



December 30, 2019

NMOCD Rule Making Body

Re: Comments on Administrative Penalties

Dear Sir or Madam,

I am concerned about the potential abuse of administrative penalties by over-zealous regulators. *The purpose of administrative penalties should be to discourage operators who might be trying to circumvent the rules and to punish those who do.* Any assessment of penalties should serve that purpose. The purpose should NOT be to punish operators who make a simple mistake with no intent to do so. Therefore, such penalties should ONLY be levied when an operator purposefully disregards a rule or one who repeatedly keeps making the same "mistakes". There should be a requirement in the rule that the Administrative Officer make such a finding prior to assessing a penalty.

I am also concerned about the fact that the fines can pile up on a daily basis. Again, that is open to abuse, without serving the real purpose of the rule itself. For example, if a pumper leaves the hatch open on a tank, it may not be discovered for several weeks, opening the door for the assessment of a huge fine for a relatively minor unintended offense.

In summary, the NMOCD should be working with operators to promote compliance, not playing "gotcha", trying to catch and punish operators at every opportunity. The oil and gas industry already provides a third of all revenues to the State. In that regard, the industry should be encouraged; not treated like the enemy. The rules should be written to that end.

Sincerely,

A handwritten signature in blue ink, appearing to read "George Sharpe", is written over the typed name.

George Sharpe
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