## 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

<u>"Response Required - Deadline</u> <u>Enclosed"</u>

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

Houston, 1X //03

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

[30-025-35324] STATE SEC 9 #002			OGRID: 258350	F-09-16S-37E 1610 FNL 1517 FWL
Inspection Date 12/9/2020	e Type Inspection Routine Inspection	Inspector [EZB] Eugene Bolton	<b>Corrective Action Due By</b> 3/31/2021	<b>Inspection No.</b> iEZB2034442545
Violations:				
Rule				Violation
19.15.29 Releases				Surface Leaks/Spills
Comment:				
Prod water & hydrocarbon path 30 ft radius from wellhead, topped with caliche, 4 trash bags with hydrocarbon/soil				
mix.				
19.15.10.8 Safety Procedures for Drilling and Production				General Housekeeping Required
<b>Comment:</b> Remove or use sharp metal fencing pile, rods scattered on ground in several places beyond 6 years, other rods stored next to PJ.				·

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, Con BLE

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.

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