



# United States Department of the Interior



MINERALS MANAGEMENT SERVICE  
Royalty Management Program - PAD  
P.O. Box 17110, MS-3300  
Denver, Colorado 80217-0110

IN REPLY REFER TO:

RPD/PRB  
Mail Stop 3122

MAY 12 1993

Dear Reporter:

In May 1993, the Minerals Management Service (MMS) will automate the late and erroneous assessment function for production reporting. This has been a manual function since inception of these assessments in May 1990. The automated assessment invoices will incorporate detail currently included in printouts enclosed with the manual bill.

A Production Accounting and Auditing System (PAAS) BULLETIN is enclosed reemphasizing MMS and reporter responsibilities and highlighting certain production reporting requirements. This document is intended to be used as a quick desk reference. It is not all inclusive. Please refer to 30 CFR 216 (1992) and the PAAS Onshore Oil and Gas Reporter Handbook or the PAAS Reporter Handbook - Lease, Facility/Measurement Point, and Gas Plant Operators, for complete reporting requirements and instructions.



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If you have any questions regarding the above, please call your production reporting representative at 800-548-3094 or 800-792-2071.

Sincerely,

Vernon B. Ingraham  
Chief, Reports and Payments Division

Enclosures

## **PAAS BULLETIN PURPOSE**

**This Production Accounting and Auditing System (PAAS) Bulletin provides oil and gas reporters information on the MMS and reporter responsibilities and certain important production reporting requirements. This is not all inclusive; please refer to 30 CFR 216 (1992) and the PAAS Onshore Oil and Gas Reporter Handbook or the PAAS Reporter Handbook - Lease, Facility/Measurement Point, and Gas Plant Operators, for complete reporting requirements and instructions.**

## **RESPONSIBILITIES**

**The Minerals Management Service (MMS) responsibilities include:**

- **Timely processing and distributing oil, gas, and solid minerals production data to States, Indian tribes, Indian allottees, and Federal Agencies.**
- **Ensuring the Federal Government receives accurate and timely information regarding mineral resources removed from Federal and Indian properties.**
- **Ensuring leases/agreements are maintained in accordance with lease/agreement terms and regulatory requirements.**
- **Ensuring reported operations reflect actual conditions on the lease/agreement.**

**The Reporter's responsibilities include:**

- **Knowledge of applicable regulations and reporting requirements regarding its leases.**
- **Ensuring operations reports are submitted correctly,**
- **Ensuring operations reports are received at MMS by the designated due date.**
- **Notifying MMS of any changes to reporter contact information (see form attached).**
- **Verifying and reconciling any discrepancies between the preprinted information (Model Form MMS-3160 and well information confirmation reports) and reporters records.**

# **PAAS BULLETIN**

## **HANDBOOK**

The reporting instructions specified in regulations at 30 CFR 216 (1992) are contained in the following Production Accounting and Auditing System (PAAS) Handbooks:

- **ONSHORE**
  - PAAS onshore Oil and Gas Reporter Handbook
- **OFFSHORE**
  - PAAS Reporter Handbook - Lease, Facility/Measurement Point, and Gas Plant Operators

**Note:**

The first copy of a PAAS Handbook and subsequent revisions are provided by MMS at no cost to all operators.

Additional copies of the PAAS Handbooks are available at cost.

To order PAAS Handbooks call (303) 231-3090

# PAAS BULLETIN

## REPORT FILING

### WHAT TO REPORT

Regulations at 30 CFR 216 (1992) specify for:

- Onshore Reporting:

A Monthly Report of Operations Form MMS-3160 (3160) must be filed by the reporter of each onshore Federal or Indian lease or federally approved agreement.

Note: A small number of companies are approved for reporting onshore production on the Oil and Gas Operations Report (OGOR Form MMS-4054).

- Offshore Reporting:

An OGOR must be filed by the reporter of each offshore Federal or Indian lease or federally approved agreement.

### WHEN TO REPORT

The following applies to both offshore and onshore reporting:

- Operations reports must be filed for each calendar month, **beginning with the month drilling operations are initiated to the date the well is permanently plugged and abandoned.**
- The MMS must receive operations reports (3160's and OGOR's) on or before the 15th day of the second month following the month being reported.
- If the 15th falls on other than a regular workday; i.e., Saturday, Sunday, or a Federal holiday, the report is due the next official workday.
- A report is considered received when it is delivered and received by the proper MMS office.

