

PAD/RCB
Mail Stop-3310

JUN 15 1990

Dear Operator:

The Minerals Management Service (MMS), Production Accounting Division, is undertaking several measures to improve cost efficiency in the Production Accounting and Auditing System (PAAS). One of our most promising efforts is to replace paper copies of the Monthly Report of Operations (Form MMS-3160) with magnetic tape or floppy diskette whenever possible. The advantages of automated data transmission are numerous, among them:

- Reduced paper and postage costs. Approximately 1 ton of paper is transmitted through the mail each year to report Federal and Indian production data to MMS. Paper usage and postage costs will decrease substantially if operators use alternative tape and diskette reporting.
- Reduced data entry costs. Production data submitted on paper must be entered into PAAS manually by 15 full-time data entry clerks. Automated reporting will eliminate substantial data entry work load and reduce Federal personnel costs.
- Reduced data entry errors. Transmitting production data directly from your computer to ours will eliminate data entry errors. Fewer errors will allow production reports to be processed more quickly at less cost.

If your company already uses a computer in every-day operations, you may also realize certain benefits from magnetic tape or floppy diskette reporting. These benefits include reduced printing or typing time, less postage, and minimal reporting costs since the tapes and diskettes will be returned to you for reuse after the data has been captured in our computer. Should you incorporate Form MMS-3160 edits explained in Chapter 5 of the PAAS Onshore Oil and Gas Reporter Handbook in your tape or diskette program, you will also eliminate reporting errors and reduce assessment costs for erroneous reporting.

If you are interested in establishing automated production reporting, please complete and return the enclosed confirmation form. Note any special needs or suggestions in the comments section. We will provide a comprehensive package of instructions and specifications immediately. If you have any questions, please contact John Hovanec at 800-525-7922 or 303-231-3368.

Sincerely,

Michael A. Miller
Chief, Reporter Contact Branch

Enclosure

CONFIRMATION FORM
AUTOMATED REPORTING OF FORM MMS-3160
JUNE 1990

I am interested in establishing automated reporting of the Monthly Report of Operations, Form MMS-3160. Please send instructions and specifications for

Magnetic Tape

Floppy Diskette

to the address listed below:

Company Name _____
Street or Box _____
City, State & Zip _____
Contact Person _____
Telephone _____
MMS Operator Number _____

Comments: _____

Your indication of interest is NOT an obligation to establish automated reporting.

Please return this form by June 30, 1990 to

Minerals Management Service
Royalty Management Program - PAD
P. O. Box 17110
Denver, Colorado 80217