX) or California (CA), respectively.
- e. **Transfers Involving Gulf Coast Lease or Plant Condensate** - Shall be reported as crude oil first purchases from the Gulf Coast (GC) even if condensate is shipped to the mainland from offshore in the gas (as opposed to crude) stream. Report the

value and volume allocated back to the platform for royalty accounting purposes.

- f. **Crude Oil Consumed on the Lease** - Shall not be reported as part of a first purchase if it remains on the lease or property on which it was produced. This includes any crude oil which is reinjected into the field (and subject to recovery at a later date). Any crude oil obtained from other leases or properties for consumption or reinjection is subject to reporting as a first purchase, as defined.
- g. **Sales/Resales on the Lease** - Shall not be reported as first purchases so long as the crude oil physically remains on the lease. Only the equity transaction which entails delivery off the lease is reported as the "first" purchase.

First Purchase Price - The actual amount paid by the first purchaser for crude oil as it leaves the lease on which it was produced. Any adjustments to posted prices, including adjustments for quality and premiums/bonuses to reflect market conditions (e.g., transportation bonuses), shall be reflected in the first purchase price. This specifically includes transportation bonuses whereby the seller assumes some or all of the first purchaser's transportation costs. The first purchase price will be reported directly as the first purchase average cost. Hence, any price adjustments will be reported as adjustments to the first purchase average cost.

First Purchaser - A firm that acquires ownership of domestic crude oil by a first purchase transaction. Physical custody of the crude oil is not a prerequisite. In the case of multiple owners, only one firm should report to avoid double-counting.

If there is any question as to who should report as the "first purchaser" contact EIA directly at the phone number listed in Section 1 of these instructions.

In "buy-sell" transactions, the buyer shall be the first purchaser and shall submit Form EIA-182, whether the seller retains ultimate control of the "wet" barrel or holds the basic division order and pays the producer(s). If this provision requires a change in who should and who should not report first purchases, EIA shall be so informed by both firms involved to assure no double-counting or under-reporting.

Lease Condensate - A mixture consisting primarily of pentanes and heavier hydrocarbons which is recovered as a liquid from natural gas in lease separation facilities. This category excludes natural gas liquids, such as butane and propane, which are recovered at downstream natural gas processing plants or facilities.

Prior-Period Adjustments - Current period accounting entries (either average costs or total volumes or both) which are associated with first purchases that occurred in a month prior to the current reporting period.

Reporting Month - The calendar month for which the current EIA-182 report is submitted. The "reporting month" is the accounting month in which the data were booked. In most cases, the "reporting month" will also be the month in which the run ticket (or equivalent) is dated.

Stream - Crude oil produced in a particular field or a collection of crude oils with similar qualities from fields in close proximity, which the petroleum industry usually describes with a specific name, such as West Texas Intermediate.

APPENDIX A

ALPHA CODES FOR STATE AND PRODUCTION AREAS

STATES/PRODUCTION AREAS	CODES	STATES/PRODUCTION AREAS	CODES
Alabama	AL	Montana	MT
Alaska - North Slope	AN	Nebraska	NE
Alaska - South (incl. State waters)	AS	Nevada	NV
Arizona	AZ	New Mexico	NM
Arkansas	AR	New York	NY
California - Mainland (incl. State waters)	CA	North Dakota	ND
California - OCS	CC	Ohio	OH
Colorado	CO	Oklahoma	OK
Florida	FL	Pennsylvania	PA
Gulf Coast - OCS (off Louisiana & Texas)	GC	South Dakota	SD
Illinois	IL	Tennessee	TN
Indiana	IN	Texas - Mainland (incl. State waters)	TX
Kansas	KS	Utah	UT
Kentucky	KY	Virginia	VA
Louisiana - Mainland (incl. State waters)	LA	West Virginia	WV
Michigan	MI	Wyoming	WY
Mississippi	MS	Other	Applicable postal code
Missouri	MO		