

**WAC 332-16-155 Production royalty.** Production royalties shall be payable as provided in the mining contract upon all valuable minerals, specified materials or any products whatever which are mined, saved, sold or removed from the leased premises.

The production royalty shall be calculated on the gross receipts, including all bonuses and allowances paid, earned, or received, at the point of sale of the first marketable valuable mineral(s) produced from the leased premises, whether or not such valuable mineral(s) are produced through chemical or mechanical processes, subject only to the deduction of transportation costs which transportation costs are part of the development plan approved by the department.

The department may set or calculate the production royalty in the case of specified materials and other products produced from the leased premises based on the volume of material removed from the leased premises.

[Statutory Authority: RCW 79.01.618. WSR 87-21-007 (Order 528), § 332-16-155, filed 10/9/87.]