UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
Washington, D.C. 20240

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To: All Field Officials

From: Assistant Director, Minerals, Realty and Resource Protection

Subject: Fiscal Year (FY) 2008 Oil and Gas Inspection and Enforcement (I&E) Strategy Matrices Instructions and Strategy Goals DD: 11/16/07

Program Area: Oil and Gas Management

Purpose: To provide field offices (FO) with I&E Strategy Inspection Plan Matrices instructions and goals for conducting Oil and Gas I&E activities in FY 2008.

Policy/Action: For FY 2008, the FOs are required to inspect all Federal and Indian cases meeting the High priority criteria of the Federal Oil and Gas Royalty Management Act (FOGRMA) and 33 percent of the remaining Federal and Indian production cases. Any additional inspection time should first be allocated to performing additional Indian production case inspections.

The Bureau of Land Management (BLM) personnel enforce standards and requirements of applicable laws, regulations and Onshore Orders, and their increased visibility on producing cases provide additional oversight of measurement and sales functions. The BLM's responsibility is to ensure that all production is properly measured and accounted for while minimizing the loss of these resources. Attachment 1 provides detailed minimum strategy requirements for the various inspection types. These inspections are critical to meeting the BLM's fiduciary responsibilities for Indian revenues based on production of ever-increasing values of oil and gas.

Producing cases that are identified where problems in measurement and sales have occurred will be inspected with additional emphasis on witnessing these activities. Failure to perform correct measurement and sales activities by either the operator/producer or purchaser will result in BLM inspectors performing more intense and detailed inspections. In addition, the operator/producer will be required to explain the event and submit a corrective action plan for the BLM's review and approval. Minimum requirements for these corrective action plans are: 1) description of the event and identification of all wells and facilities that could have been affected; 2) the corrective action taken and any adjustments made to volumes of oil and gas; and 3) actions that will be performed in the future to ensure that the potential for this type of event to occur is reduced. The approved corrective action plans will supplement the current Site Security Plans on file and will be minimum standards with which the operator/producer must comply with in the future. These plans will be required when the Incidents of Noncompliance (INC) involve measurement and sales activities that have the potential to reduce the effectiveness of BLM's production accountability efforts.

In a change to the production inspection, PETs are now required to check the isolation valve in the equalizer line (there may be multiple valves and lines if there are more than two production tanks on a facility) to ensure it is fully operational and can isolate the production tank for the sale of oil. The PETs should not take the equipment apart; they are to check and see if the valves are tight, or appear to have been tampered with (such as

a loose handle, possibly indicating the ball inside the valve may have been removed). If even one valve is found to be missing the internal components, this finding is elevated immediately to the local BLM Law Enforcement, the BLM Washington Office (AD-300 and WO-310) and the IG, following standard protocol.

Cases rated High to the FOGRMA Standard for Production: For cases that are rated High for production and have been inspected for the past 3 years with no measurement problems or volume discrepancies detected, a Records Verification/Records Review (RV/RR) may be conducted to fulfill FOGRMA requirements at a minimum. The RV/RR may be performed by the Production Accountability Technician (PAT) or PET. This technique will allow PATs and PETs to focus on cases that have a higher potential for measurement problems.

Cases rated High to the FOGRMA Standard for Compliance: Cases rated High for compliance would normally be inspected for the type of violation that caused it to become FOGRMA High for compliance. For FY 2008, if the compliance issue did not involve measurement of oil or gas, health and safety, or environmental issues, an inspection of that case will not be required as long as the operator corrected the violation from the previous FY.

The FOs are encouraged to exceed these minimum strategy goals whenever possible. For those FOs that cannot meet the minimum strategy goals outlined in Attachment 1, the inspection workloads are listed below in priority order for distribution of inspection resources to achieve the goals of the program. These inspection workload priorities are to be observed when designing Inspection Plan Matrices for FY 2008. All High Priority inspections are important and must take priority over any Low Priority inspections.

Please note that emphasis continues to be placed on Environmental/Surface Inspection (ES) types. High Priority environmental inspections should receive the same attention as other High Priority inspection types. High Priority environmental drilling (DW-SD) and environmental plugging (PD-SA) inspections will take precedence over Low Priority environmental production (ES-SP) inspections.

INSPECTION WORKLOADS –PRIORITY ORDER

1. High Priority drilling wells.
2. High Priority plugging and abandonment operations.
3. Federal and Indian production cases rated High to FOGRMA criteria (see Attachment 2 for details).
4. High Priority environmental inspections (see Attachment 2 for details).
5. High Priority Production inspections on new producing oil and gas wells (see Attachment 2 for details).
6. Cases that have had a change of Operator (see Attachment 2 for details).
7. Inspections during any well production testing occurring during or after High Priority drilling operations but before the well is placed on a producing well status (see Attachment 2 for details).
8. High Priority workover operations.
9. Thirty-three percent of the remaining Indian production cases.
10. Thirty-three percent of the remaining Federal production cases.
11. Interim Reclamation Inspections (see Attachment 2 for details).

Creating the Inspection Strategy Matrices

For those FOs that do not have responsibility for Indian data, the FY 2008 I&E Strategy Matrices will be created within their Automated Fluid Minerals Support System (AFMSS) databases.
The 10 FOs that have responsibility for both Federal and Indian data will use a manual procedure for constructing a combined Federal and Indian FY 2008 I&E Strategy Matrices by incorporating the use of an Excel spreadsheet. Upon completion of the spreadsheet, the Federal portion of the Strategy is to be input into AFMSS. Instructions for preparing both the AFMSS and Excel spreadsheet matrices are included in Attachments 3 and 4, respectively. Attachment 5 shows the Excel spreadsheet. In addition, when creating the matrices, identify the following in the Special Consideration Section, if applicable:

- Any inspection workload incurred in conjunction with the Idle/Orphan Well Liability Initiative. This workload can be identified within the matrices framework by adjusting case/operator priority ratings, adjusting average inspection hours that will be incurred on follow up of idle wells, and any additional plugging or workover activities that may occur as a result of reviewing those wells. Under Special Considerations, identify the Idle/Orphan workload planned so that this number is distinguished from normal plugging and workover operations.

- The emphasis on Production Accountability continues to be a top priority. During the preparation of the matrices, indicate the estimated number of detailed production records reviews (coded as PI-PR) that you plan to conduct in FY 2008.

- When prioritizing High FOGRMA production cases that have been inspected in the previous 3 years and no measurement problems or volume discrepancies were noted, a Records Verification/Records Review (coded as RV/RR) may be conducted that will suffice to meet the inspection requirement for FY 2008. However, if during the RV/RR process review a reporting problem or volume discrepancy is found, the inspection must be elevated to a Production Inspection/Production Records Review (coded as PI/PR) and those activities performed then are part of the PI/PR inspection.

