



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

JAN 26 1995

Dear Reporter:

The Minerals Management Service (MMS) will conduct reporter training in Denver, Colorado, 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.

Best Western - Denver West
11595 West 6th Avenue
Lakewood, Colorado 80215
303/238-7751

<u>Date</u>	<u>Subject Matter</u>
March 21-22, 1995	Report of Sales and Royalty Remittance (Form MMS-2014)
March 23, 1995	Monthly Report of Operations (Form MMS-3160)

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.

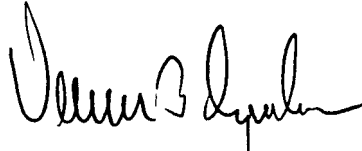
To reserve space for yourself and/or other employees in your firm, you must call our toll-free voice mail reservation number at (800) 525-0306 or locally at (303) 231-3301 no later than Friday, March 10, 1995. Reservations will be accepted on a first-come first-serve basis. You may register for all or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

For your information, the following training sessions previously scheduled have been cancelled:

Oklahoma City, OK May 17-19, 1995
Salt Lake City, UT June 20-22, 1995

If you have any questions concerning any part of the training seminar, please ask 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 fluid and cursive, with a large initial "V" and a long, sweeping tail.

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
ONSHORE OPERATOR TRAINING SEMINAR
(Form MMS-3160)**

Overview

This session explains something about the organization of 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.

Form MMS-3160 Preparation

This session walks through the preparation of the Monthly Report of Operations, Form MMS-3160. By reviewing and explaining each section of the form, MMS will relate the technical, mechanical details as well as giving attendees ideas where they can save time and energy with work saving tips. This section is the heart of the production reporting requirements.

Amended Reports

The MMS receives hundreds of amended reports each month. This session will aid the reporter in determining how to properly prepare and submit amended reports.

Confirmation Reports

Each month MMS sends to the operator confirmation of changes to well data and changes or additions made to the Form MMS-3160. This session will, hopefully, remove some of the mystery about the Well and MMS-3160 confirmation reports received by operators.

Assessment Overview

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

AFS/PAAS Comparison

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