



United States Department of the Interior

MINERALS MANAGEMENT SERVICE
ROYALTY MANAGEMENT PROGRAM
P.O. BOX 5810
DENVER, COLORADO 80217



IN REPLY
REFER TO:

FAD-PAB-AEP
Mail Stop 3212

MAY 14 1992

Dear Payor:

Under the new Auditing and Financial System (AFS), the Minerals Management Service (MMS) will issue a new exception invoice, TBIL. Payors may begin receiving TBIL invoices in May 1992, based on amounts that were due in April 1992. The TBIL invoice reflects the following assessment categories:

Assessment Category	Description
NOM-DEF RENT	Nominally-Deficient Rent Underpayment on Terminable Lease
NT/UNPD RENT	Rent Under- or Nonpayment on Non-Terminable Lease
UNPD ADV ROY	Advance Royalty Under- or Nonpayment
UNPD DEF BON	Deferred Bonus Under- or Nonpayment
UNPD MIN ROY	Minimum Royalty Under- or Nonpayment

Assessment lines are listed first by assessment categories, and then by MMS Lease number within each assessment category. The individual invoice headers and the header descriptions are:

LINE	Internal (MMS) use only
MMS LEASE #	MMS-converted number from the lease document serial number; used for sales and royalty reporting, if applicable
BLM LEASE #	BLM serial number assigned to the lease document
DUE DATE	As defined by lease terms
AMOUNT DUE	Amount due for the lease year as defined by lease terms, either a flat fee or per acre basis
AMOUNT PAID	Payment(s) received by MMS for a lease year
BALANCE DUE	AMOUNT DUE less AMOUNT PAID

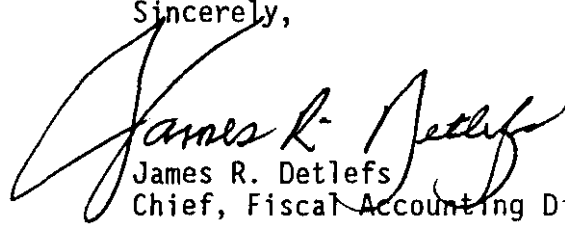
Previously, nominally-deficient rent for terminable leases and deferred bonus under- or nonpayment for non-terminable leases were identified and invoiced under the Bonus and Rental Accounting Support System (BRASS). Beginning with amounts due in April 1992, these assessment categories in addition to rent, minimum royalty, and advance royalty under- or nonpayment for non-terminable leases will be invoiced by a new automated AFS module designed to review all the leases and identify exceptions. These assessments are authorized at 30 CFR §§ 218.51 (1991) (oil and gas), 218.202 (solid minerals), and 218.302 (geothermal resources)

Dear Payor

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As you begin receiving new TBIL invoices, please read the accompanying Demand Letter for a detailed explanation of your appeal rights. Your continuing cooperation and patience is appreciated. Should you have any questions regarding TBIL invoices, please call the Automated Exception Processing Section at (800) 433-9801.

Sincerely,



James R. Detlefs
Chief, Fiscal Accounting Division