- All drilling inspections rated High must meet the criteria rating as outlined in Attachment 1 priority rating standards. Special care should be exercised in classifying field development drilling wells as High for routine casing and cementing operations.

All State Office (SO) I&E Coordinators will be responsible for ensuring proper rating of drilling inspection items.

- Oversight and Guidance: Inspection priorities for all inspections rated High will be reviewed by the SO I&E Coordinators to ensure compliance with the priority rating standards.

- Rating inspections to the correct criteria in Attachment 1 ensures that inspection resources are maximized. Example: All drilling wells should not be rated High if they do not meet the criteria in Attachment 1.

In development of the strategy matrices, FOs need to coordinate several different areas, including:

- Coordination must take place with the applicable tribes and/or the the Bureau of Indian Affairs to ensure their concerns are met regarding the prioritization of cases.

- Interdisciplinary coordination must occur within FOs to ensure that all environmental priority ratings are coordinated with appropriate staff such as Natural Resource Specialists or Environmental Scientists

- Coordination must occur to ensure that idle/orphan well inspections related to that initiative, or other concerns, are incorporated and prioritized in the Inspection Plan Matrices.

- Coordination with FOs and SO budget teams must also occur to ensure that each is aware of the needs of the I&E program and that the Management Information System (MIS) units of accomplishment are an accurate reflection of Planned Strategy workload.

- Coordination between State and FOs is essential to ensure all inspection goals are met.

Along with the use of MIS, the Quarterly Progress Report feature in AFMSS provides management an excellent tool to monitor the completion of I&E goals. This report should be generated and reviewed at least at midyear and the end of the third quarter FY 2008, and any necessary adjustments should be implemented to ensure the accomplishment of the I&E Strategy goals identified in the matrices. (For the 10 FOs having Federal and Indian data, only the Federal portion of the Quarterly Progress Report will be available through AFMSS.)

Timeframe: Inspection plan matrices must be completed by November 16, 2007. Submit the Excel spreadsheet electronically to William Gewecke.

Budget Impact: Any changes in resource needs will be reflected in the inspection plan matrices for FY 2008. Additional resources for FOs with shortfalls to meet their workload will be subject to budget availability.

Background: The instructions for preparing the Inspection Plan Matrices are provided on an annual basis to coincide with any current updates to AFMSS and/or other policy changes that may occur on an annual basis.

Manual/Handbook Sections Affected: The I&E Strategy matrices and goals instructions will be included in the Inspection and Enforcement Handbook which is under development.

Coordination: This memorandum was coordinated with the WO-310 I&E Specialists, SO I&E Coordinators, and FO personnel.

Contact: Any questions regarding the Strategy goals should be referred to William Gewecke at (202) 452-0337, or william_gewecke @blm.gov. Technical questions regarding preparation of the Strategy Matrices on the Excel spreadsheet form should be referred to Carol Larson at (406) 233-3655, or carol_larson@blm.gov.

Signed by:
Michael D. Nedd
Assistant Director
Minerals Realty and Resource Protection

Authenticated by:
Robert M. Williams
Division of IRM Governance,WO-560

5 Attachments

1 – Oil and Gas Inspection and Enforcement Strategy Goals (6 pp)

2 – Selected Inspection Workload Explanations (5 pp)

3 – Creating Inspection and Enforcement (I&E) Strategy Matrices for New Fiscal Year (FY) 2008 in the Automated Fluid Minerals Support System (AFMSS) (9 pp)

4 – Instructions for Completing the Inspection and Enforcement (I&E) Strategy Matrix For Fiscal Year (FY) 2008 (5 pp)

5 – Excel Spreadsheet Files (Federal_Indian_strategy_matrix_form.xls) (2 pp)

OIL AND GAS INSPECTION AND ENFORCEMENT STRATEGY GOALS

I. PRODUCTION ACCOUNTABILITY INSPECTIONS

All producing Indian and Federal cases rated High to the Federal Oil and Federal Oil and Gas Royalty Management Act (FOGRMA) criteria must be inspected annually. In addition, it is the goal of the Bureau of Land Management (BLM) Inspection and Enforcement (I&E) Program to inspect thirty-three percent of all other Indian and Federal production cases annually as well.

When a case is selected for Production Inspection (PI), the Petroleum Engineering Technician (PET) conducting the inspection will review purchaser statements to determine who purchases production from the case being inspected. In some instances there may be multiple purchasers or the purchaser may be the same entity as the operator/producer. In both instances with either multiple purchasers or same operator/purchaser entities, a minimum of 25 percent of all wells and facilities where sales take place will be witnessed/inspected (including those on Fee and State leases when agreements are involved). Inspection activities that must be performed include those that ensure that production is being handled properly, measured accurately, reported correctly, and the environment and public health and safety are being protected. At a minimum, this will require that all methods of measurement occurring within the case are witnessed/inspected (including all Fee and State wells and facilities attached to the case). On large cases (more than 10 wells and 10 facilities) when multiple purchasers are involved, the PET will witness sales on a minimum of at least three different sales per individual purchaser to ensure a good cross section of the purchaser/transporter sales process. During the PI, observations are to be made for site security, environmental compliance, public health and safety concerns, and a review of production records. The selection of inspection activities can be as comprehensive as deemed necessary by the PET and can be accomplished with a mix of both field visits and in-office reviews.

If the PET detects violations or problems during the course of the inspection, steps must be taken to determine the extent of the problem and what corrective actions may be necessary. Additional inspection activities may be needed to determine if problems or violations exist at other facilities and/or wells within the case (includes Fee and State leases associated with the case). This may also include a conclusion that problems or violations are systemic for that particular operator and may require additional inspections of other cases managed by that operator.

The PET conducting the inspection must be satisfied that an **adequate sampling** of the applicable production activities (measurement, environment, site security, etc.) has been performed and ensures that any violations or problems have been resolved.

The following steps further define the minimum requirements for a PI:

A. If production is occurring on the case: measurement, environmental, site security inspection activities, and a partial records review must be performed. The

measurement activity(s) must include comparison of the corresponding production record(s) related to the measurement activity. For example, if conducting a Tank Gauging (TG) activity, the PET would review the corresponding run ticket for completeness and accuracy. In some instances, a single run ticket will allow Field Offices (FO) to verify reported sales on the Oil and Gas Operations Report (OGOR) on low producing cases.

