

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
NOTICE OF INCIDENTS OF NONCOMPLIANCE**

Certified Mail - Return Receipt Requested P363624789

Hand Delivered, Received by _____

Identification	
Lease	<u>NMLC060572A</u>
CA	
Unit	
PA	

Bureau of Land Management Office CARLSBAD RESOURCE AREA		Operator DAKOTA RESOURCES, INC.	
Address 620 E GREENE, CARLSBAD, NM 88220		Address 310 W. WALL, SUITE 814 MIDLAND TX 79701	
Telephone (505) 387-6544 (FAX 385-9264)		Attention	
Site Name TRIGG/BIG EDDY FED.	Well or Facility Identification WELLS #1 & #98	1/4 Sec. NWSW/SEW. 7	Township 21S
Inspector DUNCAN WHITLOCK	Range 28E	Meridian NMPM	

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
<u>97/04/13</u>	<u>1000</u>	<u>43CFR3162.1 O.O.#6, III, D.2</u>	<u>MINOR</u>
Corrective Action To be Completed by	Date Corrected	Assessment for Noncompliance	Assessment Reference
<u>97/05/21</u>	<u>5-30-97</u>	<u>\$</u>	<u>43 CFR 3163.1 ()</u>

Remarks:

NO SIGNS AT FACILITY STATING POTENTIAL H2S DANGER. POST SIGNS WITHIN 50 FT. OF TANKS AND PRODUCTION EQUIPMENT AS PER ONSHORE ORDER #6.

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

Company Representative Title OPERATIONS MANAGER Signature [Signature] Date 6-2-97

Company Comments SIGNS POSTED WITHIN 50' OF TANKS & PRODUCTION EQPT STATING POTENTIAL OF H₂S DANGER.

WARNING

Incidents of Noncompliance correction and reporting time frames 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 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, records, 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 30 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 Land Appeals, 4015 Wilson Blvd., 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>97/04/20</u>	Time <u>0930</u>
---	-------------------------	---------------------

FOR OFFICE USE ONLY

Number <u>38</u>	Date	Assessment	Penalty	Termination
Type of Inspection: <u>PH/H5</u>				

ORIGINAL (RETURN TO ISSUING OFFICE)

RECEIVED
 APR 20 9 48 AM '97
 BUREAU OF LAND MANAGEMENT
 CARLSBAD RESOURCE AREA