



United States Department of the Interior

MINERALS MANAGEMENT SERVICE

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



IN REPLY REFER TO:

FM/RS
MS 350B1

SEP 21 2001

Subject: Electronic Reporting

Dear Reporter:

The information below relates to the enhanced reporting forms most of you will submit electronically to the Minerals Management Service (MMS) beginning October 1, 2001. These enhanced forms consist of:

- The newly designed Report of Sales and Royalty Remittance, Form MMS-2014;
- The Oil and Gas Operations Report, Form MMS-4054 (OGOR), which replaces the Form MMS-3160 and;
- The Production Allocation Schedule Report, Form MMS-4058 (PASR).

These enhancements resulted from the extensive reengineering of MMS's financial/compliance systems and incorporate many features that will streamline and simplify your electronic reporting.

HX Pro Reporters

Our electronic commerce service provider, Peregrine Systems, Inc. (formerly Harbinger Corporation), will email Registration Information Sheet (RIS) instructions to all current HX Pro reporters prior to October 1, 2001. Please pay special attention to these instructions since all of you must re-register before using the enhanced reporting forms.

Peregrine will also send the enhanced reporting forms to the HX Pro inbox of each reporter currently using this reporting option. Prior to September 30, 2001, click your Get/Send Mail icon periodically to check for the enhanced forms in your inbox. You must install and register the enhanced forms and familiarize yourself with the changes by reviewing the forms and reading the available Help Text. You will not be able to send the current electronic reporting forms once you have successfully sent the enhanced forms (which should not be done until October 1, 2001). However, the current electronic reporting forms will remain in your filing cabinet for viewing.

Note: Please contact Peregrine at the following email address if you have received the enhanced reporting forms in your inbox but have not received your RIS information at your email address:

hx@peregrine.com

Dear Reporter

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Web Reporters

You will find the enhanced forms on the secure Peregrine Web site as of October 1, 2001. A link to the current forms will be available after this date for viewing only. You will only be allowed to send reports using the new, enhanced forms as of October 1, 2001. Please review the enhanced forms and the available Help Text at your earliest convenience.

You will not receive new RIS information. You will continue to use your existing logons and passwords. Any data you stored on the Peregrine server will remain available to you once you convert to the enhanced forms.

Paper Reporters

Peregrine representatives will soon contact the remaining reporters who have not yet converted to electronic reporting. Please note that 30 CFR 210.20 (2001) requires you to report electronically unless you qualify under one of the two exemptions specified in 30 CFR 210.22 (2001). New reporters are allowed 3 months from the day your first monthly report is due to begin reporting electronically. You may call Ms. Charlett Clowe, Peregrine Technical Consultant, at 248-675-2756, or you may email her at charlett.clowe@peregrine.com for implementation instructions.

As of October 1, 2001, you can only submit monthly production and royalty reports to MMS via the following options:

- The American National Standards Institute's Accredited Standards Committee X12 Electronic Data Interchange;
- The two Peregrine reporting options and;
- Paper.

Any magnetic/cartridge tapes, diskettes, or e-mail messages with attached reports received after September 14, 2001, will be returned to you because our new financial/compliance system is not able to accommodate these media types.

Please contact Reporting Services at 1-800-525-0309 or (303) 231-3684 if you have questions about this letter or electronic reporting.

Sincerely,



Michael A. Miller
Chief, Financial Management