



DEPARTMENT OF CONSERVATION AND ENERGY

TO: STATE MINERAL AND ENERGY BOARD MEMBERS

**FROM: TALETHA SHORTER
AUDIT DIRECTOR
OFFICE OF STATE RESOURCES**

DATE: MAY 13, 2026

AUDIT REPORT

I. INCOME MONTHLY STATISTICS

As of April 30, 2026, field audit collections totaled \$3,852,834.21, which includes \$3,613,196.57 in royalty collections and \$239,637.64 in interest. In the month of April, one audit was engaged and two audits were closed. The current number of open royalty audits is 36.

Royalties collected in April 2026 totaled \$12,343,231.90 and Fiscal Year to Date totaled \$113,760,940.32, as compared to last year's Fiscal Year to Date Royalties of \$116,512,550.64 as of April 30, 2025.

Monthly state royalty reports submitted in April totaled 228, which include 88 SR1s for oil, 121 SR2s for gas, and 19 SR5s for plant products.

II. BOARD REVIEW ITEMS

1. A penalty waiver request from ORX Resources, LLC for a penalty in the amount of \$41,084.74, which was billed for the late payment of royalty.
2. Staff report to the Board that the election for May 2026 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