

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
MONTANA STATE OFFICE

Notice to Lessees
NTL-MSO-1-92

Report of Undesirable Events

This Notice, which supersedes NTL-3 dated January 1, 1975, and NTL-3A dated March 1, 1979, is issued pursuant to the authority prescribed in Title 43 CFR 3164.2. Operators of onshore Federal and Indian oil and gas leases shall report all spills, discharges, or other undesirable events in accordance with the requirements of this Notice. All such events which occur on State or private land leases within Federally-supervised unit or communitized areas must likewise be reported in accordance with the requirements of this Notice. However, compliance with this Notice does not relieve an operator from the obligation of complying with the applicable rules and regulations of any State or any other Federal agencies regarding notification and reporting of undesirable events.

As used in this Notice, the term Authorized Officer (AO) means that officer of the United States Bureau of Land Management (BLM) having supervisory jurisdiction for the geographic area in which the undesirable event occurs.

I. Major Undesirable Events Requiring Immediate Notification

Major undesirable events are defined as those incidents listed below in subsections A through F. These incidents, when occurring on a lease supervised by the BLM, must be reported to the appropriate AO as soon as practical, but within a maximum of 24 hours:

- A. Oil, saltwater, and toxic liquid spills, or any combination thereof, which result in the discharge (spilling) of 100 or more barrels of liquid. However, discharges of such magnitude, if entirely contained within the facility firewall, may be reported only in writing pursuant to Section III of this Notice;
- B. Equipment failures or other accidents which result in the venting of 500 or more MCF of gas;
- C. Any fire which consumes the volumes as specified in I.A and I.B above;
- D. Any spill, venting, or fire, regardless of the volume involved, which occurs in a sensitive area, e g., areas such as parks, recreation sites, wildlife refuges, lakes, reservoirs, streams, and urban or suburban areas;
- E. Each accident which involved a fatal injury; and

F. Every blowout (loss of control of any well) that occurs.

II. Written Reports

A written report shall be submitted, in duplicate, to the AO no later than 15 days following all major undesirable events identified in Section I. When required by the AO, interim reports will be submitted until final containment and cleanup operations have been accomplished. The final written report for each such event shall, as appropriate, provide:

- A. The date and time of occurrence, and the date and time reported to the BLM;
- B. The location where the incident occurred, including surface ownership and lease number;
- C. The specific nature and cause of the incident;
- D. A description of the resultant damage;
- E. The action taken and the length of time required for control of the incident, for containing the discharged fluids, and for subsequent cleanup;
- F. The estimated volumes discharged and the volumes lost;
- G. The cause of death when fatal injuries are involved;
- H. Actions that have been or will be taken to prevent a recurrence of the incident;
- I. Other Federal or State agencies notified of the incident; and
- J. Other pertinent comments or additional information as requested by the AO.

III Other-Than-Major Undesirable Events

Other-than-major undesirable events, as identified below in subsections A through D, do not have to be reported orally within 24 hours. However, a written report, as required for major undesirable events in Section II of this Notice, must be provided for the following incidents:

- A. Oil, saltwater, and toxic liquid spills, or any combination thereof, which result in the discharge (spilling) of at least 10 but less than 100 barrels of liquid in nonsensitive areas, and all discharges of 100 or more barrels when the spill is entirely contained by the facility firewall;
- B. Equipment failures or other accidents which result in the venting of at least 50 but less than 500 MCF of gas in nonsensitive areas;

C. Any fire which consumes volumes in the ranges specified in III.A and III.B above; and

D. Each accident involving a major or life-threatening injury

Spills or discharges in nonsensitive areas involving less than 10 barrels of liquid or 50 MCF of gas do not require an oral or written report. However, the volumes discharged or vented as a result of all such minor incidents must be reported in accordance with Section V hereof.

IV. Contingency Plans

Upon request of the AO, a copy of any Spill Prevention Control and Countermeasure Plan required by the Environmental Protection Agency, pursuant to Title 40 CFR 112 or other acceptable contingency plans, must be submitted. All plans shall provide the names, addresses, and telephone numbers (both business and private) of at least two technically competent company or contract personnel authorized to order equipment or supplies and to expend funds necessary to control emergencies.

V. Monthly Report of Operations/Monthly Report of Sales and Royalty

All volumes of oil spilled, gas vented, and all hydrocarbons consumed by fire or otherwise lost, must be reported monthly on the Monthly Report of Operations (MMS Form 3160). The volume and value of such losses must also be reported in the Monthly Report of Sales and Royalty (MMS Form 2014).

VI. Liquidated Damages

Failure to provide the necessary notification, reports, or contingency plan (when required) as provided for by this Notice, may result in other measures being taken to secure compliance, such as those provided by Title 43 CFR 3163.1.

March 9, 1992

Robert H. Lawton

Date

State Director
Montana State Office