1. The FOs must inspect an adequate sample size of wells and facilities within a case (includes Fee and State wells and facilities in cases that involve agreements), along with an inspection of each type (oil and gas) of measurement (tank gauge, Lease Automatic Custody Transfer [LACT] meter, orifice meter, etc.) The PET may either witness or independently perform measurement activities to fulfill this requirement.

   The sample size is to be determined by the individual conducting the inspection. Factors to consider in determining the sample size are dependent on the number of wells, facilities, measurement equipment, methods, and types. The PET must be satisfied that an adequate number of inspection activities have been performed to ensure that the production is being properly handled and accurately measured.

   For example, if a case has 10 gas orifice meters, 5 oil sales tank facilities, and 2 LACT meters, the PET must witness or perform an inspection activity on each measurement type and method (gas measurement, oil tank sales, and meter proving), but may not have to witness all 10 gas orifice meter calibrations, 5 oil sales, etc., if problems are not detected during the initial representative sampling and additional activities are not warranted. This is a minimum requirement, and PETs are encouraged to conduct more measurement inspection activities if they feel it is necessary to ensure that oil and gas measurements are accurate. The PET has the latitude and discretion to determine the representative sampling size for each case as long as the production inspection examines each measurement type and activity occurring within the case. The FOs may continue to use the 25 percent representative sampling size, taking care to ensure that the representative sampling of wells and facilities is documented accurately so that a different set of wells and facilities may be inspected in the future. This will also ensure that all wells and facilities within the case (includes Fee and State wells and facilities when the case is an agreement) are inspected within a period of three years, or at most, four years.

2. The sample must include inspection activities associated with environmental (SP) and public health and safety (HS) concerns. The BLM's emphasis related to the environment and public health and safety remains high.

3. The sample must also include site security (SS) inspection activities.

4. The partial production records review (coded as PI/RR) must include, at a minimum, a review of the Minerals Management Service (MMS) OGOR, Form 4054, to analyze trends and production history, and identify potential reporting errors. This includes a review of the disposition of production on the OGOR reports for the past six months and the production average report for the past three years.

The following are suggested areas on the OGOR report that should be reviewed as part of the PR activity and are example indicators of possible discrepancies in production handling and reporting that should be pursued if found during an OGOR review:

1. Verify reported well status against production documents submitted by the operator for review (such as the daily gauge reports).

2. One or more days of production reported with zero volumes of oil, gas, and/or water.

3. Zero days produced with reported gas, oil, and/or water volumes.

4. Extreme variations in reported production volumes when the number of days produced remained constant.

5. A pattern of reporting identical volumes or consistent fluctuations, such as variations by one-fourth, one-half, or two-thirds; or changes of 200, 400, or 600 barrels for many months.

6. Irregularities of volumes listed in the "other" (disposition of production) column.

7. Discrepancies between the OGOR and any other information obtained during the inspection activities.

8. Production volumes and/or wells being reported on the wrong case.

9. Unreasonable "used on lease" or "flared" or "vented" volumes (verification of approval required for these categories).

10. Discrepancies between beginning and ending stock on hand.

Some of the errors noted above may be located by using special reports available in Automated Federal Minerals Support System (AFMSS) such as the Zero Production Report.

For the 10 FOs with both Federal and Indian data, OGOR data is currently not available through AFMSS. The FOs are encouraged to secure access to the MMS BRIO Portal website to obtain current OGOR data. Production data reported to individual States is not an acceptable method for comparison. To request access to the MMS BRIO Portal, contact Jane Heschele at (303) 231-3675 or William Gewecke at (202) 452-0337.

Field Offices are encouraged to conduct detailed production record reviews, coded as PR activity. Significant amounts of volume discrepancies have been found when conducting the PR inspection activity. Due to the effectiveness of the PR, FOs are encouraged to continue using this inspection activity.

Also, at the discretion of the FO, a complete production records review (coded as PI/PR) may be conducted on Low FOGRMA Priority cases (overall priority ranking of Y or Z) without a field visit. High FOGRMA cases must have a field inspection conducted on an annual basis. These PI/PR reviews include verification of "used on lease" and "flared" or "vented" volumes to ensure the appropriate approval is on file, and records review of the oil and natural gas volumes associated with these reported disposition categories.

If a case is subject to a variable royalty rate, the PET must verify if the production subjects the lease to a higher royalty rate. If the production level indicates a higher royalty rate, a sample check of the status of the wells must be made to verify if they are countable wells. If the sample determines that the operator is reporting incorrectly, the sample will need to be enlarged to include additional wells.

B. If production is not occurring within the case, only the partial records review and the appropriate field inspection activities must be performed (such as site security, coded as PI/SS; well status checks, coded as PI/WS; environmental, coded PI/SP; and, if applicable, health and safety, coded as PI/HS).

II. DRILLING, PLUGGING, WELL PRODUCTION TESTING, CHANGE OF OPERATOR, NEW PRODUCING WELL and WORKOVER INSPECTIONS

Conduct drilling inspections on all High Priority drilling wells. The priority will be determined at the time of Application for Permit to Drill (APD) approval and inspections conducted in accordance with that priority. It is critical that this priority setting is based upon real concerns rather than classifying all drilling as High Priority. At a minimum, the activity causing the drilling well to be classified High Priority must be witnessed.

Conduct plugging and abandonment inspection on all wells determined to be High Priority at the time of approval of the Notice of Intent to Abandon (NIA). This High Priority determination must identify which part of the plugging plan is critical, for example, placing a cement plug across a water zone. Witnessing the other parts of the

plan such as placement of stabilizing plugs or surface plugs may not be considered High Priority.

High Priority drilling and abandonment inspections shall take precedence over production inspections if scheduling conflicts arise. Drilling and plugging inspections are externally driven, while production inspections are controlled internally and can be more easily rescheduled. Ensuring that drilling and plugging operations are in compliance from the outset will minimize potential problems in the long term, particularly with regard to contamination of subsurface resources including fresh water aquifers and surface related environmental concerns. These operations often occur outside normal work hours. The FOs must ensure that resources are available to conduct these inspections.

Conduct Interim Inspections of all well production testing operations rated High Priority that occur during or after drilling operations but prior to a well being placed in producing well status. Disposition of produced fluids during production test operations is the purpose for these inspections.

Conduct inspections on wells/cases that are considered High Priority for production and there is a Change of Operator during the FY. This does not include mergers or name changes. This is to be done on cases where the operator is new to the area or has not operated on Federal or Indian wells in the past.

All new producing wells that come on production during the FY that are associated with High FOGRMA cases are considered High Priority for an initial production inspection. Conduct inspections of all Work-over operations rated High Priority. Review and identify any critical operations to be inspected upon approval of the work plan. Inspect those operations deemed to be High Priority at the time of approval.

