

# State Of New Mexico

## Energy, Minerals and Natural Resources Department

**Michelle Lujan Grisham**

Governor

**Sarah Cottrell Propst**

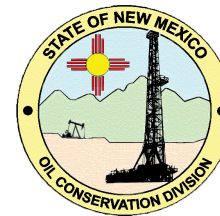
Cabinet Secretary

**Todd E. Leahy, JD, PhD**

Deputy Cabinet Secretary

**Adrienne Sandoval**

Division Director



### **"Response Required - Deadline Enclosed"**

*Field Inspection Program*

*"Preserving the Integrity of Our Environment"*

28-Dec-20

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

### **LETTER OF VIOLATION - Field Inspection**

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***

[30-025-05424] C S CAYLOR #003

OGRID: 258350

C-06-17S-37E 660 FNL 1887 FWL

<b>Inspection Date</b>	<b>Type Inspection</b>	<b>Inspector</b>	<b>Corrective Action Due By</b>	<b>Inspection No.</b>
12/10/2020	Routine Inspection	[EZB] Eugene Bolton	3/31/2021	iEZB2034541998

#### **Violations:**

##### **Rule**

19.15.16.8 Sign on Wells

##### **Comment:**

TB - Caylor: This TB is 200 m south of well: Caylor #003. Sign for Saga Petroleum (ceased 1/1/2008), and sign for Grizzly Operating.

19.15.10.8 Safety Procedures for Drilling and Production

##### **Comment:**

Well: 3 unused containers, 2 open containment vats without net, 1 or both vats leaking hydrocarbon/chem onto ground, methanol tank needs better labeling facing north.

##### **Violation**

Inaccurate Information

General Housekeeping  
Required

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.

Hobbs OCD District Office

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

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