Dear Solid Minerals Reporter:

Re: Implementation Delay of New Reporting Requirements

In previous letters and during our recent training sessions we advised you of significant reporting changes that would occur on October 1, 2001, when we implement our reengineered financial and compliance processes and accompanying computer systems. Because of system readiness issues discovered during our extensive testing, our new systems and your new reporting submissions will not become effective until November 1, 2001.

This letter explains how you should report because of this one-month delay and discusses other reporting implications.

Revised Solid Minerals Reporting Implementation

Submission of Form MMS-2014

- For sales month August 2001, you must submit Form MMS-2014 no later than October 1, 2001. Report using a paper copy of Form MMS-2014, Report of Sales and Royalty Remittance (one copy is enclosed; you may copy it for September’s submission). Internet submission of Form MMS-4430 is not yet available for this sales month submission. (See Internet Submission of Form MMS-4430 below.)


- You may only submit Form MMS-2014 in paper form; no electronic submissions are permitted. A copy of Form MMS-2014 is enclosed for your use. Faxesmiles of Form MMS-2014 are not permitted. Mail Form MMS-2014 to:

  Minerals Management Service  
  Minerals Revenue Management  
  P.O. Box 5810  
  Denver, Colorado 80217-5810
Internet Submission of Form MMS-4430

- Form MMS-4430, Solid Minerals Production and Royalty Report, will be available on the Internet beginning on November 1, 2001. Prior to your first Internet session, we will contact you and provide the Internet site, user ID, and password.

- You are required to report Form MMS-4430 retroactively for August and September 2001 sales months no later than November 15, 2001. (Please note that due to system constraints, you may only submit one Form MMS-4430 per day.) These “parallel reports” are necessary because you are not required to submit Form MMS-4059, Solid Mineral Operations Reports and Form MMS 4060, Solid Minerals Facility Report for August and September sales months.

- For sales month October 2001, which is due by November 30, 2001, report your production and royalty using Form MMS-4430, Solid Minerals Production and Royalty Report. Submission of Form MMS-2014 is not required. Continue the normal monthly reporting cycle using Form MMS-4430 thereafter.

Questions and Answers

Are the procedures for remitting payment affected by the new reporting implementation timetable?

No. The timing of your payment and the procedures you follow to remit the payment are unaffected by the new reporting implementation timetable. You should pay in the same manner as you normally follow.

Do I need to submit solid mineral PAAS reports?

No. You should not submit solid mineral PAAS reports for August and September sales months.

Where can I get a paper MMS-4430 to submit?

If you meet the regulatory criteria that exempts you from electronic reporting, you should call Mr. Glenn Kepler toll free 1-888-201-6416 or direct at 303-275-7207 to arrange for a hard copy Form MMS-4430 to be sent to you.

Are the submission requirements for the Sales Summary and Facility Data affected by the new reporting implementation timetable?

The submission of sales summary or facility data is also delayed. Do not submit these data until November 1, 2001. When these data are submitted, they will be retroactive back through August 2001 sales month.
Who can I contact if I have other questions?

You may call us at 1-888-201-6416 or direct at 303-275-7214. You will be directed to a team member of the Solid Minerals and Geothermal Compliance and Asset Management for assistance.

Sincerely,

Deborah Gibbs Tschudy
Acting Assistant Program Director
Onshore Compliance and Asset Management

Enclosure