



United States Department of the Interior

MINERALS MANAGEMENT SERVICE

Royalty Management Program

P.O. Box 25165

Denver, Colorado 80225-0165

IN REPLY REFER TO:

RFD/RB
Mail Stop 3132

OCT 3 1996

Dear Reporter:

The Minerals Management Service (MMS) cordially invites you to attend a reporter training seminar in Houston, Texas, on November 6-8, 1996.

The enclosed agenda gives you a brief description of the royalty and production reporting topics we will cover. The training will benefit new reporters, as well as experienced reporters who could use a refresher course or need help with specific problems.

The sessions are informal and are designed to provide as much information as possible in a short period of time. Except for your own travel and related expenses, the training is provided to you at no charge.

Location: Sheraton Crown Hotel
15700 John F. Kennedy Boulevard
Houston, Texas
(713) 442-5100

Dates: November 6-7 Report of Sales and Royalty
Remittance (Form MMS-2014)

November 8 Monthly Report of Operations
(Form MMS-3160)

Time: 8:30 a.m. to 4 p.m.

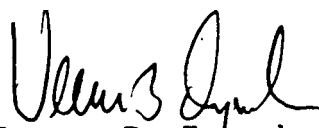
How to register: Call MMS at 800-525-0306 or (303) 231-3301 no
later than Wednesday, October 30, 1996.

During the 3-day seminar, MMS representatives will be available to meet with you to discuss any specific issues or problems you may be encountering. If you wish to schedule a separate appointment, please call the phone number listed above and indicate the topics you wish to discuss. One of our representatives will return your call.

The afternoon session on AFS/PAAS Comparison is designed for all reporters (operators and payors) and will be offered only if there is sufficient interest. During that session, we will give you a brief overview of the comparison process and provide detailed assistance with problem areas. Please let us know if you are interested in this part of the session and what problems you may be encountering.

If you have any questions or if you will need any special accommodations or auxiliary aids during the training, please let us know when you call to register. We look forward to seeing you at the training.

Sincerely,



Vernon B. Ingraham
Chief, Reports and
Financial Division

Enclosures

AGENDA

Minerals Management Service Oil and Gas Payor Training Seminar

Report of Sales and Royalty Remittance (Form MMS-2014)

Session title	Description
Establishing Your Database	Explains how to prepare the Payor Information Form (PIF) that MMS uses to establish your company as a payor in our computer system. Explains revenue source types and their importance in proper reporting.
Basic Reporting Principles and Form Preparation	Explains how and when to report and pay royalties, including who reports and pays, payment requirements, due dates, and report acceptance. Explains each section of the Form MMS-2014.
Commonly Used Transaction Codes	Explains the coding and specific reporting requirements for royalty due, royalty-in-kind, rent, minimum royalty, and estimated royalty payments.
Adjustments, Recoupments, and Refunds	Explains how to report adjustments, recoup overpaid Federal royalties, and establish a balance to recoup Indian, tribal, and allotted overpayments.
Billings and Appeals	Explains each type of bill (for example, ABIL, CBIL, IBIL, GBIL, TBIL) MMS generates and the conditions that create them. Explains the appeals process.
AFS/PAAS Comparison	Explains how exceptions are generated when there is a discrepancy between the sales/transfer volumes reported by the operator on the production report (to the Production Accounting and Auditing System [PAAS]) and the sales quantity reported by the payor on the royalty report (to the Auditing and Financial System [AFS]).
Product Valuation	Gives an overview of MMS's method of determining product value with emphasis on commonly encountered valuation issues. Discusses basic allowance regulations and exceptions under the regulations. (This session does not explain how to prepare allowance forms).

AGENDA

Minerals Management Service Onshore Oil and Gas Operator Training Seminar

Monthly Report of Operations (Form MMS-3160)

Session title	Description
Overview	Explains the organization of MMS. Explains the Production Accounting and Auditing System (PAAS), MMS, and surface management agency responsibilities.
Reporting Principles	Explains who must report, when to report, where to report, and production reporting methods, including who reports, authorized reporting formats, mailing addresses, due dates, editing, and report acceptance.
Form MMS-3160 Preparation	Explains each field on the Form MMS-3160 in detail. Includes ideas on where and how to save time and energy on form preparation.
Amended Reporting	Explains how to prepare and submit amended reports.
Confirmation Reports	Explains the monthly Well and Form MMS-3160 confirmation reports MMS sends to operators.
Assessment/Order to Report/Appeal Overview	Explains why liquidated damage assessments for late or incorrect production reporting are generated and how to prevent them. Explains the Order to Report and the appeals process.
AFS/PAAS Comparison	Explains how exceptions are generated when there is a discrepancy between the sales/transfer volumes reported by the operator on the production report (to PAAS) and the sales quantity reported by the payor on the royalty report (to the Auditing and Financial System [AFS]).