III. ENVIRONMENTAL INSPECTIONS

Conduct all High Priority surface inspections on drilling wells and plugged well site locations. Also, conduct environmental inspections annually on all cases rated High due to environmental concerns. A well that has completed drilling operations and is in a producing well status is considered a High Priority Environmental Interim Inspection for reclamation concerns. Classification of environmental ratings for the estimated drilling and plugging activities, and review of the rating for active cases will be performed each year at the time of matrix preparation to ensure that we have an accurate accounting of environmental inspection workload requirements. The I&E Strategy Handbook addresses clarification on establishing a priority rating.

As with the technical inspections, the environmental, drilling, and plugging inspections on those wells rated High Priority for surface concerns, shall take precedence over environmental production inspections (PI-SP).

IV. OTHER INSPECTION REQUIREMENTS

Conduct an inspection on all cases rated as High Priority for public health and safety, legal, or other standards. The inspection should be conducted to specifically address the reasons the case was rated High for these criteria.

Although they are not required under strategy goals, FOs should continue to conduct Records Verification (RV) and Undesirable Event (NU) inspection types as time or circumstances warrant. All major spills, fires, accidents and fatalities should be inspected and reported per NTL 3A.

V. DOCUMENTATION

Inspection and Enforcement (I&E) Documentation requirements are outlined in Washington Office (WO) Instruction Memorandum(IM) 2006-116, *Oil and Gas Inspection and Enforcement (I&E) Documentation Requirements*, dated March 14, 2006. Please refer to WO IM 2006-116 for inspection documentation guidance.

Each inspection must contain a brief synopsis/summary of the results of the inspection, including notes that may aid in future inspections (for example, violations or problems detected; resolution of problems; volume discrepancies; installation of a new LACT gas meter or tank(s); Blow Out Prevention failures; placement of plugs; and so on).

SELECTED INSPECTION WORKLOAD EXPLANATIONS

3. Federal and Indian production cases rated High to FOGRMA criteria.

A case/operator is rated FOGRMA High if the case/operator meeting one of the following:

A. The average monthly oil production is 12,000 barrels (bbls) or more.

B. The average monthly gas production is 120,000 thousand cubic feet (MCF) or more.

C. Operator compliance is rated as High if the operator had a noncompliance history of two major violations, or a total of six FOGRMA-related violations within the preceding 24-month period.

4. High Priority environmental inspections.

High priority environmental inspections are determined if the case meets at least one of the following:

A. The operations on a case are located in or adjacent to an area of special environmental sensitivity*, such as:

   a. designated wilderness areas,
   b. National Park Service and National Landscape Conservation System units
   c. wilderness study areas,
   d. areas of critical environmental concern,
   e. sensitive watersheds,
   f. VRM Class I and II viewsheds,
   g. riparian areas,
   h. floodplains,
   i. wetlands,
   j. threatened and endangered species habitat,
   k. historic landmarks, etc.

   *The prioritization could include, but is not limited to these examples.

B. The operations occur in other areas which, if conducted in noncompliance with lease stipulations or COAs included in the operating plan, could have a significant adverse impact on the environment.

C. The case shows a history of surface and environmental noncompliance.

D. Six months after well completion or well abandonment to ensure earthwork for reclamation has been properly completed.

E. Abandoned wells where the operator has submitted a final abandonment notice (FAN).

   a. Final abandonment will be approved only after the surface reclamation standards, required in the Surface Use Plan of Operations or Subsequent Report of Plug and Abandon, have been met to the satisfaction of the BLM or the FS and Surface Managing Agency, if appropriate.
   b. The BLM will take into consideration the views of the split-estate surface owner when approving FANs. This consideration should be limited to what was required in the approved Surface Use Plan of Operations or Subsequent Report to Plug and Abandon.

The FS has the authority and responsibility under regulations based on the Federal Onshore Oil and Gas Leasing Reform Act of 1987 to ensure environmental inspections of FS surface. The FS will conduct environmental inspections (surface environmental concerns) on FS lands. Therefore, offices may rate these cases as low priority under the Environmental priority rating for our purposes. Refer to the BLM/FS Interagency Agreement or local BLM/FS MOUs for more specific guidance on roles and responsibilities.

The BIA must concur with BLM recommendations to release well sites from further reclamation responsibilities. Once the BLM has notified the BIA and recommended approval of the FAN, the environmental priority may be rated low.

Criteria A. and B. listed above are very broad in nature and could be misinterpreted to indicate all cases should be rated high. This is not the intent. Discretion should be used to determine the potential of noncompliance and impact, along with the specific site conditions, production handling scenarios, and the past compliance history of ongoing activities occurring on the lease before assigning the priority. For example, if mitigation has been successful for threatened and endangered (T&E) species or wetland conditions and the need to inspect the well on a high priority basis does not exist, then it should not be ranked as high priority.

When offices establish new FY ratings, they should not assume that since the case was rated high under environment the previous year, the same will hold true for the current year. Site conditions, operator compliance, or lease activities may have changed and therefore, warrant a different priority.

CREATING INSPECTION AND ENFORCEMENT (I&E) STRATEGY MATRICES FOR NEW FISCAL YEAR (FY) 2008 IN THE AUTOMATED FLUID MINERALS SUPPORT SYSTEM (AFMSS)

This method will be used only by those offices with responsibility for only Federal data. For those offices with both Federal and Indian responsibility, the manual Excel spreadsheet will be used.

A. REVIEW AND UPDATE PRIORITY RECORD INSPECTION STATUS CODES

1. The Production Inspection Items report (IEP.51) must be generated and reviewed as the first step in the process of creating a new FY Strategy Matrix. Run the Inspection Items report (IEP.51) for the current year and update the Inspection Status Code in the Priority record, if necessary, to reflect the need for inspections in the upcoming year (see Item f. below for correct status codes). This must be done prior to creating new priority records for the new FY. Do not delete old priority records from the system if they were once valid. These should be left as an historical record in the database.

   The Inspections Item report contains columns that count the number of wells and facilities connected to a Priority record. Pay special attention to those case/operator combinations that show zeros for both columns. This may indicate that there has been a change of operator, or some other reason that the record should be marked as "Inactive or deleted". All valid case/operator combinations should contain information in each one of the columns on the report (with the exception of the Last Insp Dates), and should have at least one well connected to it. If there is no information for a case/operator combination, the record should be updated to "Inactive or deleted" so it will not result in an erroneous count of inspection items.

