



United States Department of the Interior

MINERALS MANAGEMENT SERVICE
Washington, DC 20240

OCT 24 1995

(Oil Company CEO's)

Dear Mr. _____:

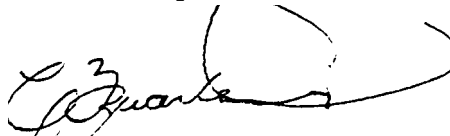
The Minerals Management Service (MMS) is pleased to announce the availability of new reporting options utilizing electronic commerce technology. Through participation with industry and State agencies on the American Petroleum Institute's Petroleum Industry Data Exchange Committee, we have jointly established standards and processes for electronic data exchange. Companies can now by-pass labor-intensive paper reporting via electronic commerce technology.

We are pleased with the success experienced thus far, both in terms of cost reduction and in improvements to the quality and timeliness of regulatory reporting. Recent trends show reporting error rates of approximately 6 percent for paper reports, while those submitted electronically average less than 1 percent. Our commitment to improving the way we do business is strong, and we are excited about the potential electronic commerce technology offers. Our goal is to receive 100 percent of incoming reports electronically by the end of 1997.

I personally invite you to join us in implementing electronic commerce between our respective organizations. We would welcome the opportunity to work with your managers and technical staff, and can provide both on-site management briefings and technical training on available reporting options. The primary MMS contact for electronic reporting is Mr. Ron Hatton. He can be reached at (303) 275-7050. The enclosed brochure provides more details and identifies specific MMS contacts for royalty reporting, production reporting, and electronic payments.

If you have questions or wish to discuss any of these issues further, please contact me directly at (202) 208-3500.

Sincerely,


Cynthia Quarterman
Director

Enclosure