



IN REPLY
REFER TO

United States Department of the Interior

MINERALS MANAGEMENT SERVICE
ROYALTY MANAGEMENT PROGRAM
P.O. BOX 5760
DENVER, COLORADO 80217



FAD-PAB-AEP
Mail Stop 3212

FEB 6 1992

Dear Payor:

This is to inform you of changes to the Minerals Management Service (MMS) exception invoices which payors may begin receiving in February 1992. These changes are a result of conversion to our new Auditing and Financial System (AFS) for royalty accounting.

Formerly, we issued invoices under two document types: FBIL for audit invoices and BILL for all other invoice types. Under the new AFS, we will issue separate invoices for each of several document types reflecting various assessment categories. Some of the current document types are:

BILL	Manual assessments (e.g., erroneous reporting assessments)
CBIL	Indian overrecoupment assessments
FBIL	Audit assessments (no change)
GBIL	Federal interest charges (late-payment/insufficient estimate)
IBIL	Indian interest charges (late-payment/insufficient estimate)
JBIL	Improper royalty adjustment
LBIL	Late-reporting assessments

Assessment lines on the new invoices are now sorted first by reference document identification (REF DOC ID) and then in lease number order. This enhancement will assist a payor in comparing assessment lines to original reports or to an invoice that was paid late.

The new invoice format is similar to the old format. Additional fields, however, have been added to assist a payor in researching invoices:

LINE NUM	Replaces ASSESS NUM field on past invoices (for internal purposes only)
RCPT DATE	MMS receipt date of Form MMS-2014/4014
PAYOR LINE	Line number on Form MMS-2014/4014
EST	"Y" if a payor has established an estimate for a lease "N" if no estimate exists for that lease
PYMT DATE	MMS receipt date of payment
CALC	"S" for simple interest method "C" for compound interest method

Some of the new fields are not applicable to all invoice types. For example, a payment receipt date is not applicable for determining a late-reporting assessment. Therefore, an invoice may have a field heading with either no information or zeroes appearing in the column.

Dear Payor

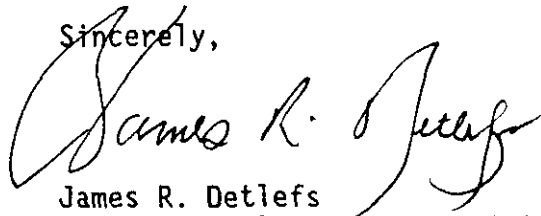
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Also, during the transition period, you may receive some invoices that include applicable field headings, but with either no information or zeroes appearing in the column. This is because the data for these fields was not stored in the old AFS system for transfer to the new AFS system. When we complete issuing invoices based on royalty information received prior to February 1992, the invoices will be consistent.

The description (DESC) field that appeared on past invoices, showing abbreviated explanations of the assessment type for each invoice line, now appears once at the beginning of the related assessment group. The description of the assessment type is now more complete than under the old invoice format.

As you begin receiving new MMS invoices, please read the accompanying Demand Letter for a detailed explanation and call the telephone number referenced in that letter for further assistance. We appreciate your cooperation during our transition to the new system.

Sincerely,

A handwritten signature in black ink that reads "James R. Detlefs". The signature is written in a cursive style with a large, looping initial "J".

James R. Detlefs
Chief, Fiscal Accounting Division