

## **Instructions for Completing the OSM-1 Form**

### **General Information**

The permittee/operator is required to pay a reclamation fee on each ton of coal produced for sale, transfer, or use including reclaimed coal and the products of in situ mining. The fee shall be determined by the weight and value of the coal at the initial bona fide sale, transfer of ownership or use by the permittee/operator.

A weight reduction may be taken for excess moisture (the calculated difference between the inherent moisture in the coal at the time of production and the total moisture present in the coal at the point of fee assessment). Standard laboratory tests must be used to establish inherent and total moisture.

If the permittee/operator combines surface-mined coal (including reclaimed coal) with underground mined coal before the coal is weighed for fee purposes, the higher reclamation fee shall apply, unless the amount of coal produced by each mining method can be substantiated through acceptable engineering calculations or other requirements from the Director, OSM.

### **Preparation Instructions**

Complete an OSM-1 form after every calendar quarter. All permit numbers being reported can be included on this OSM-1 form. Part 1 must be signed and notarized after completion of all parts of the OSM-1 form. If mining has not started or production has temporarily ceased, you are required to complete the OSM-1 form showing zero production for the quarter.

If pre-printed information is incorrect or missing, make corrections or additions in red above the pre-printed line. If the permit has been transferred, attach the bond release or transfer approval document, indicating you are no longer the permittee.

Submit the OSM-1 form(s) within 30 days after the end of the quarter along with a check, money order or electronic fund transfer (\$25,000 or greater) for the appropriate amount to cover all reclamation fees. Do not send cash. Make your check or money order payable to the Office of Surface mining Reclamation and Enforcement. Use the enclosed envelope to send the OSM-1 form (Parts 1, 2 and 3) and reclamation fee to:

Office of Surface Mining  
P. O. Box 360095M  
Pittsburgh, PA 15251

### **OSM-1 Instructions (Part 1)**

1. Check the correct quarter and complete the year. The inclusive permit numbers for this report are displayed here. The OSM document number is displayed on the top right corner of Part 1.
2. An authorized official must certify, sign and date this box.
3. A Notary Public must complete the certification in this box.
4. Enter the name and phone number of someone OSM can contact with questions about this report. The Reporting Entity number is supplied by OSM. Indicate if payment is being made with a check or via electronic fund transfer. Include the Reporting Entity Number and the OSM Document Number on the check or electronic fund transfer.
5. Enter the total amount of the check or electronic fund transfer for the attached permit numbers.

### **OSM-2 Instructions (Part 2)**

6. Check the correct quarter and complete the year.

7. The permit number is assigned to the producing mine by the State. If the Federal Government issued the permit, the Federal permit number will appear here.

- a. The Mine Safety Health Administration (MSHA) assigns this number.
- b. Enter the county where the mine is located. If the mine is located on Indian land, enter the Tribe name.
- c. Check this box if mining is complete and attach the concurring State inspection report.
- d. Check this box if all stockpiles have been sold, used or transferred and tons have been reported.
- e-j. Permittee and operator names, addresses and Taxpayer Ids. The Taxpayer ID is your Employer Identification Number (EIN). When an EIN does not exist, your Social Security number may be provided as a Taxpayer ID.

8. Three fee computation blocks are provided to record tonnage with one or all of the following:

- No moisture deduction,
- Tonnage with an excess moisture deduction and/or
- Tonnage at a reduced rate

If the permit contains more than one coal seam, calculate only one excess moisture block using the weighted average method.

See excess moisture examples in your AML Payer Handbook for more details.

- a. Gross tons includes coal sold, used or transferred during the calendar year.

b. Definition of Terms:

(1) Total Moisture (TM)- Moisture determined as the loss in weight in an air atmosphere under rigidly controlled conditions of temperature, time and air flow.

(2) Inherent Moisture (IM) - Moisture that exists as an integral part of the coal seam in its natural state, including water in pores, but not that present in macroscopically visible fractures.

