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**UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT**

**NOTICE OF INCIDENTS OF NONCOMPLIANCE**

Identification	
IID	
Lease	
CA	NMNM137573
Unit	
PA	

Bureau of Land Management Office <b>CARLSBAD FIELD OFFICE</b>	Operator <b>BTA OIL PRODUCERS</b>
Address <b>620 E GREENE STREET CARLSBAD NM 88220</b>	Address <b>104 SOUTH PECOS STREET MIDLAND TX 79701</b>
Telephone <b>575.234.5972</b>	Attention
Inspector <b>SALCIDO</b>	Attn Addr

Site Name <b>HARROUN RANCH</b>	Well/Facility/FMP <b>2H&amp;3H</b>	1/4 1/4 Section	Township <b>23S</b>	Range <b>29E</b>	Meridian <b>NMP</b>	County <b>EDDY</b>	State <b>NM</b>
Site Name <b>(FACILITY)</b>	Well/Facility/FMP	1/4 1/4 Section	Township	Range	Meridian	County	State

**THE FOLLOWING VIOLATION WAS FOUND BY BUREAU OF LAND MANAGEMENT INSPECTORS ON THE DATE AND AT THE SITE LISTED ABOVE**

Date	Time (24 - hour clock)	Violation	Gravity of Violation
<b>02/27/2020</b>	<b>14:00</b>	<b>43CFR3173.2(a)</b>	<b>MAJOR</b>
Corrective Action To Be Completed By	Date Corrected	Assessment for Noncompliance	Assessment Reference
<b>03/25/2020</b>		<b>\$1000.00</b>	<b>43 CFR 3163.1(a)(1)</b>

Remarks  
Valve coming off oil tank sales line was not effectively sealed, no dart or seal. Picture attached.  
Corrective action; effectively seal valve, item valve was effectively sealed the next day.

When violation is corrected, sign this notice and return to above address.

Company Representative Title Field Ops Mgr Signature [Signature] Date 31 2020

Company Comments Valve Sealed

**WARNING**

Incidents of Noncompliance correction and reporting timeframes begin upon receipt of this Notice or 7 business days after the date it is mailed, whichever is earlier. Each violation must be corrected within the prescribed time from receipt of this Notice and reported to the Bureau of Land Management office at the address shown above. Please note that you already may have been assessed for noncompliance (see amount under "Assessment for Noncompliance"). If you do not comply as noted above under "Corrective Action To Be Completed By" you may incur an additional assessment under (43 CFR 3163.1) and may also incur Civil Penalties (43 CFR 3163.2). All self-certified corrections must be postmarked no later than the next business day after the prescribed time for correction.

Section 109(d)(1) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits, false, inaccurate, or misleading reports, notices, affidavits, record, data, or other written information required by this part shall be liable for a civil penalty of up to \$25,000 per violation for each day such violation continues, not to exceed a maximum of 20 days.

**REVIEW AND APPEAL RIGHTS**

A person contesting a violation shall request a State Director review of the Incidents of Noncompliance. This request must be filed within 20 working days of receipt of the Incidents of Noncompliance with the appropriate State Director (see 43 CFR 3165.3). The State Director review decision may be appealed to the Interior Board of Lands Appeals, 801 North Quincy Street, Suite 300, Arlington VA 22203 (see 43 CFR 3165.4). Contact the above listed Bureau of Land Management office for further information.

Signature of Bureau of Land Management Authorized Officer <u>[Signature]</u>	Date <u>3/4/20</u>	Time <u>1440</u>
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**FOR OFFICE USE ONLY**

Number <b>14</b>	Date	Assessment <b>\$1000.00</b>	Penalty	Termination
Type of Inspection <b>PI</b>				

