

BLM COPY

Number ASC-046-99

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

NOTICE OF INCIDENTS OF NONCOMPLIANCE

Identification	
IID	14080015237
Lease	LC060581
CA	NMNM71108
Unit	
PA	

Bureau of Land Management Office HOBBS INSPECTION OFFICE		Operator COLLINS & WARE INCORPORATED	
Address 414 WEST TAYLOR HOBBS NM 88240		Address BUREAU OF LAND MANAGEMENT HOBBS, NM 88240	
Telephone 505.393.3612		Attention 79701-5076	
Inspector Andy Cortez		Attn Addr	
Site Name J T CAUDLE	Well or Facility 02	Township 12S	Range 33E
		Meridian NMP	Section 3
			1/4 1/4 NWNW

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
05/08/1999	16:00	43 CFR 3164.1 / OO&GO #7 III.A.	MINOR
Corrective Action To Be Completed By	Date Corrected	Assessment for Noncompliance	Assessment Reference
05/26/1999			43 CFR 3163.1()

Remarks Produced water is being dumped on the ground. - Submit for approval, an application to dispose of produced water as per attachment. Stop dumping water on the ground. Continued practice may result in issuance of monetary assessments.

This copy is just for ENGINEERS to be AWARE of why the ANALYSIS was sent in.

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

Company Representative Title Erick W. Watson Signature [Signature] Date 5-18-99

Company Comments Source of water appears to be rain water that has collected in water transport tracks. Valves were found to be in good condition.

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 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>Andy Cortez</u>		Date <u>4-8-99</u>	Time <u>1610</u>
FOR OFFICE USE ONLY			
Number <u>33</u>	Date	Assessment	Penalty
Type of Inspection <u>SP</u>			Termination