

OIL AND GAS ENFORCEMENT POLICY AND PROCEDURES

XV. AFMSS DATA ENTRY INSTRUCTIONS FOR ENFORCEMENT ACTIONS

The following information describes the data entry fields where you must enter enforcement information in order to generate an INC or Shut-Down Notice form; or to document written order or verbal INC information for tracking purposes. The term "INC" used throughout these instructions refers to all enforcement action types unless otherwise specified.

Contact Person: Select the "correct" operator address and contact person for the INC. AFMSS allows for multiple entries of operator address and contact names under various "types" of address, such as LOC-local, GEN-general, INC-Incident of Non-Compliance, etc.

Valid API/Well Number: Select the well that pertains specifically to this INC. This identifies the well number where the violation was found.

Valid Facility: Select the facility that pertains specifically to this INC. This identifies the facility ID where the violation was found.

INC Number: A unique number must be assigned to each INC. There is no entry standard, however, a suggested format would be, inspector initials, fiscal year, and sequential numbers - JD-97-001, 002, and so on.

Certified Mail/ Hand Delivered: Select the appropriate option. The default option is Certified Mail.

CM RRR #/ Delivered to: This corresponds to the selection above. Enter the Certified Mail receipt number, or the name of the person the INC was delivered to.

Inspector: AFMSS will fill this field with the log-in name of the user. However, it may be changed if necessary. Make sure the complete name of the inspector issuing the violation is entered.

Type: Select the appropriate type of INC - operative or administrative.

INC Action Type: Select the appropriate option. Choices are: INC, Written Order, Verbal Warning, or Shut-Down Order.

INC Id Date: Enter the date the violation was identified.

INC Id Tm: Enter the time the violation was identified. (AFMSS format: 0800 for 8 a.m., 1300 for 1 p.m., etc.).

OIL AND GAS ENFORCEMENT POLICY AND PROCEDURES

- INC Eff. Date: Enter the date as seven working days after the INC will be mailed, or the date the operator receives the notice.
- Shut Dn Date: If appropriate, enter the date operations were shut down.
- Authority Reference: Enter the appropriate CFR, Onshore Order reference, or Condition of Approval item number. Be as specific to the nature of the violation as possible.
- Act Type: Select the type of inspection or activity code that indicates the inspection which was being conducted when the violation or problem was found.
- Gravity: Select the appropriate code:
1- Major (Noncompliance that causes or threatens immediate, substantial, and adverse impacts on public health and safety, the environment, production accountability, or royalty income.
3- Minor (Noncompliance that does not rise to the level of a "major" violation).
- INC Type: Select the appropriate description for the type of violation that has been identified. For example, if a well sign is missing, select the description "Location is not properly identified." To correctly identify those instances where BLM requests that the operator submit paperwork (e.g. Sundry Notices, Well Completion Reports, production record requests). The user should select item 51 from the listing. Refer to Attachment 3-5 for information on recommended INC Type/Category designations.
- Description: This automatically populates with the description you have selected above.
- Category: Select the category code that pertains to violation:
F - FOGRMA (production related)
N - NON-FOGRMA (i.e. well signs, etc.)
E - Environmental
- Refer to Attachment 3-5 for recommended INC Type/Category designations.
- Abatement: Enter the date the corrective action is to be completed. This must be entered before printing and mailing the INC to inform the operator of the date the action is to be completed.

OIL AND GAS ENFORCEMENT POLICY AND PROCEDURES

Corrected: When the INC is corrected, enter the correction date. If issuing another INC for an uncorrected violation, close the first INC record by entering a correction date which corresponds to the issuance date of the second INC.

NOTE: When issuing a second INC with an assessment for an uncorrected violation, it is suggested that users enter the same INC number as the first violation notice with an "A" designation on the end. If the violation goes to civil penalties, change the unique INC number to a "C". This will allow you to more easily track and recall all of the actual enforcement actions taken for a particular violation.

Exten Date: The AO may extend the abatement date for the violation, up to three extensions. Enter the extension date(s) for the violation, if appropriate.