   To review current priority records:

   a. Click on Monitoring on the Main Menu for AFMSS.

   b. Click on I&E Strategy, which will launch the I&E Strategy Matrix (IEP.54) screen.

   c. Click on the button next to the version box and highlight the most current "official" strategy version; click on QUERY.

   d. This will retrieve the Strategy Matrix. Once it is displayed, click on Reports button.

   e. Select Inspections Items (IEP.51). Several sort options are available. Make note of the sort option used to run this report. If sorted by Case, Operator, Overall Priority, County, State, or Field Office, the Inspection Priority Finder screen will allow sorting the records in the same order.

f. Print the entire Inspections Items report. This report will have to be manually checked to ensure that all the cases requiring inspection are listed; all inspection priority records reflect the correct/current operator; and the Inspection Priority Status code is set to:

   H= if it is an active case and an inspection for that case/operator combination is necessary; or

   A= if the case/operator wells have all been plugged and the BLM is awaiting surface restoration (environmental inspection still necessary); or

   I= if the case no longer needs an inspection priority record for the upcoming FY and is in the system as an historical reference only. This includes all terminated agreements and/or cases that contain only P+A wells, or case/operator combinations that are no longer valid (operator changes).

Inspection priority records can be established at the time the first well for a case/operator starts drilling. If an operator change occurs on the case, a new priority record must be created for the new operator for the case. The old operator priority record should be updated to "I" in the Inspection Status Code field. Do not use the old operator's compliance rating in the priority record for new operator on the case. New operators of a case start with a clean compliance record.

If priority records for cases with only wells in Notice of Staking (NOS), Application for Permit to Drill (APD), Unapproved Notice of Staking (UNOS), Unapproved Approved Permit to Drill (UAPD), or Rehabilitated Location (RLOC) status are found, the Local User Support person in the office may delete these.

2. Once the Inspection Items report has been reviewed, update the necessary priority records.

   To Update the Inspection Status Code in the Priority Records:

   a. Click on Monitoring from the Main Menu.

   b. Click on Inspections.

   c. When the Inspection List screen (GLB.92) displays, make sure selection default is "by Priority."

d. Click on the Priority button to launch the Inspection Priority List (IEP.69) screen.

e. To update the Priority records, make sure that the Year field shows "2007" and the "Exclude Inactive Priorities" option is checked. Click on the QUERY button. The screen will display all of the cases with current inspection priorities for FY 2007. Click on the sort button and add the fields to the sort in the order used on the inspection items (IEP.51) report. The display on the screen and the order of the report should now match. NOTE: Depending on the number of cases in a personal database, it could take a very long time to display the results. On larger databases, it is suggested that one or more of the query fields be filled in to limit results. For example, if the inspection items report (IEP.51) were sorted by operator, query the Inspection Priority list (IEP.69) screen for a particular operator and work through the report until all cases for each operator have been reviewed.

f. On the Inspection Priority List (IEP.69) screen up to 200 records may be selected at one time. Highlight a group of records and click on the "Edit Insp Priority" button. The Inspection Priority (IEP.46) screen will be launched. Update those records that need the Inspection Status Code changed. Use the NEXT and PREVIOUS buttons to move among the records that need updating.

g. REMEMBER TO SAVE each priority record before going on to the next.

h. EXIT to the Main Menu when finished updating the records.

B. RUN THE PRIORITY ROLLOVER

The Inspection Priority Rollover (IEP.68) is a function that allows AFMSS to create an upcoming FY Inspection Priority Record for use in building the annual Inspection Plan Matrix. The rollover function is to be performed once per year just prior to creating the matrix for the upcoming FY. The rollover process will create a new priority record for all active case/operator combinations that have a current year priority record if the Inspection Priority Status Code is not equal to "I" for inactive.

During the rollover process, the following prioritization categories will be recalculated based on BLM production volume and noncompliance threshold criteria:

- Operator compliance history;
- Average monthly production;
- Environmental rating; and
- Overall priority ratings.

If threshold criteria are met, the category will be rated High Priority and the overall rating will be adjusted accordingly. It is imperative that each Field Office (FO) review and update its

Inspection Priority Status codes prior to running the Priority Rollover function to ensure that an accurate rollover occurs.

It is also critical that each FO review each Priority record to ensure that the rollover function has correctly calculated the average monthly production for oil and gas. Previous problems with the OGOR data have occurred in AFMSS, so each FO must verify that the calculations are correct to determine the correct overall priority. If needed, the average production volumes and overall priority may be manually adjusted on the FY 2008 records after the rollover is performed, but must be done before the matrix is created.

It is strongly recommended that each FO run the Inspection Priority Rollover Report before performing the actual rollover. This function can only be performed by individuals who have security clearance for this screen. From the AFMSS Main Menu, click on the User Support selection at the top of the screen:

1. Select Priority Rollover IEP.68 from the cascading menu to access the launcher screen.

2. The launcher screen (IEP.68) will display a "rollover from FY" and a "rollover to FY" area. When the rollover is performed for the first time, make sure the default shows rollover from FY 2007 to FY 2008 for the FY 2008 priority records to be created.

3. If the display shows FY2008 to FY2008, change the first box to FY2007. Click "Yes" when the system asks if you want to overwrite the current FY 2008 records. (This should only occur if the rollover function is being performed after October 1. Normally at the beginning of the new FY, the system automatically creates a new priority record for all producing cases. It simply copies the record from the previous FY. The system does this for several reasons. One important reason is that it allows inspection personnel to document production inspection activities on active cases during the new FY, even though the rollover procedure has not been performed.)

4. It is strongly suggested that a "Dry Run" be performed. An option to conduct a "Dry Run" of the rollover function is available by clicking in the box to mark it with an X. Conducting a dry run allows you to perform the rollover option without actually committing changes to the database. The output default is set to "Print Rollover Detail Report and Log File." It is recommended to use this default. Review this printout to see if records require editing before performing the actual rollover. With the Dry Run option selected, click on the "Run Priority Rollover" button.

5. The Detailed Report and Log File will print a listing of the rules AFMSS uses in running the priority rollover, the summary information, and a report listing each priority record for FY 2007 versus FY 2008. This report includes a description of the number of environmental and FOGRMA violations the system counted for use in calculating the ratings for the FY 2008 priority records. For the "Dry Run" option, this report will indicate that this is a "Dry Run

Only - Database Not Updated." The report can be very long if you have a large database since the report will show four lines of data for each inspection priority record rolled over to the new FY. Keep this in mind prior to printing a hard copy of the report. The "Dry Run" may be performed as many times as you like. This process does not make changes to the data base.