## PAAS BULLETIN

### WHEN TO REPORT (continued)

- The MMS does not consider a postmark as evidence of timely filing. Depositing a document in the mail does not constitute delivery to MMS.
- When the U.S. Postal Service is used, the operations reports must be received at P.O. Box 17110, Denver, Colorado 80217.
- When a private courier service is used, delivery must be made by 4 p.m. mountain time to MMS at Building 85, Denver Federal Center, Room A212, Denver, Colorado 80225.

Reports are processed the same day if received by 4 p.m. mountain time and never held overnight.

- Reports received after 4 p.m. mountain time are processed the next workday.
- Reports received by MMS after the due date, are late and subject to assessment.

## PAAS BULLETIN

### CHANGES TO PREVIOUSLY SUBMITTED REPORTS (AMENDED/MODIFIED)

#### Monthly Report of Operations - Form MMS-3160 (3160)

- An amended Monthly Report of Operations, Form MMS-3160, ~~overlays~~ the entire report previously submitted.
- All data must be resubmitted, not just the data being amended.
- An original authorizing signature is required and a typed or printed authorizing name for original and/or amended reports.
- The authorization date of an amended report must be later than the original report, or an amended report previously submitted.

#### Oil and Gas Operations Report - Form MMS-4054 (OGOR)

- A modified ~~Oil and Gas Operations Report (OGOR)~~ replaces only the modified data.

For line(s) being modified, record the entire line(s) exactly as reported on the original submission except use D [Delete] in the Action Code field. The delete line **MUST** be entered on the report before the related add line.

Enter the entire modified or additional line not submitted on the original report using an A [Add] action code.

- An original authorizing signature is required and a typed or printed authorizing name for original and/or modified reports.
- The authorization date of a modified report must be later than the original report, or a modified report previously submitted.

## PAAS BULLETIN

### MONTHLY REPORT OF OPERATIONS MODEL MMS-3160 INFORMATION

- The MMS generates a Monthly Report of Operations, Model Form MMS-3160 (Model) each month for the reporter's use.
- The Model is provided to onshore reporters as a reporting aid. Non-receipt of the Model does not negate reporting requirements.
- The Model reflects information from the PAAS data base which is maintained by BLM. It is imperative the reporter verify the preprinted information.
- **If changes are required, the reporter must manually change the preprinted information prior to submission each month.**
- Discrepancies between the model and reporter records must be reconciled with BLM.

# PAAS BULLETIN

## ASSESSMENTS

- **GENERAL INFORMATION**

MMS assessment policy is prescribed at 30 CFR 216.40.

Direct assessment questions to your MMS Production Reporting Representative at:

(800) 548-3094

or

(800) 792-2071

When submitting a photocopy, reporters must ensure their operations reports are accurately and completely photocopied; e.g., the entire API well number. Missing information due to poor photocopying is subject to assessment.

Shut-in and non-producing wells must be reported as zero (0) or blank production with the appropriate well status.

Should the model contain an incorrect well status, it is the responsibility of the reporter to manually change the models to the correct status.

- **MISSING REPORTS**

Reporters must respond to the MMS, “NONRECEIPT OF PRODUCTION information” letter within 30 days of receipt, or risk being assessed for missing production information.

- **NEW REPORTERS**

New reporters are granted a 90-day grace period before late, missing, or erroneous assessments are issued.

The 90-day grace period begins on the date the reporter is added to PAAS.

A change of name, a new location or a subsidiary of an existing reporter does not qualify as a new reporter.

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## PAAS BULLETIN

### APPEAL RIGHTS

- MMS appeal policy is prescribed at 30 CFR 290.
- Reporters assessed by MMS have the right to appeal.
- The appeal letter must be received by MMS within 30 days of reporters' receipt of the "NOTICE OF ASSESSMENT" and include justification for reversal.
- Payment of the bill for collection for the assessment is not suspended by reason of an appeal.

i.e., the bill must be paid whether or not there is an appeal;  
however, you may use an acceptable surety.

- Direct surety questions to:

800-433-9802

or

303-231-3615

- Direct appeal questions to:

800-525-7922

303-231-3684

## PAAS BULLETIN

### OTHER THAN MONTHLY REPORTING

- Submit a written request to MMS for other than monthly reporting on leases containing all non-producing wells.
- BLM approves or denies non-monthly reporting.
- MMS provides the reporter written notification of the BLM decision.

### RETROACTIVE REPORTING OF WELLS MOVED FROM ONE LEASE OR AGREEMENT TO ANOTHER LEASE OR AGREEMENT

- A 90-day grace period is granted to reporters to submit original and amended operations reports correcting the placement of wells.
- The 90-day grace period is calculated from the date of the BLM approval letter notifying the reporter of a retroactive movement.
- Retroactive reporting must be received at MMS within the 90-day grace period to avoid late reporting assessments.