(3) Excess Moisture (EM)

- 1. Calculate excess moisture percentage using one of these equations.

$$EM = TM - IM$$

Or

$$EM = TM - \left( IM * \frac{100 - TM}{100 - IM} \right)$$

Moisture is limited to four decimal places, that is, 2.1234%.

- c. Reduced tons equals gross tons multiplied by the excess moisture percentage (a x b(3) = c).
- d. Net tons equals gross tons minus reduced tons (a - c = d).
- e. Definition of net value Total revenue from coal sold divided by the net tons (d).

If the gross value of surface-mined anthracite, bituminous or subbituminous coal is \$3.50 per ton or more, the fee is 35 cents per ton; if less, the fee is 10 percent of the net value for each ton if an excess moisture deduction is taken or 10 percent of the gross value for each ton if no excess moisture deduction is taken.

If the gross value of underground-mined anthracite, bituminous or subbituminous coal is \$1.50 or more, the fee is 15 cents per ton; if less, the fee is 10 percent of the net value for each ton if an excess

moisture deduction is taken or 10 percent of the gross value for each ton if no excess moisture deduction is taken.

If the value of lignite coal is \$5.00 per ton or more, the fee is 10 cents per ton; if the value is less, the fee is 2 percent of the net value of each ton if an excess moisture deduction is taken or 10 percent of the gross value for each ton if no excess moisture deduction is taken.

Documentation listing the invoice number, tonnage, and revenue must be attached when a rate is claimed other than the standard rates. Computation of the tonnage rate must be by weighted average by quarter.

- f. The calculated fee equals rate multiplied by net tons (d x e = f).

- 9. Enter the total fee for this permit number (the sum of each fee computation in 8,f).

**OSM-1 Instructions (Part 3)**

- 10. Indicate the applicable quarter and year for this report.

- 11. If the Permit, Mine Name, County or State are incorrect, please change them.

12. List the names and addresses of any person or entity owning 10 percent or more of the mineral estate for this permit. If no single mineral owner meets the 10 percent rule, report the largest single mineral owner. Mineral owners include those with legal ownership of the coal. Also, mineral owners include those who have the right to extract the coal and to receive the economic benefits normally associated with ownership of the coal, such as payment for the value of the coal.

- 13. Purchaser of coal is defined as those persons or entities who purchased 10 percent or more of the production from a given permit. If no single purchaser meets the 10 percent rule, report the largest single purchaser.

Indicate the type of facility where the coal is delivered: prep plant, tipple, loading point. List the names and addresses of facilities where 20 percent or more of the coal was delivered. If no single facility meets the 10 percent rule, report the largest single delivery point.

**Amended OSM-1**

If you must make changes to the tonnage calculation after the OSM-1 has been submitted, complete an "Amended OSM-1" form, and send it to the address shown on the form. To request an "Amended OSM-1" form, please call the hotline number at 1-800-799-4265 X325.

**Paperwork Reduction Act Statement**

This information is being collected to comply with the regulatory requirements of 30 CFR 870.15(b) which requires each operator to use mine report OSM-1 form to report the coal tonnage sold, used or ownership transferred during the applicable calendar quarter. Response to this request is mandatory in accordance with Section 402(a) of the Surface Mining Control and Reclamation Act of 1977, 30 USC 1232.

**Burden Estimate**

Public reporting burden for this form is estimated to average 16 minutes to complete the hardcopy form, or 5 minutes electronically, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the form. Submit comments regarding this burden estimate or other aspects of this form to: Information Collection Clearance Officer, Office of Surface Mining, 1951 Constitution Avenue, N.W., Room 210, Washington, D.C. 20240

You are not required to respond to this collection of information unless it displays a current, valid OMB control number  
Approved by OMB, No. 1029-0063 Expires 06/06

U.S. Department of the Interior, Office of Surface Mining Reclamation and Enforcement

**Part 1 -- OSM-1  
Coal Reclamation Fee Report**

1. Reporting for \_\_\_1st, \_\_\_2nd, \_\_\_3rd or \_\_\_4th quarter,  
This certification covers the following permit number(s):

2. I hereby certify that the statements made herein are true, complete and correct to the best of my knowledge and belief and are made in good faith.

