Dear Reporter:


In the past, we required you to change the well status on your Form MMS-3160 each time you reported a nonproducing injection, water source, or water disposal well. We have modified our automated system to assume the well is shut-in if you report no volumes and no days produced. You must ensure the number of days producing/injecting is blank or zero when you report no volumes. The only exception is a water source well that may be producing but not at a rate that can overcome the existing line pressure. For this situation, you can report no volumes with days produced. The well statuses that no longer require the shut-in designation are:

- WIW Water Injection Well
- GIW Gas Injection Well
- SIW Steam Injection Well
- WSW Water Source Well
- WDW Water Disposal Well

We will continue to accept shut-in status codes if you choose to use them.

You must continue to report oil and gas wells as producing or shut-in. These statuses are:

- POW Producing Oil Well
- OSI Oil Shut-in
- PGW Producing Gas Well
- GSI Gas Shut-In

This change implements one of several recommendations by the Royalty Policy Committee to eliminate reporting unnecessary or duplicate production data. We will revise our PAAS Onshore Oil and Gas Reporter Handbook to reflect this change.
If you have any questions, please contact Ms. Jean Steffen at 1-800-525-7922, extension 3596 or your production reporting representative.

Sincerely,

Vernon B. Ingraham
Chief, Reports and Financial Division