



United States Department of the Interior

MINERALS MANAGEMENT SERVICE

Royalty Management Program
P.O. Box 25165
Denver, Colorado 80225-0165

IN REPLY REFER TO:

MMS/DMD/B2S1
Mail Stop 3113

JAN 5 1995

Dear Reporter:

The Minerals Management Service (MMS) will conduct a solid minerals reporter training and product valuation seminar in Denver, Colorado on February 8-9, 1995. The reporter training portion of the seminar covers all minerals and the valuation portion is specific to coal. You are cordially invited to attend this training. Following are the details of the seminar:

Denver Federal Center
Building 67, Rio Grande Room
(see enclosed map)
February 8 (valuation)
February 9 (reporter training)
8:30 a.m. to approximately 4:30 p.m. each day

The valuation topics include:

- A discussion on gross proceeds, and its relationship to commodity and demand charges, capacity payments, and other payments made under a coal supply contract.
- Royalty valuation policy (including royalty calculation procedures) for coal contract settlement payments, including contract buyouts, buydowns, and other settlement payments made to resolve contract disputes.
- Meeting the marketable condition standard required by 30 CFR § 206.257(h) (1993).
- A discussion of arm's length and non-arm's length contract definitions and their implications.
- Transportation allowances--when they are applicable, where mining stops and transportation begins, and what costs are allowable.
- Filing requirements and how to complete, correct, and adjust coal transportation and coal washing allowance forms.
- Valuation of feedstock used in coal beneficiation plants.

The reporter training session includes:

- An overview of MMS' royalty and production accounting computer systems and how they work.
- When and how to complete and submit forms to establish a royalty reporting structure with MMS.
- How to prepare production reference documents.
- When and how to submit, correct, and adjust royalties reported to MMS.
- When and how to report, correct, and adjust lease production and inventory data for mines and processing/storage facilities to MMS.

The reporter training and valuation sessions are both full-day programs. You may attend either session or both of them.

Except for your own travel and related expenses, we provide the training to you at no charge. You may contact one of the hotels/motels listed in the enclosure or any others directly to make room reservations as needed. We have not reserved rooms for reporters attending this training.

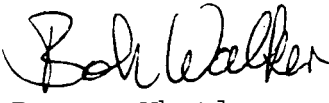
We designed the training for those reporters who are new to our reporting systems, those who have reported for some time but need a refresher course, or those who may be having difficulty and would like some assistance. The training sessions are informal and designed to provide as much information as possible in a short amount of time. Please dress comfortably and feel free to ask questions. Instructors will be available to provide individual one-on-one assistance to resolve specific problems you may be experiencing.

We will accept reservations on a first-come first-serve basis. You may register for all or any part of the two-day training. To reserve space for yourself and/or other employees in your firm, please call Kimmie Ephland at (800) 525-9167, ext. 3504, or locally (303) 231-3504 no later than February 1, 1995. Also, please indicate any special accommodations or auxiliary aids you or other attendees may require at the time you make your reservations.

If you have any comments or suggestions concerning the reporter training portion of our seminar, please contact John Hovanec at (800) 525-9167, ext. 3368, or (303) 231-3368. If you would like

more products other than coal covered in the valuation session, or if you have any other questions or suggestions concerning the valuation portion of our seminar, please contact Herb Wincentzen at (303) 275-7210.

Sincerely,

for 

Roger Whatley
Chief, Data Management Division

1 Enclosure

Some Hotels/Motels In the Immediate Area

Sheraton Denver West Hotel &
Conference Center
360 Union Boulevard
Lakewood, Colorado
(800) 325-3535 or
(303) 987-2000

Best Western Denver West
11595 W. 6th Avenue
(at 6th Avenue and Simms)
(303) 238-7751
Lakewood, Colorado

Doubletree Hotel
137 Union Boulevard
Lakewood, Colorado
(800) 222-8733 or
(303) 969-9900

Union St.

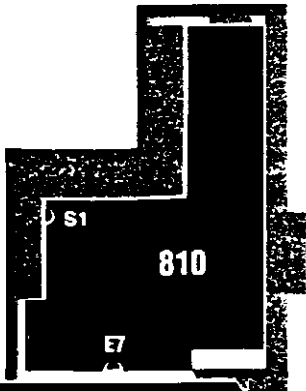
GATE NO. 4

North Ave.

Twelfth St.

Eleventh St.

Main Ave.



Eighth St.

GATE NO. 5

Carpenter Ave.

890

710/710A

Seventh St.

GATE NO. 6



Legend

- Street/ Avenue
- Building
- Parking
- Building Entrance

Alameda Ave.

GATE NO. 1

Main Ave.

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Main Ave.

South Pl.

Fourth St.

Third St.

Second St.

Fifth Ave.

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E1A

E1B

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West Sixth Ave.



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* These letters and numbers indicate visitor entrances. You will find each one keyed to the map above.