

Submit 1 Copy To Appropriate District Office

District I - (575) 393-6161
1625 N. French Dr., Hobbs, NM 88240
District II - (575) 748-1283
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District III - (505) 334-6178
1000 Rio Brazos Rd., Aztec, NM 87410
District IV - (505) 476-3460
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy, Minerals and Natural Resources

OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised August 1, 2011

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|--|--|---|
| SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) | | WELL API NO. 30-025-38576 |
| 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other | | 5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/> |
| 2. Name of Operator DCP Midstream LP | | 6. State Oil & Gas Lease No. V07530-0001 |
| 3. Address of Operator 370 17 th Street, Suite 2500, Denver CO 80202 | | 7. Lease Name or Unit Agreement Name Linam AGI |
| 4. Well Location Unit Letter -K; 1980 feet from the South line and 1980 feet from the West line Section 30 Township 18S Range 37E NMPM County Lea | | 8. Well Number 1 |
| 11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3736 GR | | 9. OGRID Number 36785 |
| | | 10. Pool name or Wildcat Wildcat |

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
DOWNHOLE COMMINGLE ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

OTHER: ☐

OTHER: Monthly Report pursuant to Workover C-103 ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

Monthly Report for the Month ending September 30, 2013 (9/1/13-10/1/13) Pursuant to Workover C-103 for Linam AGI #1

This is the seventeenth monthly submittal of data as agreed to between DCP and OCD relative to injection pressure, TAG temperature and casing annulus pressure. As shown on the attached graphs, there has continued to be some fluctuation in the data due to fluctuating gas flows due to power fluctuations in electrical service to the AGI facility. DCP continues to implement modified operational procedures to better maintain the pressure and temperature conditions in the well in order to minimize the opportunity for corrosion in the tubing. Average temperatures and pressures for the report period are as follows: TAG Injection Pressure: 1575 psig, Annulus Pressure: 74 psig, TAG Temperature: 121°F, and Pressure Differential: 1500 psig. We have added lines to the graphs to show the average values and to assist in visualizing the deviations from the averages and the corresponding effects in the annular pressure

September's data shows the effect of the changing temperature and pressure in the annulus and continue to demonstrate clearly that the workover successfully eliminated all connection between the tubing and the annular space. At several times during the month of September, electrical power dips and overall flow reductions from 9/20-27 due to lower gas inlets to the plant from producers resulted in corresponding variations in temperature and pressure. See attached graphs containing explanation of observed trends and excel spreadsheet for raw data. All the data continue to confirm the integrity of the tubing which was replaced last year and the well continues to serve as a safe, effective and environmentally-friendly system to dispose of Class II wastes consisting of H₂S and CO₂.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE  TITLE Consultant to DCP Midstream/ Geolex, Inc. DATE 10/6/2013

