

United States Department of the Interior

MINERALS MANAGEMENT SERVICE

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

APR 9 2001

Dear Reporter:

As you are aware, the Minerals Revenue Management (MRM) is reengineering its financial system. As a result of reengineering, we have made numerous changes in reporting formats and processes, effective October 1, 200l. The oil and gas reporter training seminars offered this year will focus on these reporting changes. This year especially, training is a good investment of time and effort for you and MRM. Proper reporting enables us to disburse revenues to the states and Indians in a timely manner and allows you to reduce costly follow-up efforts and the possibility of assessment actions.

This training is your opportunity to gain information from MRM personnel on various topics and to work together toward common goals of timely, accurate reporting. Enclosed you will find a schedule listing seminars MRM has planned through September 2001. The seminars will cover topics related to the following areas:

• Report of Sales and Royalty Remittance (Form MMS-2014)

Effective October 1, 2001, the Report of Sales and Royalty Remittance (Form MMS-2014) has been modified and streamlined. These modifications, as well as basic reporting instructions, will be topics at the seminars.

The current and the revised Form MMS-2014 report forms can be viewed at http://www.mrm.mms.gov/ReportingServices/Forms/Forms.htm.

• Oil and Gas Operations Report (OGOR) (Form MMS-4054)

Effective October 1, 2001, the Monthly Report of Operations (Form MMS-3160) will be eliminated. After this date, all oil and gas operators must report production information on the OGOR. The data elements of the OGOR, as well as basic reporting instructions, will be topics at the seminars.

The current and the revised OGOR report forms can be viewed at http://www.mrm.mms.gov/ReportingServices/Forms/Forms.htm.

• Electronic Reporting Requirements

The following three electronic reporting options are available to all reporters (enhancements to these options will be available October 1, 2001):

Dear Reporter 2

Option 1 - Prepare report forms on the Internet;

Option 2 - Use software provided by our electronic commerce service provider, Peregrine Systems (Peregrine), formerly Harbinger Corporation; or

Option 3 - Send an X12 EDI file to Peregrine.

Each of these reporting options will be discussed at the seminars.

These electronic reporting options are also described at

http://www.mrm.mms.gov/ReportingServices/ElecComm/ECOptions.htm.

To register for these seminars, call 1-800-525-0306 or 303-231-3301, or send an e-mail to Reporter.Training@MMS.Gov and provide your name, company, phone number, and the seminar date and location for which you are registering. If you have any questions or if you will need any special accommodations or auxiliary aids during training, please provide this information when you register. You need to register as soon as possible because we anticipate a large number of participants and we may need to limit the number of attendees per company. In addition, we will cancel seminars if attendance is not sufficient and add seminars if demand dictates.

This training is provided to you at no charge except for your own travel and related expenses. Please note that these seminars do not cover topics related to solid minerals. A separate Dear Reporter letter will be sent concerning solid mineral training. Please call 1-888-201-6416 for information related to solid minerals.

If you have any questions or need additional information on these seminars, please contact Linda Whitfield at 1-800-525-0309, extension 3807, or 303-231-3807. We look forward to seeing you at one of these training seminars.

Sincerely,

Chief, Financial Management

Enclosure

MINERALS MANAGEMENT SERVICE INDUSTRY TRAINING SCHEDULE

July – September, 2001

Denver, Colorado

Tuesday July 17, 2001 Royalty

Wednesday July 18, 2001 Onshore Production

Houston, Texas

Tuesday July 24, 2001 Royalty

Wednesday July 25, 2001 Onshore Production

Houston, Texas

Thursday July 26, 2001 Royalty

Friday July 27, 2001 Offshore Production

Oklahoma City, Oklahoma

Tuesday August 7, 2001 Royalty

Wednesday August 8, 2001 Onshore Production

Dallas, Texas

Tuesday August 7, 2001 Royalty

Wednesday August 8, 2001 Onshore Production

Tulsa, Oklahoma

Thursday August 9, 2001 Royalty

Friday August 10, 2001 Onshore Production

Dallas, Texas

Thursday August 9, 2001 Royalty

Friday August 10, 2001 Offshore Production

Enclosure #1

Farmington, New Mexico

Tuesday August 14, 2001 Royalty

Wednesday August 15, 2001 Onshore Production

Roswell, New Mexico

Thursday August 16, 2001 Royalty

Friday August 17, 2001 Onshore Production

Casper, Wyoming

Tuesday August 21, 2001 Royalty

Wednesday August 22, 2001 Onshore Production

Salt Lake City, Utah

Thursday August 23, 2001 Royalty

Friday August 24, 2001 Onshore Production

Reno, Nevada

Tuesday September 11, 2001 Royalty (Geothermal

Valuation)

Wednesday September 12, 2001 Onshore Production

Houston, Texas

Tuesday September 11, 2001 Royalty

Wednesday September 12, 2001 Onshore Production

Houston, Texas

Thursday September 13, 2001 Royalty

Friday September 14, 2001 Offshore Production

Denver, Colorado

Thursday September 20, 2001 Royalty

Friday September 21, 2001 Onshore Production