

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

Certified Mail-Return Receipt Requested #363624789
 Hand Delivered. Received by

Identification

Lease NMLC060572A
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 314 MIDLAND TX 79701	
Telephone (505) 887-6544 (FAX 885-9264)		Attention	
Site Name TRIGG/BIG EDDY FED.	Well or Facility Identification WELLS #1 & #98	1/4 Sec. NWSW/SENW, 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
97/04/13	1000	43CFR3162.5-1	MINOR
Corrective Action To be Completed by	Date Corrected	Assessment for Noncompliance	Assessment Reference
97/05/21	5-30-97	\$	43 CFR 3163.1 ()

Remarks:

BLACK POLY LINE NOT BEING USED. REMOVE ALL POLY LINES NOT BEING USED AT THIS TIME FOR PRODUCTION.

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: ALL BLACK POLY LINE NOT BEING USED HAS BEEN REMOVED

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 Title 43 CFR 3163.2(f)(1), provides that any person who "knowingly or willfully" prepares, maintains, or submits false, inaccurate, or misleading reports, maps, 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 until it is corrected within 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 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: [Signature] Date: 97/04/20 Time: 0930

FOR OFFICE USE ONLY

Number	Date	Assessment	Penalty	Termination
<u>3</u>				

Type of Inspection: PH/SP

ORIGINAL (RETURN TO ISSUING OFFICE)

RECEIVED
MAY 19 8 30 AM '97
BUREAU OF LAND MGMT
CARLSBAD RESOURCE AREA