



## United States Department of the Interior

MINERALS MANAGEMENT SERVICE  
Minerals Revenue Management  
P.O. Box 25165  
Denver, Colorado 80225-0165  
[www.mrm.mms.gov](http://www.mrm.mms.gov)



AUG 14 2003

Dear Operator:

In our "Dear Operator Letter" dated August 14, 2002, the Minerals Management Service (MMS) notified you of specific onshore Federal leases in Wyoming that were selected to participate in a crude oil Royalty in Kind (RIK) program. In accordance with the terms of that letter, we are notifying you of the termination of crude oil in-kind status of your onshore Federal leases in Wyoming.

The in-kind status of the leases listed in the enclosure terminates for crude oil on September 30, 2003, and the oil royalties will be payable in value rather than in kind, **effective October 1, 2003**. Please notify the appropriate working interests of the changes in royalty status for these leases.

You must continue to report crude oil production and royalties to MMS on the Oil and Gas Operations Report (OGOR). Effective March 31, 2003, you must report crude oil royalties in value on the Report of Sales and Royalty Remittance (Form MMS-2014) under the MMS reporting requirements specified in MMS regulations and the MMS Mineral Revenue Reporter Handbook at [http://www.mrm.mms.gov/Reporting Services/PDFDocs/RevenueHandbook.pdf](http://www.mrm.mms.gov/Reporting%20Services/PDFDocs/RevenueHandbook.pdf). Please note that the MMS reporting requirements change, effective October 1, 2001.

Please visit our website at [www.mrm.mms.gov](http://www.mrm.mms.gov) for information regarding properties participating in RIK sales.

Sincerely,

Gregory W. Smith  
Deputy Program Manager for  
Royalty in Kind

Enclosure

**Listing of Properties Reverting to In Value  
Effective October 1, 2003**

Enclosure

<i><b>Lease or Agreement Number</b></i>	<i><b>Lease or Agreement Name</b></i>	<i><b>Operator</b></i>	<i><b>Oil Type</b></i>	<i><b>Pipeline</b></i>	<i><b>Lease Status</b></i>
892000435A	BLACK MOUNTAIN	NAUTILUS RESOURCES	ASC	Rocky Mountain	IN VALUE
0620293210	BLACK MOUNTAIN #55	NAUTILUS RESOURCES	ASC	Red Butte	IN VALUE
W 138881X	HAMILTON DOME	MERIT ENERGY	ASC	Rocky Mountain	IN VALUE
0490376990	WESTATE	MERIT ENERGY	ASC	Rocky Mountain	IN VALUE
0620400270	SHAD - MURPHY DOME	NANCE PETROLEUM CORP.	ASC	Rocky Mountain	IN VALUE
0640686650	LITTLE SAND DRAW-NELSON GS	CITATION OIL AND GAS	ASC	Rocky Mountain	IN VALUE
0640689070	LITTLE SAND DRAW-DAVIS	CITATION OIL AND GAS	ASC	Rocky Mountain	IN VALUE
8920004390	ELK BASIN (MADISON)	ANADARKO	ASC	Clear Fork	IN VALUE
892000439A	ELK BASIN (EMB.-TEN.)	ANADARKO	ASC	Clear Fork	IN VALUE
891000463A	COTTONWOOD CREEK (PHOS)	CONTINENTAL RESOURCES	ASC	Cottonwood Creek Inc.	IN VALUE
W 112017X	ENIGMA	CITATION OIL AND GAS	ASC	Red Butte	IN VALUE
892000174A	GARLAND	MARATHON	ASC	Red Butte	IN VALUE
8920003630	GEBO	NAUTILUS RESOURCES	ASC	Red Butte	IN VALUE
W 150174X	GRASS CREEK	MARATHON	ASC	Red Butte	IN VALUE
892000185A	KINNEY COASTAL GARLAND STR - MADISON "B"	MARATHON	ASC	Red Butte	IN VALUE
892000185B	KINNEY COASTAL GARLAND STR - EMBAR (PHOS)	MARATHON	ASC	Red Butte	IN VALUE
892000185C	GARLAND (TENSLEEP)	MARATHON	ASC	Red Butte	IN VALUE
892000185E	KINNEY COASTAL GARLAND STR - MADISON "A"	MARATHON	ASC	Red Butte	IN VALUE
0640446940	KINNEY COASTAL 012	MARATHON	ASC	Red Butte	IN VALUE
0640447690	KINNEY COASTAL 051,052	MARATHON	ASC	Red Butte	IN VALUE
891012527A	BYRON	MARATHON	ASC	Red Butte	IN VALUE
891002438B	BYRON PRE-TENSLEEP, MADISON PA	MARATHON	ASC	Red Butte	IN VALUE
892000223A	GOOSEBERRY "A"	WESTPORT OIL AND GAS	ASC	Red Butte	IN VALUE
892000223B	GOOSEBERRY "B"	WESTPORT OIL AND GAS	ASC	Red Butte	IN VALUE
892000559A	OREGON BASIN-N CHUGWATER PA	MARATHON	ASC	Red Butte	IN VALUE
892000559B	OREGON BASIN-S CHUGWATER PA	MARATHON	ASC	Red Butte	IN VALUE
892000559C	OREGON BASIN (N. EMBAR)	MARATHON	ASC	Red Butte	IN VALUE
892000559D	OREGON BASIN (S. EMBAR)	MARATHON	ASC	Red Butte	IN VALUE
892000559E	OREGON BASIN (N. MADISON)	MARATHON	ASC	Red Butte	IN VALUE
892000559F	OREGON BASIN (S. MADISON)	MARATHON	ASC	Red Butte	IN VALUE
064043977A	KINNEY COASTAL GARLAND 78EA	MARATHON	ASC	Red Butte	IN VALUE
0491091550b	WEST GIBBS	NANCE PETROLEUM CORP.	GSC	Belle Fourche	IN VALUE
0491091550c	WEST GIBBS	BLACK HILLS	GSC	Belle Fourche	IN VALUE