

**UNITED STATES DEPARTMENT OF THE INTERIOR
MINERALS MANAGEMENT SERVICE**

NTL No. 2004-N01

Effective Date: January 12, 2004

**NOTICE TO LESSEES AND OPERATORS OF FEDERAL
OIL AND GAS AND SULPHUR LEASES ON THE OUTER CONTINENTAL SHELF**

Revised Assessment Matrix

The purpose of this notice is to provide updated information on the OCS Civil Penalties Program. This NTL replaces the assessment matrix provided in NTL No. 97-5N. The Oil Pollution Act of 1990 (OPA 90) requires the Secretary of the Interior to adjust the maximum civil penalty to reflect any increases in the Consumer Price Index.

On August 8, 1997, MMS published new regulations that, among other things, increased the maximum civil penalty amount to \$25,000 per day per violation. In accordance with OPA 90 and the Office of Management and Budget guidelines, MMS has again increased the maximum amount of the civil penalty to \$30,000 per day per violation. The assessment matrix below, revised to reflect the increased maximum penalty, will apply to incidents of non-compliance issued on or after December 2003.

**Generalized Table for Civil Penalty
Assessments in \$/Day/Violation
November 2003**

[Based upon the August 2002 Consumer Price Index]

Enforcement Code	Category A	Category B	Category C
W	\$3,000 – 20,000	\$5,000 – 25,000	\$10,000 – 30,000
C	\$5,000 – 20,000	\$10,000 – 25,000	\$15,000 – 30,000
S	\$10,000 – 20,000	\$15,000 – 25,000	\$20,000 – 30,000

Note: **W**=Warning, **C**=Component Shut-in, and **S**=Facility Shut-in

Additional factors considered within each category range are:

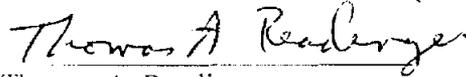
- Record of non-compliance.
- Financial benefit derived by the company from the violation(s).
- Severity of the violation(s).
- Precedents set by similar cases.

<u>Category A</u>	<u>Category B</u>	<u>Category C</u>
<ul style="list-style-type: none"> • Threat of injury to humans. • Threat of harm or damage to the marine or coastal environment, including mammals, fish, and other aquatic life. • Threat of pollution. • Threat of damage to any mineral deposit or property. • Civil penalty history. 	<ul style="list-style-type: none"> • Injury to humans involving incapacitation of less than 72 hours. • Minor harm or damage to the marine or coastal environment, including mammals, fish, and other aquatic life. • Pollution caused liquid hydrocarbon spillage under 200 BBL during a period of 30 days. • Minor damage to any mineral deposit or property. • Civil penalty history. 	<ul style="list-style-type: none"> • Serious injury to humans or loss of human life. Injury caused incapacitation over 72 hours. • Serious harm or damage to the marine or coastal environment, including mammals, fish, and other aquatic life. (Harm to aquatic life involved numerous individuals or involved endangered/threatened species.) • Pollution caused liquid hydrocarbon spillage of over 200 BBL during a period of 30 days. • Serious damage to any mineral deposit or property. • Civil penalty history.

Additional information about this program can be found on the MMS worldwide web home page at <http://www.mms.gov>.

Paperwork Reduction Act of 1995 Statement: This notice does not refer to or impose any new information collection subject to the Paperwork Reduction Act of 1995.

1/18/04
Dated.


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Offshore Minerals Management