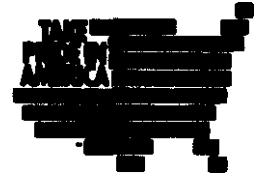




# United States Department of the Interior



**MINERALS MANAGEMENT SERVICE**  
**ROYALTY MANAGEMENT PROGRAM**  
P.O. BOX 25165  
DENVER, COLORADO 80225

IN REPLY  
REFER TO:

**DAD-O/RPD**  
**Mail Stop 3120**

**JAN 11 1989**

Dear Royalty Payor/Production Reporter:

The Minerals Management Service (MMS) has recently reorganized to realign its functions and improve operations. The reprogramming of funds required by the reorganization has been approved by the appropriate congressional oversight committees.

This letter advises you of the key organizational changes and provides a contact should you be uncertain as to which office or individual has responsibility for a particular issue. All correspondence issued by MMS offices reflect the organizational changes. As in the past, each letter, bill, or order issued by MMS identifies a person to contact if you require assistance concerning the information you have received.

The enclosed organization chart shows the new structure. This chart reflects organizational units at the division and branch level with the names and phone numbers of key supervisors and managers. The new divisions and offices are briefly described below.

## Reports and Payments Division

This division processes all incoming Federal and Indian royalty and production reports and payments and maintains contact with payors and operators regarding reporting matters and error correction. It performs functions previously performed by the Fiscal Accounting Division/Lessee Contact Branch and the Production Accounting Division/Reporter Contact Branch. The mailing addresses for production and royalty reports and payments have not changed. The contacts you have in this division can generally continue to be your first point of contact for questions should you be unsure of whom you should talk to.

## Data Management Division

This division establishes and manages all lease and agreement databases for Federal and Indian leases. It processes the Payor Information Forms and serves as a focal point for database actions by companies and other Federal agencies such as the Bureau of Land Management and the Bureau of Indian Affairs.

### Royalty Accounting Division

This division manages the royalty accounting functions including accounts receivable, accounts payable, and general ledger activities. It performs the billing service for the Royalty Management Program (RMP) and disburses royalty revenues to royalty recipients including the U.S. Treasury, State governments, and the Bureau of Indian Affairs on behalf of tribes and allottees.

### Division of Verification

This division performs a variety of automated and manual verification and exception processing functions. These functions include detecting underreporting, late payments, improper recoupments, incorrect royalty rates, and monitoring valuation and allowances.

### Valuation and Standards Division

This division establishes the fair market value of commodities extracted from Federal and Indian leases and prepares and issues royalty valuation determinations. It prepares, maintains, interprets, and enforces product valuation regulations and guidelines. The division also approves exceptions to transportation and processing limitations established by regulation.

### Systems Management Division

This division provides computer and related high-technology support to the RMP. Responsibilities include systems planning; development, operation and maintenance of RMP's integrated accounting and production systems; distribution of ad-hoc and standard reports to States, Indian Tribes, and the minerals industry; and administration and technical management of large-scale systems contracts.

### Audit Offices

These offices located in Lakewood, Colorado; Dallas, Texas; Houston, Texas; and Tulsa, Oklahoma manage the RMP audit function.

### **Office of Enforcement**

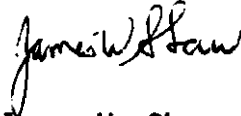
This office issues certain Notices of Noncompliance and pursues civil penalties and other remedial actions to gain compliance. It coordinates settlement negotiations, bankruptcy issues and other litigation support.

### Office of Indian Royalty Assistance

This office receives Indian royalty problem referrals and seeks their resolution by working with other RMP units and with payors and operators. It provides on-site resolution of Indian oil and gas royalty problems to the extent possible through field offices in Oklahoma City, Oklahoma and Farmington, New Mexico.

Should you have any questions about whom to contact regarding an issue, please call MMS using one of the following phone numbers. For royalty reporting and payment issues, call 1-800-525-0309 (within Colorado (303) 231-3288). For production reporting issues, call 1-800-525-7922 (within Colorado (303) 231-3650).

