

## § 250.1400

must include a counterpart executed by each lessee seeking compulsory unitization. Lessees who seek compulsory unitization must simultaneously serve on the nonconsenting lessees copies of:

- (1) The request;
- (2) The proposed unit agreement with executed counterparts;
- (3) The proposed unit operating agreement; and
- (4) The proposed initial plan of operation.

(c) If the Regional Supervisor initiates compulsory unitization, BSEE will serve all lessees of the proposed unit area with a proposed unitization plan and a statement of reasons for the proposed unitization.

(d) The Regional Supervisor will not require unitization until BSEE provides all lessees of the proposed unit area written notice and an opportunity for a hearing. If you want BSEE to hold a hearing, you must request it within 30 days after you receive written notice from the Regional Supervisor or after you are served with a request for compulsory unitization from another lessee.

(e) BSEE will not hold a hearing under this paragraph until at least 30 days after BSEE 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

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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.

### Subpart N—Outer Continental Shelf Civil Penalties

#### OUTER CONTINENTAL SHELF LANDS ACT CIVIL PENALTIES

#### § 250.1400 How does BSEE begin the civil penalty process?

This subpart explains BSEE'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 BSEE determines, on the basis of available evidence, that a violation occurred and a civil penalty review is appropriate, it will prepare a case file. BSEE will appoint a Reviewing Officer.

#### § 250.1401 [Reserved]

#### § 250.1402 Definitions.

Terms used in this subpart have the following meaning:

*Case file* means a BSEE document file containing information and the record of evidence related to the alleged violation.

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

*Reviewing Officer* means a BSEE 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 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 \$52,646 per day per violation.

[88 FR 17727, Mar. 24, 2023]