



United States Department of the Interior

MINERALS MANAGEMENT SERVICE

Royalty Management Program
P.O. Box 25165
Denver, Colorado 80225-0165

IN REPLY REFER TO:

RVD/SMVRB
Mail Stop 3153

AUG - 6 1997

Dear Solid Minerals Reporter:

In our October 4, 1995, Dear Reporter letter we modified our assessment policy. The incorrect reporting for solid minerals production reports had to exceed 6 percent before assessments would be issued. **Effective September 1, 1997**, we will change our incorrect reporting assessment error rate for solid minerals production reports to 3 percent.

In **1995** the assessment error rate was established at a basic 3 percent criteria for all reports, except solid minerals production reports; i.e., Solid Minerals Operations Report (SMOR), Form MMS-4059, and Solid Minerals Facility Report (SMFR), Form MMS-4060. At that time the solid minerals production reporting error rate was 11-12 percent, and the error rate goal was set at 6 percent. The 6 percent goal has been met. Now the error rate goal is set at 3 percent. We appreciate industry's continuing efforts to improve the accuracy and timeliness of the reports submitted to Minerals Management Service (MMS). By reducing the error rate we will be able to process production reports and distribute this data while reducing cost.

We offer the following to assist you in reducing reporting errors.

- Facsimile spreadsheets of the SMOR and/or SMFR programed for your specific reporting requirements.
- One-on-one training sessions with you to resolve any questions you may have.

Please contact us at the phone numbers listed below if you would like more information regarding the spreadsheet program or the one-on-one training sessions.

Please note that while assessments for late reporting have ceased, MMS will continue to assess for missing solid minerals production documents. We appreciate your efforts and look forward to working with you in the future to further improve our processes. For additional information, please contact Michael Rausch at (303) 275-7223 or John Hovanec at (303) 275-7212. The toll-free number for our Solid Minerals Reporting Section is (888) 201-6416.

Sincerely,

A handwritten signature in black ink that reads "Deborah Gibbs Tschudy". The signature is written in a cursive, flowing style.

Deborah Gibbs Tschudy
Chief, Royalty Valuation Division