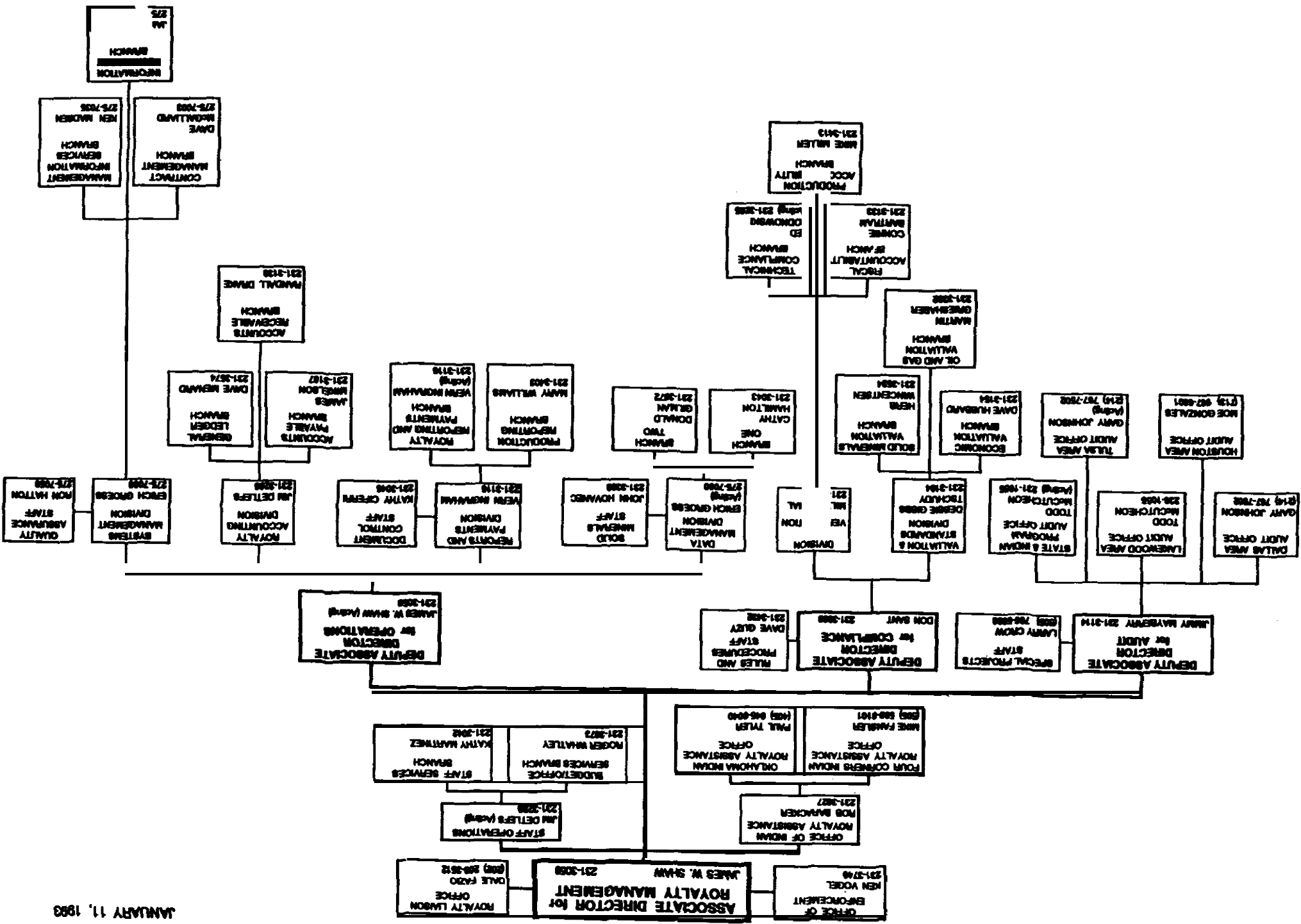
Sincerely,



**James W. Shaw**  
**Associate Director for**  
**Royalty Management**

Enclosure

# MINERALS MANAGEMENT SERVICE ROYALTY MANAGEMENT PROGRAM



JANUARY 11, 1993