Assmt/Penalty: If there is an assessment or civil penalties associated with a particular INC, select the "Assmt/Penalty" button and complete the appropriate options:

Assmt Schdl - select:

- S - Single payment
- P - Per day payment
- BLANK - not applicable

Assmt Amnt - Enter the assessment amount to be paid by the operator in whole dollars, i.e., \$250, not \$250.00.

Penalty Amnt- Enter the amount of the civil penalty to be paid by the operator in whole dollars. Do not enter administrative fees or interest that result from an assessment.

Assmt Category - Select the category code that pertains to this assessment:

- F - FOGRMA (production related)
- N - NON-FOGRMA (i.e. well signs, etc.)
- E - Environmental

This information is used to determine the operator compliance rating.

Assmt Reference - Select the appropriate 43 CFR 3163 reference that applies to this INC.

- b - 43 CFR 3163.1(b)
- a1 - 43 CFR 3163.1(a)(1)
- a2 - 43 CFR 3163.a(a)(2)

OIL AND GAS ENFORCEMENT POLICY AND PROCEDURES

- Appeals: If the operator requests a State Director Review (SDR), or if the INC goes to IBLA, select the "Appeals" button, and enter the appropriate fields:
- SDR Filed - Enter the date that the operator filed a request for a State Director Review.
- SDR No. - Enter the number assigned to the SDR.
- Appeal Dt - Enter the date the operator filed an appeal with the Interior Board of Land Appeals
- IBLA No. - Enter the number assigned to this INC by IBLA.
- Trm Lse: If termination of the lease is considered appropriate, select the option that indicates the authorized officer's action.
Y - Yes
N - No
BLANK - not applicable (default)
- Remarks Window: **REMARKS MUST BE ENTERED.** Remarks must contain language to tell the operator what the violation is, and what must be done to correct the violation. For example, "No well sign on location. Install well sign with all of the required information per 43 CFR ..." Refer to Attachment 1 for guidance on entering Written Order and Verbal INC remarks.
- Remark Category: Select General category to enter remarks that will print on the INC form.
- Select the appropriate option:
- *This INC Only - remarks specific to an INC
 - All INCs ... - remarks that pertain to all INCs for a specific case and operator of that case
 - All INCs ... - remarks that pertain to all INCs for multiple wells or facilities
- *This option will likely be the appropriate selection for a majority of INCs.
- Follow-up Date: Enter the date when the inspector follows up to ensure that the violation has been corrected. If a field visit was made enter the date a follow-up inspection was conducted. If no field visit was made enter the date paperwork was reviewed in the office.
- Follow-up (Remarks): Select the category of "Follow-up" and enter remarks that pertain only to the follow-up for this INC. Follow-up remarks are required if a followup

OIL AND GAS ENFORCEMENT POLICY AND PROCEDURES

date is entered.

Trips: (OPTIONAL) If a follow-up must be accomplished by field visit(s), enter the follow-up trips conducted to ensure that the violation was corrected. If an office review was used as a follow-up, leave this field blank.

XVI. INC Category Codes. The following list of violation types contains the recommended category default. Users are encouraged to refer to this listing to ensure consistent application of the Category designation for compliance rating purposes.

Users will be able to edit the INC category field as necessary to meet site specific conditions.

Item 51. "Operator is required to submit requested paperwork" is a new addition to the current enforcement action listing. This category may be used to track requests for operational paperwork such as Well Completion Reports, Sundry Notices, etc. It may also be used to track requests for production records from operators in conjunction with a production records review inspection activity.

An upcoming AFMSS version release will automatically set the INC Category Default to the appropriate classification listed below. Until that feature is released, the user must ensure that the category code is set to the correct code.

