



Amoco Shared Services Center

State & Federal Reporting
Post Office Box 22048
Tulsa, OK 74121-2048

June 5, 1998

Mr. David S. Guzy
Chief, Rules and Publications Staff
Royalty Management Program,
Minerals Management Service, MS 3021
P.O. Box 25165
Denver, Colorado 80225-0165



Dear Mr. Guzy,

This letter is in response to the April 8, 1998 Federal Register Notice concerning Electronic Reporting (30 CFR Parts 210 and 216).

Amoco Production Company fully supports the MMS's initiative to go to electronic reporting. Amoco was the first company to report to the MMS via EDI on the MMS Form 2014 and the first or second company to report via EDI for the MMS Form 3160.

Despite being a leader in industry in electronic reporting, we are concerned with the direction of this proposed rulemaking and some of the statements made. First, the notice states that "Reporters who use electronic reports experience few problems with converting or submitting their monthly reports." We have often experienced problems with generating the EDI transmission; with the MMS failing to receive the transmission even though it was sent; the MMS has also been unable to receive some transmissions because they were too large and required us to resubmit by tape; and we have had to change the format on some tapes because the MMS needed it in a new format. Additionally, we have experienced an increase in the costs of reporting via EDI versus doing it by tape.

More importantly, the notice does not say that most of the reporters that are currently reporting electronically continue to report some lines manually. This is because the payor must correct various error notices (AFS/PAAS, 2014 Rejects) within a very short timeframe, and the payor is unable to process it through their systems in time to report it electronically. Even in preparing the current month report, in order to add a line or to correct a line before it is sent, manual 2014s are necessary. The MMS does offer some software or instructions, but they do not work for this type of reporting. To handle these corrections and last minute entries, each company would have to build an elaborate reporting system costing tens of thousands of dollars.

With this said, although Amoco supports requiring electronic reporting, there still needs to be the opportunity for a company to correct the errors and report last minute lines manually without being fined.

If you should have any questions, my phone number is (303) 830-4386.

Sincerely,

A handwritten signature in black ink that reads "Robert O. Wilkinson". The signature is written in a cursive style with a long, sweeping underline.

Robert O. Wilkinson
Team Leader, State & Federal Reporting
Amoco Business Services Center