United States Department of the Interior

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

IN REPLY REFER TO:

ARD
Mail Stop 3130
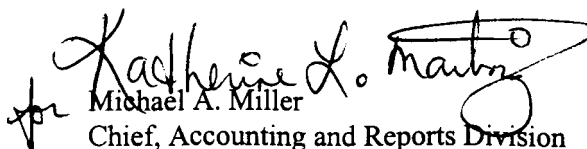
AUG 1 3 1999

Dear Reporter:

This letter introduces the Harbinger Corporation (Harbinger) as the electronic commerce contractor recently selected by the Minerals Management Service (MMS) for the Royalty Management Program (RMP). Harbinger is working with RMP to develop and implement World Wide Web-based, user friendly, electronic reporting options at no or low cost to reporters. These options will replace all current MMS electronic reporting options, except X12 Electronic Data Interchange (EDI), and will enable reporters to submit Form MMS-2014, Report of Sales and Royalty Remittance; Form MMS-3160, Monthly Report of Operations; and Form MMS-4054, Oil and Gas Operations Report, directly to Harbinger via the World Wide Web. Harbinger will then forward this information to RMP using the American National Standards Institute (ANSI) Accredited Standards Committee (ASC) X12 EDI format.

Your reporting relationship with MMS will not change as a result of the contract between RMP and Harbinger. A Harbinger representative will contact you in the near future to discuss the conversion process from your existing reporting method to one of the three electronic reporting options described in the enclosure. You do not need to take any action until contacted by Harbinger.

The RMP published a proposed rule in the *Federal Register* on April 8, 1998, requiring electronic reporting of the Forms MMS-2014, 3160, and 4054. The final rule, published in the July 15, 1999, *Federal Register* (64 FR 38116), is effective November 1, 1999. It does not require Form MMS-3160 reporters to convert to electronic reporting at this time. It does include several exceptions designed to minimize the impact that electronic reporting might have on small businesses. You can find this rule on the MMS Web site at http://www.rmp.mms.gov/library/leglroom/FinalRul.htm; then click on Electronic Reporting (64 FR 38116 – July 15, 1999). You may also request a copy from your RMP company contact.

The electronic reporting options developed by Harbinger will result in fewer reporting errors. Electronic reporting offers you secure data transmissions, last-minute reporting capabilities, an acknowledgement feature, and reduced costs for both you and MMS. We look forward to your participation! Please call your RMP company contact at either 800-525-0309 or 800-525-7922 if you have any questions regarding this letter.

Sincerely,

Michael A. Miller
Chief, Accounting and Reports Division

Enclosure

ENCLOSURE

ELECTRONIC REPORTING OPTIONS

Option 1: Complete forms on Harbinger's Web site.

You may go to Harbinger's secure World Wide Web site and complete Forms MMS-2014, 3160, and 4054 at no cost. You must have a Pentium 100MHz processor or higher with the following minimum requirements to use this option:

- Windows 95, 98, or NT 4.0
- 16 MB RAM or higher preferred
- . Direct Internet connection at 28,800 BPS or higher
- . Standard browser such as Netscape Navigator or Internet Explorer 4.0 or higher

This secure Web site will include all the data fields you need to transmit your monthly reports electronically. Harbinger will convert these reports into an ANSI ASC X12 EDI format and immediately forward them to RMP for processing.

Option 2: Use free software off-line.

Harbinger will provide a free software package to those of you who have report data residing in an electronic format, i.e., Microsoft Excel or legacy system, etc. This software package will enable you to import CSV or ASCII report files containing the monthly report data for Forms MMS-2014, 3160, and 4054. This software must be installed on a Pentium 166MHz processor or higher with the following minimum requirements:

- Windows 95, 98, or NT 4.0
- 16 MB RAM or higher preferred
- 30 MB of free disk space (no disk space requirement for Option 1)
- Direct Internet connection at 28,800 BPS or higher
- Standard browser such as Netscape Navigator or Internet Explorer 4.0 or higher

After you send these electronic reports to Harbinger over secure lines, they will be converted into an ANSI ASC X12 EDI format and immediately forwarded to RMP for processing.

Option 3: Send X12 EDI files.

You may send ANSI ASC X12 EDI files to RMP through Harbinger if you have the necessary translation software, which is available from Harbinger as well as from a variety of other sources. Of course, reporters may always elect to send ANSI ASC X12 EDI files directly to RMP through the various Value Added Network systems available for receiving and forwarding X12 data.

These options will be explained in more detail when the Harbinger representative contacts you in the near future. This person will also help you select the option best suited for your organization.