



United States Department of the Interior

MINERALS MANAGEMENT SERVICE

Royalty Management Program
P.O. Box 17110
Denver, Colorado 80217-0110

IN REPLY REFER TO:

RPD
Mail Stop 3120

DEC 7 1994

Dear Reporter:

The Minerals Management Service (MMS) will conduct reporter training in Houston, Texas on various subjects related to production and royalty reporting. The enclosed agenda will give you a brief description of the various topics to be covered. You are cordially invited to attend this training. Training will begin at 8:30 a.m. each day and end at approximately 4:00 p.m. The location and dates are shown below.

Sheraton Crown Hotel
15700 John F. Kennedy Blvd.
Houston, Texas 77032
713/442-5100

<u>Date</u>	<u>Subject Matter</u>
January 18 & 19, 1995	Report of Sales and Royalty Remittance (Form MMS-2014)
January 20, 1995	Oil and Gas Operations Report (OGOR) (Form MMS-4054)

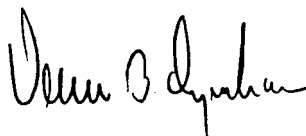
Except for your own travel and related expenses, this training is provided to you at no charge. Please contact the hotel listed above directly to make room reservations as needed. The MMS has not reserved rooms for reporters attending this training.

The training is designed for those reporters who are new to our reporting systems, those who have reported for some time but need a refresher course, or those who may be having difficulty and would like some assistance. These sessions are informal and designed to provide as much information as possible in a short amount of time. Please dress comfortably and feel free to ask questions. Instructors will be available to provide individual one-on-one assistance to resolve specific problems you may be experiencing.

Reservations will be accepted on a first-come first-serve basis. You may register for all or any part of the three-day training. To reserve space for yourself and/or other employees in your firm, you must call our toll-free voice mail reservation number at 800-525-0306 or locally at 303/231-3301 no later than Tuesday, January 10, 1995.

If you have any questions concerning any part of the training seminar, please so indicate when you leave your reservation message and we will return your call. Also, please indicate any special accommodations or auxiliary aids you or other attendees may require at the time you make your reservation.

Sincerely,

A handwritten signature in black ink, appearing to read "Vernon B. Ingraham". The signature is written in a cursive style with a large initial "V".

Vernon B. Ingraham
Chief, Reports and Payments Division

Enclosures

MINERALS MANAGEMENT SERVICE
OIL AND GAS REPORTER TRAINING SEMINAR
REPORT OF SALES AND ROYALTY REMITTANCE
(FORM MMS-2014)

Establishing Your Data Base

Explains the proper method of preparing and submitting the Payor Information Form (PIF) which is used to establish your company and lease(s) in the automated Auditing and Financial System (AFS).

Reporting Principles and Basis Form Preparation

How and when to report and pay royalties will be covered in this segment of the training. Also includes information on who reports and pays, payment requirements, due dates, and report acceptance. Each section of the Report of Sales and Royalty Remittance (Form MMS-2014) will be reviewed and explained.

Commonly Used Transaction Codes

Explains the coding and specific reporting requirements relating to the more commonly used transaction codes: royalty due; rent; minimum royalty and estimated royalty payments.

Unit/Communitized Agreement Reporting

Experience shows that sales or production from many unitized or communitized areas are being reported incorrectly. This session is designed to instruct the payor in the proper method of allocating sales for the purpose of reporting and paying royalties.

Adjustments, Refunds, and Recoupments

This session will discuss how to properly report adjustments, what data MMS requires to process a refund, and how to recoup overpaid royalties. Also included is the proper method of establishing a balance for recouping Indian tribal and allotted overpayment.

Billing and Appeals

Each month MMS generates bills for a variety of exception processing routines. This session explains each type of bill and the conditions that create them. Also includes an explanation of the appeal process.

PAAS/AFS Comparison

Explains the Production Accounting and Auditing System Discussion will cover the PAAS/AFS exception comparison.

Product Valuation

An overview of MMS' method of determining product value with emphasis on commonly encountered valuation issues. Basic allowance regulations and exceptions under the regulations.

MINERALS MANAGEMENT SERVICE
AGENDA AND OVERVIEW
OFFSHORE OPERATOR TRAINING SEMINAR

The purpose of this training is to provide an overview for new operators and/or new employees of an existing offshore operator, who are unfamiliar on how to report required production information to the Federal government.

Overview. This session explains something about the organization of the Minerals Management Service. Also explained is the Production Accounting and Auditing System (PAAS) and how it works.

Reporting Principles. Who must report and when to report production will be covered in this section. Subjects covered will include: who reports, authorized reporting formats, mailing addresses, due dates, editing, and report acceptance. Exposure will also be given to the Appendix A - Assigned Numbers and Codes, which is an essential element to completing and/or interpreting PAAS forms.

Assessment/Appeal Overview. Each month the MMS generates assessments for late, missing, or erroneous production reporting. This session explains why assessments are generated and what the reporter can do so that none are received. Also included is an explanation of the appeals process.

OMM Overview. This session presents how the forms/data companies provide to Offshore Minerals Management (OMM) for approval are sent to the Royalty Management Program to update the Production Accounting and Auditing System (PAAS). Also explains how operators are notified via the reference data confirmation reports.

Reference Data Information. In this session we cover how to interpret both the Well Information Form (WELL) and Facility and Measurement Information Form (FMIF) confirmation reports. These reports are sent to the operators which notify the operator of how the confirmed data should be reported to PAAS.

OGOR Preparation/Amended Reporting. This session describes the basics for preparation of the Oil and Gas Operations Report (OGOR), Form MMS-4054. By reviewing and explaining the technical details of each section of the form, it is our intent to make the OGOR easier to understand and therefore allow operators to complete it more accurately. This section is the heart of the offshore production reporting requirements.

Other PAAS Reports. MMS also collects data on the Gas Analysis Report (GAR) and the Production Allocation Schedule Report (PASR) to verify certain data reported on the OGOR. This session will explain when an operator must file these reports and their preparation. In addition, filing amended reports will be addressed.

AFS/PAAS Comparison. This session will explain how exceptions are generated in PAAS. Discussion will center on those exceptions which occur by comparing reported production to reported sales volumes.