AFTER reviewing the Dry Run, and when you are confident that all records are correct, you are ready to perform the actual Inspection Priority Rollover. Follow the instructions listed above; however to perform the actual rollover, make sure the toggle button next to the Dry Run option is not checked, then click on the Run Priority Rollover button to create the FY 2008 inspection priority records. Another report will be generated that shows the priorities as they were actually created.

Review the report again to ensure that the rollover was performed correctly for all inspection items. If needed, update any priority records that did not carry over correctly before creating a new version of the matrix.

C. CREATE A NEW VERSION OF THE MATRICES FOR THE UPCOMING FY

1. After the actual Priority Rollover function has been performed, and you have reviewed all records for accuracy (and made any necessary adjustments), you are ready to create a Strategy Matrix for the new FY. From AFMSS Main Menu, click Monitoring.

2. Click on I&E Strategy from the cascading menu.

3. The I&E Strategy Matrix - Inspection Items (IEP.54) screen will be displayed.

4. If the record appears with the current year's data populated, you will have to exit from AFMSS and come back in. The matrix screen should be blank when creating a new matrix. Enter 2008 in the Fiscal Year box located on the first row of IEP.54.

5. Click into the box to the right of the word "Version". Enter the name of the new matrix that you are creating (for example, FY 2008 Vernal Field Office). Next, there is a box next to the "Version". Click on the arrow button to select either "Working" or "Official." This allows you to designate the type of matrix you are creating. Create a "Working" copy so you can edit the Matrix until you are sure it is accurate.

6. Count the Producing Inspection Items:

   a. From the Main Menu, click on Monitoring and I&E Strategy.

   b. Click on the RECOUNT FOGRMA ITEMS button located on the far right side of the first row of buttons. A message will appear informing you that this procedure could take a long time and asks if you want to continue. Click the YES button.

The system will count the number of producing and non-producing inspection items by Overall Priority that will be used in calculating the number of required production inspections. This does not include inspection items with a case status of Abandoned (A).

The Inspection Items fields will populate once the count is completed. Review the total number of inspection items once the fields have auto-populated. NOTE: The number of items displayed will not equal the amount of cases listed on the IEP.51 report since the recount does not include those cases with an abandoned status.

7. Enter the Estimated Number of Inspections:

   a. Enter the number of estimated Federal and Indian High and Low priority Drilling inspections to be conducted during the FY. Click on the box to activate it prior to entering information or tabbing from field to field.

   b. Enter the number of estimated Federal and Indian High and Low Priority Plugging Inspections in the appropriate boxes.

   c. Enter the number of estimated Federal and Indian High and Low Priority Workover Inspections in the appropriate boxes.

   d. Enter the number of Federal and Indian High and Low Priority Environmental Drilling Inspections. (This number should total the same as the number of Drilling inspections that are estimated for the year.)

   e. The Environmental Producing High and Low Priority count in the next column should equal the Total Items (producing and non-producing) that were calculated in Step I. This information will be automatically calculated from the Environmental priority rating for each inspection item that has an inspection status code of "H."

   f. Enter the number of Federal and Indian High and Low Priority Environmental Abandonment/Reclamation inspection to be conducted during the FY.

   g. SAVE THE RECORD. Make sure the message box in the lower left corner of the screen states that the table was updated.

8. Enter the Positions and Work-months Information for your office:

   a. Click on the POSITIONS/WORKMONTHS button. This will display IEP.55.

   b. Enter position and work-month information based on your FO personnel that work in the program. To ensure proper accounting of the work-months needed for the program, a base of 12 work-months must be used for each FTE. Using AFMSS data, enter the number of work-months that are expected to be devoted to completing inspections in the

"I&E Inspection Work-months" column. The remaining work-months are accounted for in the "Misc. Work-months" column. (NOTE: Two of the 12 workmonths for each FTE are automatically placed in the miscellaneous column to account for annual and sick leave, 0999 account). Account for the overtime work-months in the "Overtime Work-months" column. When querying AFMSS, be sure to deduct the overtime work-months when determining your inspection work-months. Time worked outside the I&E program, such as range or fire, will not be accounted for in the inspection plan matrix. Oversight time shall be accounted for under Management support, and specific details regarding oversight work-months planned may be further documented under the Special Considerations section of the matrices.

c. SAVE THE RECORD. Look for the table update message in the message box.

d. Press the EXIT button to return to IEP.54.

9. Ensure Percentage of Other Production Inspections required is Correct:

a. Click on the CALCULATIONS button. This displays the Truly Strange Required Inspection Calculator (IEP.56) window. This window displays information entered on IEP.54 and allows the user to change the percentage of Other producing inspection items to be accomplished. The defaults for "Federal and Indian IIDs" will be set to 33.33 percent. To comply with the requirements of the FY 2008 Strategy Goals, the percentage for Indian IIDs remains at 33.33 percent. SAVE THE RECORD.

b. Press EXIT to return to IEP.54.

10. Enter the number of Planned Inspections:

a. Click on the INSPECTION TYPES button. This displays Page 2 of the matrix (IEP.58). The window contains a listing of all inspection types, average hours to conduct each inspection type, the number of required and planned inspections, and work-months necessary to conduct the inspections. The average inspection hours and the required number of inspections by inspection type auto-populate this screen when it is displayed.

b. If your FO needs to adjust the average inspection hours, click on the "INSP HRS" button. This brings up a window with an entry box for each inspection type. Click the SAVE button. Once you make the necessary changes and save, click the EXIT button and the system will update the average inspection hours displayed on IEP.58. It will take a few moments to complete this procedure. The system is also calculating new work-month figures. (NOTE: You may want to run the Inspection Summary for Office (IEP.13) report using the previous FY dates to validate the average inspection hours. To generate this report, select Reports from the main menu, click on I&E Reports, then select IEP.13. Enter the start and end date range that will give you an entire year's worth of inspection

data (for example, 10/01/2005, 09/30/2006 for FY 2006 information). Make sure to select Inspection Details in Total for All Closed Inspections for the report. Click on print and the report will generate. The last page of the report summarizes the average hours and number of inspections by type.)

c. Once IEP.58 displays the new average inspection hours, SAVE THE RECORD before continuing on to input the number of planned inspections.

d. Enter the number of Federal and Indian Planned inspections for the FY in the appropriate columns. The number of planned inspection must be based on available work-months indicated in the IEP.55 Positions/Work-months window. To enter information, you may tab from field to field, or use the mouse to click on the desired area you want to enter information. If you do not use the Tab key, the system will not generate work-month information until the record is saved. If you want to see the work-months displayed after entering the number of inspections, be sure to use the Tab key at that point.

e. SAVE THE RECORD.

