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April 26, 1999

Mr. David S. Guzy
Chief, Rules and Publications Staff
Minerals Management Service
Royalty Management Program
P.O. Box 25165, MS 3021
Denver, CO 80225

Comments on Revising an Existing Information Collection
Forms MMS-3160, MMS 4054, MMS-4055,
MMS 4056, MMS-4058
64 FR 8844 (February 23, 1999)

Dear Mr. Guzy:

The Council of Petroleum Accountants Societies (COPAS) appreciates the opportunity to comment on MMS' proposed revisions on production reporting changes. COPAS members are anxious to share the benefits of reduced reporting, streamlined data elements, minimized errors, simplified reporting and lowered costs. Therefore, we believe our comments will be beneficial in improving RMP processes for both the MMS and industry.

General Comments

The MMS is commended for its efforts to revise reporting requirements and to re-examine the reporting processes. COPAS notes several positive changes such as deleting the OGOR – C and combining it with the OGOR – B; reducing the well status code from thirteen digits to four digits and providing reporters with the flexibility to choose the modification method for filing reports. Industry is appreciative of MMS' receptiveness to its ideas and the results are very evident in the Federal Register Notice.

Specific Comments

COPAS National Office P.O. Box 1190 Denison, TX 75021-1190
Phone: (903) 463-5463 FAX: (903) 463-5473

Monthly Report of Operation, Form MMS - 3160

Companies that currently do all of their reporting on this form prefer to continue using this form. The smaller independent producers' concern is driven by the additional cost of any computer system changes and training their employees. Therefore, COPAS recommends onshore reporters be given the option to use the 3160 or the OGOR. In addition, the data items that will not be required on the OGOR should be optional on the 3160. Perhaps the MMS could convert the 3160 data submitted by onshore producers to the OGOR format.

Oil and Gas Operations Report (OGOR), Form MMS–4054

Please refer to the comments on the Form 3160. Also, COPAS recommends the GPM and Methane Mol % reporting requirement be deleted since this data is not captured in the producers' accounting system. In addition, these data elements appear to be a new requirement for onshore operators. Therefore, this appears to be a significant added burden to industry as compared to the current requirement for only OCS Federal gas.

Gas Analysis Report (GAR), Form MMS-4055

COPAS agrees the GAR should only be required on an as-needed basis for offshore properties only. Reporting of the GPM and Methane Mol% should continue to be reported on this form instead of the OGOR – B as discussed above.

Gas Plant Operations Report (GPOR), Form MMS-4056

The "Field Btu" appears to be referring to the Plant Inlet Btu. It is recommended the data element name be changed to "Inlet Btu."

Summary

COPAS agrees with many of the proposed changes. However, some of the proposed changes would be costly to industry. For example, some producers use only the Form 3160. They would now be required to make costly changes to their computer systems to implement the OGOR report or to train their employees on the OGOR. Finally, system changes are required on new data elements that are not currently captured or needed in the producers' accounting system.

Conclusion

COPAS appreciates the opportunity to provide comments on the proposed production reporting changes. If you have any questions regarding these comments, please call me at 405-552-4721.

Sincerely,

Gary Wade
Chairman, COPAS Federal Affairs Subcommittee

CC:
Sandy Launchbaugh
Mary Stonecipher
John Clark