



United States Department of the Interior



MINERALS MANAGEMENT SERVICE
Minerals Revenue Management
P.O. Box 17110
Denver, Colorado 80217-0110
www.mrm.mms.gov

APR 30 2010

Dear Reporter:

Subject: Oil and Gas Operations Report (OGOR), Form MMS-4054 - Error Correction

The Minerals Management Service (MMS) is implementing a business procedure consistent with its regulations at 30 CFR 210.30 (2009) that requires reporters to “submit accurate, complete and timely information to MMS . . .” This procedure is necessary to reduce the number of erroneous lines reported to MMS on the OGOR and saved in the Minerals Revenue Management Financial System (MRMFS). MMS regulations also require reporters to “file an accurate and complete amended report within 30 days of [the reporter] discovery of the error.” This procedure requires that you submit new reports when errors on your OGORs cause the report to reject. Specifically, you must:

- (1) Have current access or obtain access to the MMS Data Warehouse Portal to identify your rejected OGORs;
- (2) Contact your MMS Error Correction Contact to coordinate whether or not to submit corrected Original, Replace or Modify OGORs. MMS will no longer routinely correct rejected OGORs; and
- (3) Submit the corrected OGORs within 30 days after OGORs have rejected in the MRMFS.

1. What if I don't have access to the MMS Data Warehouse?

Complete the “MRM Application Request Form” (MARF) to apply for access to the MMS Data Warehouse Portal (available 24 hours a day, 7 days a week) which houses a variety of reports. The MARF, and instructions to complete it, is located on the MMS website at <http://www.mrm.mms.gov/ReportingServices/Forms/Forms.htm>. Follow the instructions to complete and submit this form to the MMS Help Desk. We recommend you submit your MARF as soon as possible.

2. How do I find out who my Error Correction Contact is?

On the MRM website, <http://www.mrm.mms.gov/ReportingServices/ReptInfo.htm>, select “Production Error Correction Contacts,” then select “Production Error Correction Company Contact List,” and search for your company name or 5-digit operator number. The site will display the analyst name and phone number for your company. That person is your Error Correction Contact.

3. If my reports are sent and ‘reconciled’ through the MMS Electronic Reporting website, does that mean they are accepted in the MRMFS?

No. The MMS Electronic Reporting website, <http://www.mrmreports.net/>, has a limited number of edits. Once the reports are sent and received by MMS, the document status changes to “Reconciled.” After the reports are reconciled, MMS uploads them to the MRMFS where the system performs additional edits before the reports can accept. If any line on your document has a critical (fatal) error, it will reject in the MRMFS and you must correct that line by submitting a new report.

4. How do I know if I have rejected OGORs and why they rejected?

Initially, your Error Correction Contact can email or fax you an “Aging Report,” which is a listing of all your rejected documents. Once you have access to the MMS Data Warehouse website, <https://dwportal.mms.gov/>, a report, identified as “*RejectOGORError*” is available which, when run, will identify your rejected OGOR documents and their associated errors preventing them from accepting in the MRMFS. To access this report, log on to the Data Warehouse Portal; select “History Database” and “Industry Reports.” Near the bottom of the page, select “*RejectOGORError*” to enter criteria and select “Run.” The Report is displayed in HTML or SQR format.

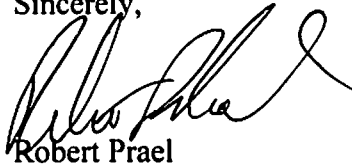
5. What if I don’t submit a corrected report?

If you do not submit a corrected report within 30 days of the report rejecting, MMS may assess civil penalties under 30 CFR Part 241 of up to \$25,000 per day, per line or report for each day you fail to submit the corrected report.

This letter does not require that you perform any type of restructured accounting or require that you recalculate and pay royalties. It is merely guidance on how to correct your OGORs consistent with MMS’s regulations. The guidance provided in this letter is not an appealable decision, Order to Report, Notice of Noncompliance, or Civil Penalty Notice under 30 CFR Part 290 Subpart B or 30 CFR Part 241. If MMS issues you an Order to Report, Notice of Noncompliance, or Civil Penalty notice at a later date based on this guidance, your appeal rights will be provided at that time.

If you have any questions, please contact your Error Correction Contact as described in item 2 above.

Sincerely,



Robert Prael
Chief, Financial Management
Financial and Program Management
Minerals Revenue Management
Minerals Management Service