

Sample Letter for Notifying Operator of Production Discrepancies

UNITED STATES DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT
 Field Office
 Street
 City, State, ZIP
 Website address

[Company Address]

RE: Decision of Production Discrepancies

Dear []:

The Bureau of Land Management (BLM) performed an inspection on Federal lease [Assigned Number], on [00/00/0000]. The inspector, [Inspector Name], found the following production discrepancies:

Production Month/Year: _____

	Barrels of Oil		MCF of Natural Gas	
	Reported	Corrected	Reported	Corrected
Produced				
Sold				
Spilled or Lost				
Used on or for Benefit of Lease				
Injected				
Gas Transferred				
API Gravity				
BTU				

[Give description of findings.]

The BLM will notify the Office of Natural Resources Revenue (ONRR) of this discrepancy 30 working days after your receipt of this decision if the BLM determines that the ONRR has not received a modified Oil and Gas Operations Report OGOR.

WARNING

Timeframes described below will begin upon your receipt of this decision or 7 business days after the BLM mails the decision, whichever is earlier.

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, 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 decision of the authorized office must request a State Director Review of the decision. You must file such a request, including all supporting documentation, in writing with the appropriate State Director within 20 business days of the date such notice of the decision at [Address] (see 43 CFR 3165.3). Any party adversely affected by the decision of the State Director after State Director Review may appeal that decision to the Interior Board of Lands Appeals (see 43CFR 3165.4). Contact the above-listed BLM office for further information.

If you have any questions, please contact _____ at [Phone Number] or [BLM Email Address].

Sincerely,
Field Manager [or as designated]