

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION**

**APPLICATION OF DUKE ENERGY FIELD
SERVICES, LP FOR AN ACID GAS INJECTION
WELL, LEA COUNTY, NEW MEXICO.**

CASE NO. 13589

AFFIDAVIT OF DAVID F. GARRETT

STATE OF TEXAS

COUNTY OF HARRIS

I, David F. Garrett, being first duly sworn on oath, states as follows:

1. My name is David F. Garrett. I reside in Harris County, Texas. I am the Senior Vice President employed by DCP Midstream, LP ("DCP") who is responsible for the operation of the Linam Gas Plant which is located in Section 6, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico.

2. DCP has been authorized to temporarily inject acid gas into its Linam AGI well since November 2009 at a maximum injection rate of 4.0 MMcfd and an average wellhead pressure of no more than 1800 psig.

3. There has been an increase in gas production in Southeast New Mexico recently which will require DCP to exceed the volume limitation imposed by the Commission.

4. If DCP is not allowed to exceed the volume limitation it will be forced to shut-in gas producers. Those producers will then either need to shut-in their wells or vent the gas to the atmosphere.

5. The volume limitation was not based on any technical reason and as DCP understands, it was simply required while DCP was under temporary authority. The AGI well has performed as expected and is capable of being fully operational. DCP has no pressure concerns with higher volumes and will remain within the 1800 psig wellhead pressure.

6. DCP also requests the Commission determine that a discharge permit is no

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longer required. DCP has reviewed the May 10, 2011 policy regarding discharge permits.

7. In Order No. R12546, the Commission required DCP to secure the approval of a modified discharge permit. Paragraph N. The Commission placed this condition in the Order because the Chief of the Environmental Bureau testified that the surface installations to convey the acid gas from the plant to the injection site would require a modification to DCP's existing discharge permit for the Linam Ranch Plant. See Para. 21 & 25.

8. Since the Division has noted in its May 2011 policy on discharge permits that discharge permits will be required for processes that intentionally discharge (as described in the Water Quality Act) and not for processes that are covered by the Oil and Gas Act, it appears that a discharge permit should no longer be required.

9. The AGI well has an approved C-108 and associated surface facilities are covered under the Oil and Gas Act and Division regulations.

FURTHER AFFIANT SAYETH NOT.



SUBSCRIBED AND SWORN before me on this 8th day of August 2011.


Notary Public

My Commission Expires

09/28/2013

