



# United States Department of the Interior



## MINERALS MANAGEMENT SERVICE

Royalty Management Program

P.O. Box 5760

Denver, Colorado 80217-5760

IN REPLY  
REFER TO:

RPD/RRPB  
Mail Stop 3123

**MAR 23 1993**

Dear Royalty or Production Reporter:

The Minerals Management Service will present a 2-day training seminar on various subjects related to royalty and production reporting. Topics related to royalty reporting and payment will be presented during the first day and a half. Topics related to production reporting will be presented on the afternoon of the second day. You are cordially invited to attend this seminar to be held on the following dates and location.

**April 21 and 22, 1993**


Equitable Resources Exploration  
33 Mid Lake Road  
Buckhannon, West Virginia 26201  
(304) 472 4610

The seminar is designed for those operators and royalty payors who are new to our reporting systems, those who have reported for some time but need a refresher course, or those who may be having difficulty and would like some assistance. Enclosure one and two give a brief description of the various topics to be covered. These sessions are informal and designed to provide as much information as possible in a short amount of time. Please feel free to ask questions.

Except for your own travel and related expenses, this seminar is provided to you at no charge. Enclosure three is a list of some of the hotels in the area.

Please contact Paula Neuroth at 1-800-525-0309, Extension 3287, no later than Friday April 16, 1993, to confirm your attendance at this session or if you have any questions about the seminar. Hope to see you there.

Sincerely,

  
for Vernon B. Ingraham  
Chief, Reports and Payments Division

3 Enclosures

AGENDA  
MINERALS MANAGEMENT SERVICE  
OIL AND GAS PAYOR TRAINING SEMINAR

April 21, 1993  
8:00 am Opening

Establishing Your Data Base

This session explains the proper method of preparing and submitting the Payor Information Form (PIF) which is used to establish your company and lease(s) in the automated Auditing and Financial System (AFS). Also covered are those circumstances that may require an addition, change, or deletion to data previously submitted.

Reporting Principles and Basis Form Preparation

How and when to report and pay royalties will be covered in this segment of the training. Subjects covered will include: who reports and pays, authorized reporting formats, payment requirements, mailing addresses, due dates, and report acceptance. Each section of the Report of Sales and Royalty Remittance (Form MMS-2014) will be reviewed and explained.

Commonly Used Transaction Codes

This session will explain the coding and specific reporting requirements relating to the more commonly used transaction codes: royalty due on Federal/Indian leases; rent; minimum royalty and estimated royalty payments.

Adjustments, Refunds, and Recoupments

The MMS receives thousands of adjustments, refund requests, and recoupment actions each month. This session will aid the payor in determining how to properly report adjustments, what data MMS requires to process a refund, and how to recoup overpaid royalties. Also included is the proper method of establishing a balance for recouping Indian tribal and allotted overpayment.

Unit/Communitized Agreement Reporting

Experience shows that sales or production from many unitized or communitized areas are being reported incorrectly. This session is designed to instruct the payor in the proper method of allocating sales for the purpose of reporting and paying royalties.

**MINERALS MANAGEMENT SERVICE  
AGENDA AND OVERVIEW  
ONSHORE OPERATOR TRAINING SEMINAR**

Overview

This session explains something about the organization of Minerals Management Service. Also explained is the Production Accounting and Auditing System (PAAS); how it works and what it's use.

Reporting Principles

Who and when to report production will be covered in this section. Subjects covered will include: who reports, authorized reporting formats, mailing addresses, due dates, editing, and report acceptance.

Form MMS-3160 Preparation

This session walks through the preparation of the Monthly Report of Operations, Form MMS-3160. By reviewing and explaining each section of the form, MMS will relate the technical, mechanical details as well as giving attendees ideas where they can save time and energy with work saving tips. This section is the heart of the production reporting requirements.

Amended Reports

The MMS receives hundreds of amended reports each month. This session will aid the reporter in determining how to properly prepare and submit amended reports.

Assessment Overview

Each month the MMS generates bills for late, missing, or erroneous production reporting. This session explains why bills are generated and what the reporter can do so that none are received. Also included is an explanation of the appeals process.

AFS/PAAS Comparison

This session will explain the Production Accounting and Auditing System. Discussion will cover the comparison of production vs. sales volumes.

Royalty Rate Reduction for Stripper Properties

An overview of the changes in Regulations which allow a reduction in royalties for certain properties. An explanation of how to qualify, how to calculate the reduction, and the notification process.

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APPEARANCES:

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