

§ 250.1400

30 CFR Ch. II (7-1-03 Edition)

days after MMS provides written notice of the hearing date to all parties owning interests that would be made subject to the unit agreement. The Regional Supervisor must give all lessees of the proposed unit area an opportunity to submit views orally and in writing and to question both those seeking and those opposing compulsory unitization. Adjudicatory procedures are not required. The Regional Supervisor will make a decision based upon a record of the hearing, including any written information made a part of the record. The Regional Supervisor will arrange for a court reporter to make a verbatim transcript. The party seeking compulsory unitization must pay for the court reporter and pay for and provide to the Regional Supervisor within 10 days after the hearing three copies of the verbatim transcript.

(f) The Regional Supervisor will issue an order that requires or rejects compulsory unitization. That order must include a statement of reasons for the action taken and identify those parts of the record which form the basis of the decision. Any adversely affected party may appeal the final order of the

Regional Supervisor under 30 CFR part 290.

[62 FR 5331, Feb. 5, 1997. Redesignated and amended at 63 FR 29479, 29487, May 29, 1998]

Subpart N—Outer Continental Shelf (OCS) Civil Penalties

SOURCE: 62 FR 42668, Aug. 8, 1997, unless otherwise noted. Redesignated at 63 FR 29479, May 29, 1998.

§ 250.1400 How does MMS begin the civil penalty process?

This subpart explains MMS's civil penalty procedures whenever a lessee, operator or other person engaged in oil, gas, sulphur or other minerals operations in the OCS has a violation. Whenever MMS determines, on the basis of available evidence, that a violation occurred and a civil penalty review is appropriate, it will prepare a case file. MMS will appoint a Reviewing Officer.

§ 250.1401 Index table.

The following table is an index of the sections in this subpart:

§ 250.1401 TABLE

Definitions	§ 250.1402
What is the maximum civil penalty?	§ 250.1403
Which violations will MMS review for potential civil penalties?	§ 250.1404
When is a case file developed?	§ 250.1405
When will MMS notify me and provide penalty information?	§ 250.1406
How do I respond to the letter of notification?	§ 250.1407
When will I be notified of the Reviewing Officer's decision?	§ 250.1408
What are my appeal rights?	§ 250.1409

[62 FR 42668, Aug. 8, 1997. Redesignated and amended at 63 FR 29479, 29487, May 29, 1998]

§ 250.1402 Definitions.

Terms used in this subpart have the following meaning:

Case file means an MMS document file containing information and the record of evidence related to the alleged violation.

Civil penalty means a fine. It is an MMS regulatory enforcement tool used in addition to Notices of Incidents of Noncompliance and directed suspensions of production or other operations.

I, me in a question or *you* in a response means the person, or agent of a

person engaged in oil, gas, sulphur, or other minerals operations in the Outer Continental Shelf (OCS).

Person means, in addition to a natural person, an association (including partnerships and joint ventures), a State, a political subdivision of a State, or a private, public, or municipal corporation.

Reviewing Officer means an MMS employee assigned to review case files and assess civil penalties.

Violation means failure to comply with the Outer Continental Shelf Lands Act (OCSLA) or any other applicable laws, with any regulations issued

Minerals Management Service, Interior

§ 250.1409

under the OCSLA, or with the terms or provisions of leases, licenses, permits, rights-of-way, or other approvals issued under the OCSLA.

Violator means a person responsible for a violation.

§ 250.1403 What is the maximum civil penalty?

The maximum civil penalty is \$25,000 per day per violation.

[64 FR 9065, Feb. 24, 1999]

§ 250.1404 Which violations will MMS review for potential civil penalties?

MMS will review each of the following violations for potential civil penalties:

(a) Violations that you do not correct within the period MMS grants;

(b) Violations that MMS determines may constitute, or constituted, a threat of serious, irreparable, or immediate harm or damage to life (including fish and other aquatic life), property, any mineral deposit, or the marine, coastal, or human environment; or

(c) Violations that cause serious, irreparable, or immediate harm or damage to life (including fish and other aquatic life), property, any mineral deposit, or the marine, coastal, or human environment.

(d) Violations of the oil spill financial responsibility requirements at 30 CFR part 253.

[62 FR 5331, Feb. 5, 1997. Redesignated and amended at 63 FR 29479, 29487, May 29, 1998; 63 FR 42711, Aug. 11, 1998; 64 FR 9066, Feb. 24, 1999]

§ 250.1405 When is a case file developed?

MMS will develop a case file during its investigation of the violation, and forward it to a Reviewing Officer if any of the conditions in § 250.1404 exist. The Reviewing Officer will review the case file and determine if a civil penalty is appropriate. The Reviewing Officer may administer oaths and issue subpoenas requiring witnesses to attend meetings, submit depositions, or produce evidence.

[62 FR 42668, Aug. 8, 1997. Redesignated and amended at 63 FR 29479, 29487, May 29, 1998]

§ 250.1406 When will MMS notify me and provide penalty information?

If the Reviewing Officer determines that a civil penalty should be assessed, the Reviewing Officer will send the violator a letter of notification. The letter of notification will include:

(a) The amount of the proposed civil penalty;

(b) Information on the violation(s); and

(c) Instruction on how to obtain a copy of the case file, schedule a meeting, submit information, or pay the penalty.

[62 FR 42668, Aug. 8, 1997. Redesignated at 63 FR 29479, May 29, 1998; 64 FR 9066, Feb. 24, 1999]

§ 250.1407 How do I respond to the letter of notification?

You have 30 calendar days after you receive the Reviewing Officer's letter to either:

(a) Request, in writing, a meeting with the Reviewing Officer;

(b) Submit additional information; or

(c) Pay the proposed civil penalty.

§ 250.1408 When will I be notified of the Reviewing Officer's decision?

At the end of the 30 calendar days or after the meeting and submittal of additional information, the Reviewing Officer will review the case file, including all information you submitted, and send you a decision. The decision will include the amount of any final civil penalty, the basis for the civil penalty, and instructions for paying or appealing the civil penalty.

§ 250.1409 What are my appeal rights?

(a) When you receive the Reviewing Officer's final decision, you have 60 days to either pay the penalty or file an appeal in accordance with 30 CFR part 290, subpart A.

(b) If you file an appeal, you must either:

(1) Submit a surety bond in the amount of the penalty to the Regional Adjudication Office in the Region where the penalty was assessed, following instructions that the Reviewing Officer will include in the final decision; or

(2) Notify the Regional Adjudication Office, in the Region where the penalty