



# United States Department of the Interior



MINERALS MANAGEMENT SERVICE  
Minerals Revenue Management  
P.O. Box 5810  
Denver, Colorado 80217-5810  
[www.mrm.mms.gov](http://www.mrm.mms.gov)

MAR 14 2008

MS 350B1

Subject: Electronic Payments to MMS

Dear Reporter,

The purpose of this letter is to order you to submit all payments you make to the Minerals Management Service (MMS) regarding Federal and Indian mineral leases/agreements via electronic funds transfer (EFT). Our records show that you have not been paying MMS electronically. You must begin submitting such payments to MMS either by Fedwire or by Automated Clearing House (ACH) no later than June 2, 2008. Payments made with Courtesy Notices (rent, recoupable rent, gas storage, rights-of-way, deferred bonuses, and well fees) and tribal lockbox payments are specifically excluded from this requirement.

Requirements to Submit Payments to MMS via EFT: The MMS regulations at 30 CFR § 218.51 (b) state, "You must make all payments to MMS electronically to the extent it is cost effective and practical." When MMS first promulgated the requirement to make payments using EFT, such payments were only mandatory for payments over \$50,000 – 49 Fed. Reg. 37336 (1984). MMS then lowered the \$50,000 payment threshold to \$10,000 – 52 Fed. Reg. 23812 (1987). In 1996, MMS completely eliminated the threshold and instructed payors to follow U.S. Treasury requirements that all payments be made by EFT whenever cost effective and practical.

The MMS regulations at 30 CFR § 218.51(b) (1) also state, "If MMS instructs you to use EFT, you must use EFT for all payments to MMS . . ." This letter constitutes our instruction to you, under these regulations, to begin using Fedwire or ACH to make payments to MMS no later than June 2, 2008. Payments made with Courtesy Notices (rent, recoupable rent, gas storage, rights-of-way, deferred bonuses, and well fees) and tribal lockbox payments are specifically excluded from this requirement.

Complete instructions and samples for both Fedwire and ACH payments are on the MMS web site at the following address:

<http://www.mrm.mms.gov/ReportingServices/PayInfo.htm>

You may call David Barnes at (303) 231-3034 or Rita DeBraccio at (303) 231-3108 if you have questions about EFT payments.

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Appeal Rights: You can appeal this Order under 30 CFR § 290, Subpart B. Your notice of appeal must be filed with:

Deputy Associate Director for  
Minerals Revenue Management  
Minerals Management Service  
Attention: FM Appeals Coordinator, MS 350B1  
P.O. Box 173702  
Denver, Colorado 80217-3702

You have 30 days from the receipt of this Order to file an appeal. Within the same 30-day period, you must send a written statement of reasons that includes specific facts and data, and arguments on the facts or laws that you believe justify reversal or modification of the Order. The MMS may extend the time for filing documents related to your appeal if you file a written request for an extension within 30 days of receipt of this Order at the address noted above.

Failure to Comply: You will be subject to civil penalties under 30 CFR § 241 if you do not comply with this Order.



Robert Prael  
Chief, Financial Management

cc: Office of Enforcement