11. Review the Required versus Planned Inspections:

a. Click the REQUIRED/PLANNED button to review required versus planned inspections. Once again, verify the number of available work-months against what you have planned to ensure that you have not planned more inspections than you have work-months to accomplish. To see available work-months, click on the POSITIONS/WORKMONTHS button and look at the total inspection work-months available. Press EXIT to return to the Required/Planned window.

b. To amend planned inspections from the Required/Planned (IEP.57) window, click the EXIT button. This closes IEP.57 and displays the previously opened window (IEP.58). Make the necessary changes and SAVE the record. Click on EXIT to return to IEP.54.

12. Add Remarks or Special Considerations to the Matrices:

a. To add Remarks or Special Considerations, click the REMARKS button. Enter information as applicable. Don't forget to document position and work-month availability descriptions, any additional idle/orphan well workload adjustments made to the strategy, and the number or production records reviews that your office plans on conducting in the upcoming FY. SAVE the record. Click the EXIT button.

Note: You may revise the "Working" version of your matrix until you are confident that the matrix is complete. Change the box from "Working" to "Official" to indicate that this is the matrix to be used for this FY.

13. Print the Matrices:

Print the Matrix Summary Report by clicking the REPORTS button. Select IEP.50 Inspection Matrix Summary. This brings up a preview of the report.

You are done! Exit the open windows by clicking the EXIT button on each window and return to AFMSS Main Menu.

Instructions to Create the Inspection and Enforcement (I&E)
Strategy Matrix for Fiscal Year (FY) 2008

Excel Spreadsheet

NOTE: This spreadsheet is to be used by the 10 Field Offices (FO) that have responsibility for both Federal and Indian data. It is no longer possible to produce a "combined" matrix for Federal and Indian data within AFMSS.

Under normal circumstances, the matrix is created in AFMSS, and several automated processes occur. In AFMSS, the Inspections Items report (IEP.51) provided useful information in determining the cases that needed to be inspected for the coming year. Because this is not available for Indian data, it will be necessary to use any data that you have available, such as old reports, to determine how many cases fall into each overall priority rating.

Steps for completing the Excel spreadsheet:

1. Field Office: Click into cell C2 and enter the FO Name.

2. Version: Enter a "Version" name. Click or tab so the cursor is blinking in cell H2. In the top bar, circled below, the word "Version:" appears. Click so the cursor is blinking directly behind the word and type in the name you want for this version of the matrix.

As you type, the name will appear in cell H2. Press the enter key or click to exit the cell.

3. Official/Working Copy: In the cell directly below "Version" (cell I3), enter whether this version is the "Official" or "Working" copy. A "Working" copy of the matrix may be used until you are confident that it is complete. Change the cell from "Working" to "Official" to indicate that the matrix is to be used for the FY. In cell I4, enter the date the version is created.

4. Production Inspection Items: Enter data into the lighter (cyan) shaded fields only. All other fields contain calculations and care should be given not to add data to the cells that are white in color. If you do, the formulas will be lost and must be re-entered. (The exceptions are the Remarks and Special Considerations sections.) Complete section "2. Production Inspection Items" to the best of your ability. Enter the number of Federal and Indian Producing and Non-Producing cases for each category. The total will automatically be input into the correct fields.

Note: You may have to use the numbers from your last matrix to complete this section. If possible, include any cases that your office has received since the shut down occurred (April 8, 2005). Do not include any cases that are inactive or abandoned.

5. Drilling, Plugging, and Workover Inspection Items: Enter the number of estimated Federal and Indian High and Low Priority Drilling, Plugging, and Workover inspections to be conducted during the FY in the appropriate fields as shown below.

6. Environmental Inspections Items: Enter the number of Federal and Indian High and Low Priority Environmental Drilling Inspections. These numbers should total the same number of Drilling Inspections estimated for the year.

Enter the number of Federal and Indian High and Low Environmental Producing Items in the appropriate cells. These two columns should equal the Total Items (producing and nonproducing) that were calculated under section "2. Production Inspection Items" (cells B12 and C12).

Enter the number of Federal and Indian High and Low Priority Environmental Abandonment/Reclamation inspections to be conducted during the year.

Note: It is always a good idea to intermittently SAVE your work! Please save your file in this format: (Field Office name) _strategy_matrix_FY07.xls

7. Positions and Work-months Dedicated to the Inspection and Enforcement Program: Enter the Positions and Work-months information for your office into the appropriate fields.

Enter the number of personnel that work in, or are associated with, the I&E program. For example, you may have personnel in your FO who provide support or assistance to the I&E Program, but are in other areas of the FO, such as Operations, Wildlife, Resources, etc. Prorate the number of work-months for any Natural Resource Specialists/Environmental Specialists that support I&E but may work in other offices or divisions.

To ensure proper accounting of the work-months needed for the program, use a base time of 12 work-months for each FTE. Enter the number of work-months that are expected to be devoted to completing inspections in the "I&E Insp Wkmths" column(s). At least 2 of the 12 work-months should be input into the "Misc. Wmths" column(s) to account for annual and sick leave, meetings, etc. Account for the overtime work-months in the "Overtime Wkmnths" column(s). Time worked outside of the I&E program, such as range or fire, should not be accounted for in the inspection plan matrix. Oversight time should be accounted for under Management support. Specific details regarding oversight work-months planned may be documented under the "Special Considerations" section of the matrix.

The following section "6. Inspections Required and Planned" will be automatically populated. No data entry is required or allowed in this section.

8. Number of Inspections and Work-months: Page 2 of the matrix deals with Inspection Types, Average Inspections Hours, etc.

Enter the average inspection hours for each of the Inspection Types (Federal and Indian). Until AFMSS becomes available, you may have to use the average inspection hours recorded on your FY2006 matrix.

Enter the number of Federal and Indian inspections required and planned for each of the Inspection Types.

The "Work-months" section on page 2 and the "Inspections Required and Planned" section on page 1 will automatically populate based on entries in other sections of the spreadsheet.

9. Remarks and Special Considerations: The cells related to the Remarks and Special Considerations sections have not been formatted.

Enter pertinent information into the Remarks section. Document position and work-month availability descriptions, and any additional idle/orphan well workload adjustments made to the strategy, and the number of production record reviews (PRs) your office plans to conduct during the FY.

Enter any Special Considerations as needed.

10. Printing the Spreadsheet: The "Print Area" has been set to include pages 1 and 2. It may be necessary to adjust the print area if your Remarks or Special Considerations sections exceed the length of page 2. To reset the print area, click on File, Print Area, and Clear Print Area.

