State Of New Mexico Energy, Minerals and Natural Resources Department

Michelle Lujan Grisham

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Deputy Cabinet Secretary

Adrienne Sandoval
Division Director



Field Inspection Program
"Preserving the Integrity of Our Environment"



LETTER OF VIOLATION - Field Inspection

28-Dec-20

Grizzly Operating, LLC 5847 San Felipe, Suite 3000 Houston, TX 77057

Dear Operator:

The following inspection indicates that the well, equipment, location or operational status of the well failed to meet standards of the New Mexico Oil Conservation Division as described in the detail section below. To comply with standards imposed by Rules and Regulations of the Division, corrective action must be taken immediately and the situation brought into compliance. The detail section indicates preliminary findings and/or probable nature of the violation. This determination is based on an inspection of your well or facility by an inspector employed by the Oil Conservation Division on the date indicated.

Please notify the proper district office of the Division, in writing, of the date corrective actions are scheduled to be made so that arrangements can be made to reinspect the well and/or facility.

INSPECTION DETAIL SECTION

[30-025-34708] MOBIL 2 STATE #001

OGRID: 258350

P-02-17S-36E 990 FSL 330 FEL

Inspection Date 12/11/2020

Type InspectionRoutine Inspection

Inspector
[EZB] Eugene Bolton

Corrective Action Due By 3/31/2021

Inspection No. iEZB2034651978

Violations:

Rule Violation

19.15.29 Releases Surface Leaks/Spills

Comment:

Remove soil mixed with hydrocarbon/prod water, radius 10+ ft. 5 bbl threshold requires Form C-141.

19.15.16.8 Sign on Wells Absent Well Identification Sign

Comment:

Not located.

In the event that a satisfactory response is not received to this letter of direction by the "Corrective Action Due By:" date shown above, further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe to show cause why you should not be ordered to permanently plug and abandon this well.

Sincerely,

Eugene Bolton, Compliance Ofc.

En Bla

Hobbs OCD District Office

Note: Information in Detail Section comes directly from field inspector data entries - not all blanks will contain data.

Oil Conservation Division * 1625 N. French Drive * Hobbs, NM 88240 Phone: 575-393-6161 * Fax: 575-393-0720 * www.emnrd.state.nm.us