\_\_\_\_\_  
Print in ink or type the name of reporting person, corporate officer, agent or director on behalf of the operator or the permittee.

\_\_\_\_\_  
Signature Date

3. Subscribed and sworn to before me in my presence the  
\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Public signature

My commission expires \_\_\_\_\_

4. Contact person: \_\_\_\_\_  
Telephone number ( ) \_\_\_\_\_  
Email Address (if available) \_\_\_\_\_  
Reporting entity number \_\_\_\_\_  
Check one \_\_\_\_\_ electronic funds transfer  
\_\_\_\_\_ check

5. Total payment

\$ \_\_\_\_\_

Postmark by

Title 30 U.S.C. Section 1232 provides that any person, corporate officer, agent or director, on behalf of a coal mine operator who knowingly makes any false statements, representation or certification, or knowingly fails to make any statement, representation or certification required in this section shall, upon conviction, be punished by a fine of not more than \$10,000, or by imprisonment for not more than one year or both.

U.S. Department of the Interior, Office of Surface Mining Reclamation and Enforcement

**Part 1 -- OSM-1 Continued**

REPORTING ENTITY

**Coal Reclamation Fee Report**

Reporting for \_\_\_ 1st, \_\_\_ 2nd, \_\_\_ 3rd or \_\_\_ 4th quarter,

**This certification covers the following permit number(s)**

## Part 2 -- Coal Reclamation Fee Report, OSM-1

You must fill out a Part 2 and Part 3 for each permit number you are reporting.

6. Reporting for \_\_\_ 1st, \_\_\_ 2nd, \_\_\_ 3rd or \_\_\_ 4th quarter,

7. Permit Number \_\_\_\_\_ Mine Name \_\_\_\_\_ State \_\_\_\_\_

a. MSHA number _____	e. Permittee name _____	h. Operator name _____
b. County _____ Tribe _____	f. Address _____	i. Address _____
c. <input type="checkbox"/> <b>MINING COMPLETE</b> <small>Include inspection report, if available</small>		
d. <input type="checkbox"/> All stockpile reported	g. Taxpayer I.D. _____	j. Taxpayer I.D. _____

### 8. Fee Computation

a. Gross tons _____	a. Gross tons _____	a. Gross tons _____
b. Moisture	b. Moisture	b. Moisture
(1) total _____ %	(1) total _____ %	(1) total _____ %
(2) inherent _____ %	(2) inherent _____ %	(2) inherent _____ %
(3) excess _____ %	(3) excess _____ %	(3) excess _____ %
c. Reduced tons _____	c. Reduced tons _____	c. Reduced tons _____
d. Net tons _____	d. Net tons _____	d. Net tons _____
e. Rate \$ _____	e. Rate \$ _____	e. Rate \$ _____
f. Calculated fee \$ _____	f. Calculated fee \$ _____	f. Calculated fee \$ _____

9. Total calculated fee for this permit number \$ \_\_\_\_\_

## Part 3 -- Coal Reclamation Fee Report, OSM-1

Complete a Part 3 for each permit number you are reporting. This information is required under section 402(c) of the Abandoned Mine Reclamation Act of 1990.

10. Reporting for \_\_\_ 1st, \_\_\_ 2nd, \_\_\_ 3rd or \_\_\_ 4th quarter,

Permit No. \_\_\_\_\_

11. Permit Number \_\_\_\_\_ Mine Name \_\_\_\_\_ State \_\_\_\_\_

12.

<b>Mineral Owners</b>	<b>Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>
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13.

<b>Purchasers of Coal</b>	<b>Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>
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14.

<b>Coal Delivered to:</b>	<b>Address</b>	<b>City</b>	<b>State</b>	<b>Zip</b>
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(prep plant, tipple, loading point)