Subject: New Web-based Reporting Enhancements

Dear Reporter:

This letter notifies you of new enhancements and edits to be incorporated into the ONRR Web-based reporting application for both the Report of Sales and Royalty Remittance (MMS-2014) and the Oil and Gas Operations Report (MMS-4065), effective December 19, 2011. Enclosed is a complete list of these enhancements.

The list of these new enhancements and edits is also available at:

http://www.onrr.gov/ReportingServices/...

If you have questions regarding any of the enhancements or the new edits, please contact your Royalty Error Correction contact. A list of companies and contacts can be found on the ONRR website at http://www.onrr.gov/FM/PDFDocs/coassign.pdf

Sincerely,

Lorraine F. Corona
Reporting Services Manager

Enclosure

1 ONRR was formerly known as the Minerals Revenue Management Component of the Minerals Management Service or the Bureau of Ocean Energy Management, Regulation and Enforcement.
New Form MMS-2014 Edits

New Edit - APOP Sales Type Code is only allowed for Federal Leases with Product Code 04
An error will occur when a sales type code of APOP is used and the product code is not 04.

New Edit - TC 37 and TC 38 may only be used on Offshore Section 6 Leases
An error will occur if transaction code 37 or 38 is used with a lease that is not an Offshore Section 6 lease.

New Edit - Finds duplicate lines within the same report
An error will occur when an exact duplicate line is found on an MMS-2014 report.

New Edit – Transportation can not exceed 50% of RVPA. Processing can not exceed 66.66% of the RVPA less Transportation
An error will occur if a reporter exceeds established allowance limits.

New Edit – Southern Ute Leases must have an API Well Number Reported
An error will occur when the API well number field is left blank for any Southern Ute Indian lease.

Edit 9687 – The reported lease is not associated to a credit on this document, Lease to Credit subdivision
Offshore Florida leases exchanged for credits must first report and establish credit amounts. An error will occur if credits are reported with an incorrect Lease to Credit lease number and if credits exceed established amounts.

Edit 9722 – All payment method “06” lines on document must net to zero
When establishing and reporting credits on Offshore Florida leases exchanged for credits an error will occur when payment method “06” is not used or when the sum of reported lines does not net to zero.

Upgrade Warning edits to Fatal

Edit 9639 – Invalid Agreement Number
An error will occur if the reported agreement number does not exist in the ONRR database.

Edit 9640 – Agreement Number not related to reported lease
An error will occur if the reported lease number is not associated with the reported agreement number for the reported Sales Mo/Yr in the ONRR database.

Edit 9740 – Combined allowances cannot exceed 99% of RVPA
An error will occur if the sum of the transportation and processing allowance is greater than the calculated 99% of RVPA.

Modifications to Existing Form MMS-2014 Edits

Edit 9616 – Implied FEDERAL Royalty Rate is not consistent with Lease Royalty Rate
When the edit encounters a lease with multiple royalty rates it will compare each royalty rate to the calculated royalty rate from the royalty line. An error will occur if the comparison does not match a royalty rate or it is not within tolerance.

**Edit 9617 - Implied INDIAN Royalty Rate is not consistent with Lease Royalty Rate**
When the edit encounters a lease with multiple royalty rates it will compare each royalty rate to the calculated royalty rate from the royalty line. An error will occur if the comparison does not match a royalty rate or it is not within tolerance.

**Edit 9632 – TC invalid for leases without Severence Tax Provisions**
The error will occur when TC 12 (tax credit) is reported and a severance tax provision does not exist in the ONRR database for the reported Sales Mo/Yr.

**Edit 9591 – Rent Provison not Found**
The error will occur when TC 04, 05, and 25 are reported and a rent provision does not exist in the ONRR database for the reported Sales Mo/Yr.

**Edit 9580 – Recoupment not possible – insufficient summed amount**
The error will occur when the “Royalty Value Less Allowance” amount on the MMS-2014 line exceeds the recoupable balance in the ONRR Lease Account Balances.

**Edit 9532 - Sales Mo/Yr must be before or equal to the termination or relinquish date**
The error will occur if the Sales Mo/Yr is after the lease termination or relinquishment date.

**Edit 9531 - Sales Mo/Yr must be after anniversary date**
The error will occur if the Sales Mo/Yr is before the lease anniversary date.

**Sales Volume and Value Maximum Amount Problems**
When exporting a MMS-2014 txt file from the eCommerce Document List the 11th character was sometimes removed. The eCommerce export will now allow the Sales Value and Volume fields to be populated with 11 characters (9 to the left and 2 to the right of the decimal) when using a negative integer.

**Federal/Indian indicator not translating correctly on uploaded MMS-2014 reports**
When the reporter uploads a file with multiple Federal and Indian documents the F/I indicator field will properly show the document as Federal or Indian.

**Documents sent to ONRR before Validation completes**
Documents that are in the process of validation will continue to validate even when the user logs off. The user will be able to view validation errors upon logging back into the eCommerce system.