Combined Inspection Strategy Matrix for FY2007 (Page 1)

1. Field Office:

Version: XXXXFY07
Official
Date:

2. Production Inspection Items

	Total Items		W FOGRMA H Other H		X FOGRMA H Other L		Y FOGRMA L Other H		Z FOGRMA L Other L	
	Prod	Non-Prod	Prod	Non-Prod	Prod	Non-Prod	Prod	Non-Prod	Prod	Non-Prod
Federal	0	0								
Indian	0	0								
Total	0	0	0	0	0	0	0	0	0	0

3. Drilling, Plugging, and Workover Inspection Items

	Drilling Inspections			Plugging Inspections			Workover Inspections		
	High	Low		High	Low		High	Low	
Federal									
Indian									
Total	0	0		0	0		0	0	

4. Environmental Inspections Items

	Active Inspections					Abandonment/Reclamation Inspections		
	Drilling		Producing			High	Low	
	High	Low	High	Low				
Federal								
Indian								
Total	0	0	0	0		0	0	

5. Positions and Workmonths Dedicated to the Inspection and Enforcement Program

	On-the-Ground Inspectors (Technical)					Environ	Support (Admin/Mgrs)		
	PET/ Auditor	Supv PET	Tribal PET	Tech Other	Total	NRS/ES	Clerical	Other	Total
On Board Personnel					0.00				0.00
I&E Insp Wkmths					0.00				0.00
Misc. Wmths					0.00				0.00
Overtime Wkmths					0.00				0.00
Total Wkmths	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

6. Inspections Required and Planned

	Scheduled Inspections								
	PI	Drill	Plug	Workvr	Rec Verif	Tech Total	Environ	Undes	Overall Total
Required Inspections	0	0	0			0	0		0
Planned Inspections	0	0	0	0	0	0	0	0	0
Insp Summary	0	0	0	0	0	0	0	0	0
Required Wkmths	0.00	0.00	0.00			0.00	0.00		0.00
Planned Wkmths	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WM Summary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Run Date: 9/5/2006

Inspection Strategy Summary (Page 2)

Inspection Types	Avg Insp Hours	Number of Inspections				Workmonths			
		Required		Planned		Required		Planned	
		FOGRMA	Other	FOGRMA	Other	FOGRMA	Other	FOGRMA	Other
1. Production Inspections									
a. Federal						0.00	0.00	0.00	0.00
b. Indian						0.00	0.00	0.00	0.00
2. Drilling Inspections		High	Low	High	Low	High	Low	High	Low
a. Federal						0.00		0.00	0.00
b. Indian						0.00		0.00	0.00
3. Plugging Inspections									
a. Federal						0.00		0.00	0.00
b. Indian						0.00		0.00	0.00
4. Workover Inspections									
a. Federal								0.00	0.00
b. Indian								0.00	0.00
5. Records Verifications									
a. Federal								0.00	0.00
b. Indian								0.00	0.00
6. Environmental Inspections									
a. Federal						0.00	0.00	0.00	0.00
b. Indian						0.00	0.00	0.00	0.00
7. Undesirable Event Inspections									
a. Federal								0.00	0.00
b. Indian								0.00	0.00
8. Total Insp and Wm		0	0	0	0	0.00	0.00	0.00	0.00

Remarks:

Special Considerations:

Run Date: 9/5/2006

Federal and Indian Inspection Strategy Matrix for FY2008 (Page 1)

1. Field Office:

Version: XXXXFY08
Official
Date:

2. Production Inspection Items

	Total Items		W FOGRMA H Other H		X FOGRMA H Other L		Y FOGRMA L Other H		Z FOGRMA L Other L	
	Prod	Non-Prod	Prod	Non-Prod	Prod	Non-Prod	Prod	Non-Prod	Prod	Non-Prod
Federal	0	0								
Indian	0	0								
Total	0	0	0	0	0	0	0	0	0	0

3. Drilling, Plugging, and Workover Inspection Items

	Drilling Inspections			Plugging Inspections			Workover Inspections		
	High	Low		High	Low		High	Low	
Federal									
Indian									
Total	0	0		0	0		0	0	

4. Environmental Inspections Items

	Active Inspections					Abandonment/Reclamation Inspections		
	Drilling		Producing			High	Low	
	High	Low	High	Low				
Federal								
Indian								
Total	0	0	0	0		0	0	

5. Positions and Workmonths Dedicated to the Inspection and Enforcement Program

	On-the-Ground Inspectors (Technical)					Environ	Support (Admin/Mgrs)		
	PET/ Auditor	Supv PET	Tribal PET	Tech Other	Total	NRS/ES	Clerical	Other	Total
On Board Personnel					0.00				0.00
I&E Insp Wkmths					0.00				0.00
Misc. Wmths					0.00				0.00
Overtime Wkmths					0.00				0.00
Total Wkmths	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

6. Inspections Required and Planned

	Scheduled Inspections								
	PI	Drill	Plug	Workvr	Rec Verif	Tech Total	Environ	Undes	Overall Total
Required Inspections	0	0	0			0	0		0
Planned Inspections	0	0	0	0	0	0	0	0	0
Insp Summary	0	0	0	0	0	0	0	0	0
Required Wkmths	0.00	0.00	0.00			0.00	0.00		0.00
Planned Wkmths	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
WM Summary	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Attachment 5-1

Inspection Strategy Summary (Page 2)

Inspection Types	Avg Insp Hours	Number of Inspections				Workmonths			
		Required		Planned		Required		Planned	
		FOGRMA	Other	FOGRMA	Other	FOGRMA	Other	FOGRMA	Other
1. Production Inspections									
a. Federal						0.00	0.00	0.00	0.00
b. Indian						0.00	0.00	0.00	0.00
2. Drilling Inspections		High	Low	High	Low	High	Low	High	Low
a. Federal						0.00		0.00	0.00
b. Indian						0.00		0.00	0.00
3. Plugging Inspections									
a. Federal						0.00		0.00	0.00
b. Indian						0.00		0.00	0.00
4. Workover Inspections									
a. Federal								0.00	0.00
b. Indian								0.00	0.00
5. Records Verifications									
a. Federal								0.00	0.00
b. Indian								0.00	0.00
6. Environmental Inspections									
a. Federal						0.00	0.00	0.00	0.00
b. Indian						0.00	0.00	0.00	0.00
7. Undesirable Event Inspections									
a. Federal								0.00	0.00
b. Indian								0.00	0.00
8. Total Insp and Wm		0	0	0	0	0.00	0.00	0.00	0.00

Remarks:

Special Considerations:

Attachment 5-2