Category Codes include:

F=FOGRMA related
N=Non-FOGRMA
E=Environmental

OIL AND GAS ENFORCEMENT POLICY AND PROCEDURES

<u>Production Violations:</u>	<u>AFMSS Category</u>
	<u>Default</u>
1. Site is not properly identified.	N
2. Well equipment is not satisfactory.	N
3. Environmental protection is not satisfactory	E
4. Temporary or emergency pits are not approved	E
5. Pits are not satisfactory	E
6. Surface use is not in accordance with approved plan	E
7. <i>Monthly Report of Operations is not complete and current</i>	*N
81. <i>MRO confirms the reasonableness of Production vs. Sales</i>	*N
82. <i>MRO confirms the reasonableness of Tank capacity vs inventory</i>	*N
83. <i>MRO confirms the reasonableness of Well status vs actual status</i>	*N
10. Off-lease measurement is not approved. (Oil)	**F
12. Other method of measuring oil and condensate is not approved.	**F
13. Method of measuring oil and condensate is not satisfactory	F
14. Valves are not sealed in accordance with minimum standards	F
15. Site Facility diagram is not satisfactory	N
17. Off lease storage of oil and condensate is not approved	**F
18. Liquid handling equipment is not satisfactory	**F
20. Commingling is not approved	F
23. Flaring or venting or other is not approved	F
24. Off-lease measurement is not approved. (Gas)	**F
27. Method of measurement (other than orifice meter) of natural gas not approved	**F
28. Method of measuring natural gas is not satisfactory	F
29. Natural gas handling/treating equipment is not satisfactory	**F
31. Collection of liquids is not satisfactory	F
33. Water disposal method is not approved	N
35. Disposal of water is approved but not satisfactory	N
37. Tank batteries are not properly equipped	**F
38. Warning signs are not properly installed	N
39. If required, the contingency plan is not available	N
40. Personnel are not properly protected	N
41. Sales & mgmt. of oil and condensate are not documented according to standards	F
42. Operator has not established a site security plan in accordance with standards	F
43. Operator does not maintain a seal record	F
44. Operator does not have a self-inspection program	N
50. Failed to comply with a notice, written order, or instruction of the AO	**F
<i>51. Operator is required to submit requested paperwork</i>	<i>N</i>
52. Prepared, maintained or submitted false, inaccurate or misleading reports etc.	F
53. Failure to obtain approval for specific operations	F

OIL AND GAS ENFORCEMENT POLICY AND PROCEDURES

*The MRO listings will be left as an option to select to track correspondence with time frames issued to resolve reporting discrepancies with the operator. The category for this type of document will be classified as “N” for non-FOGRMA.

**General Rule -- Those categories with two asterisks next to them may be FOGRMA or non-FOGRMA related based upon site specific conditions. The system will default to the category indicated and the user must review to ensure the category is correct for the actual violation. The user will have the capability of editing the field if it is actually a non-FOGRMA related violation or order. Those items classified as FOGRMA in the listing are related to the proper production handling and measurement of product as well as items 50 and 52, which are specifically addressed in the Act itself.

<u>Drilling Violations:</u>	<u>Category</u>
1D. Approved drilling permit and plan are not on location.	N
2D. Drill site is not properly identified.	N
3D. Operations are not conducted in a workmanlike manner.	N
4D. Operator failed to report spills.	E
5D. Drill-stem test was not conducted according to minimum standards.	N
6D. Hole deviation is not within approved tolerance.	N
7D. Surface use is not in accordance with approved plan.	E
8D. Well control and assoc. equip. is not installed, used, etc to maintain well control	N
23D. Casing or cementing operations were not conducted according to approved plan	N
28D. Mud system is not according to approved plan.	N
33D. Air and gas drilling op’s are not according to approved plan or minimum stand.	N
37D. Hydrogen sulfide op’s do not meet minimum standards or approved plan	N
50D. Failed to comply with a notice, written order, or instruction of the AO.	N
51D. Operator is required to submit requested paperwork.	N
52D. Prepared, maintained or submitted false, inaccurate or misleading reports, etc.	N

<u>Plugging Violations:</u>	<u>Category</u>
1P. Plugging/Abd. operations are not conducted according to approved plan.	N
2P. Rehabilitation does not meet approved plan	E
50P. Failed to comply with a notice, written order, or instruction of the AO.	N
51P. Operator is required to submit requested paperwork.	N
52P. Prepared, maintained or submitted false, inaccurate or misleading reports, etc.	N