Type or print name Alberto A. Gutierrez, RG
For State Use Only

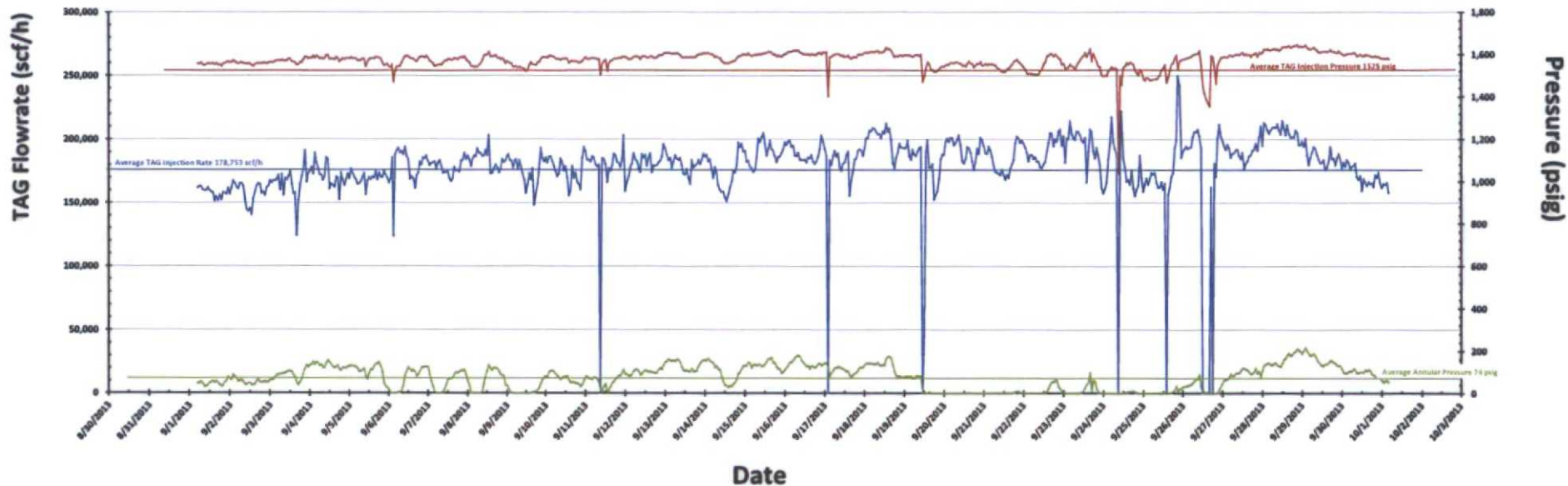
E-mail address: aag@geolex.com

PHONE: 505-842-8000

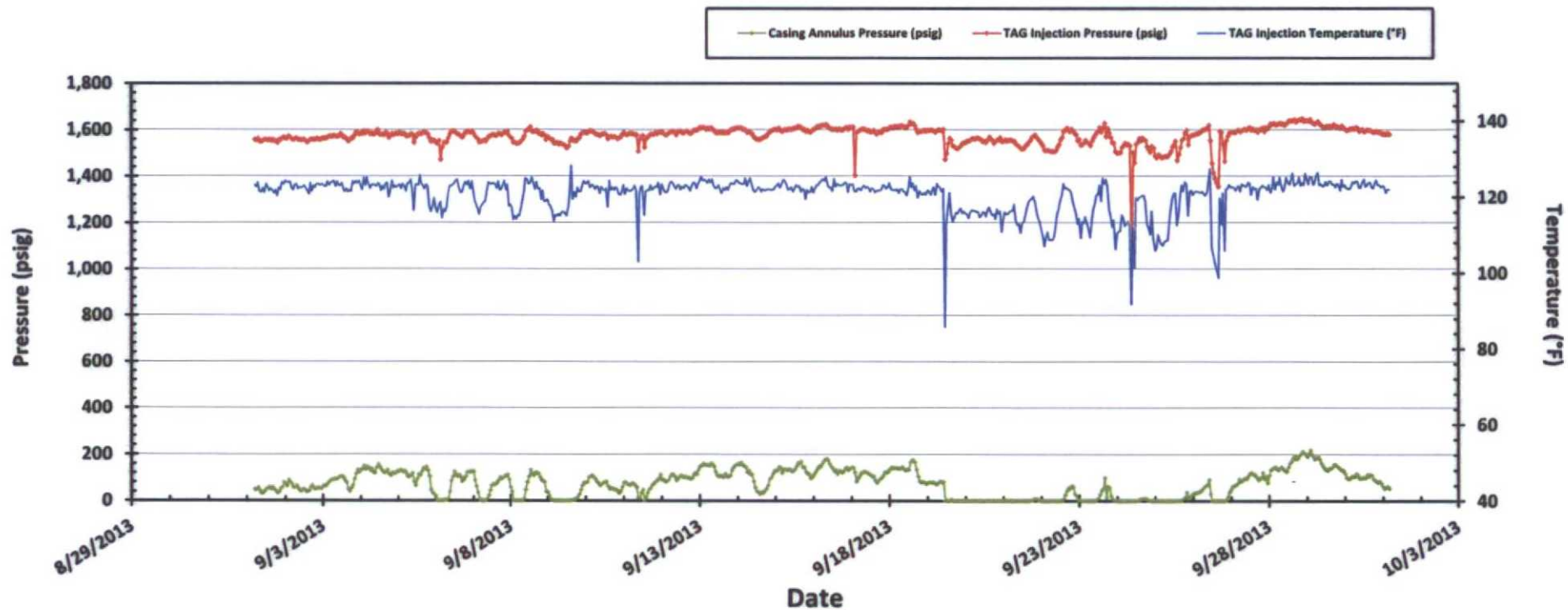
APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any): _____

Linam AGI #1 Injection and Casing Annulus Pressure and TAG Injection Flowrate 9/1/2013 to 10/1/2013

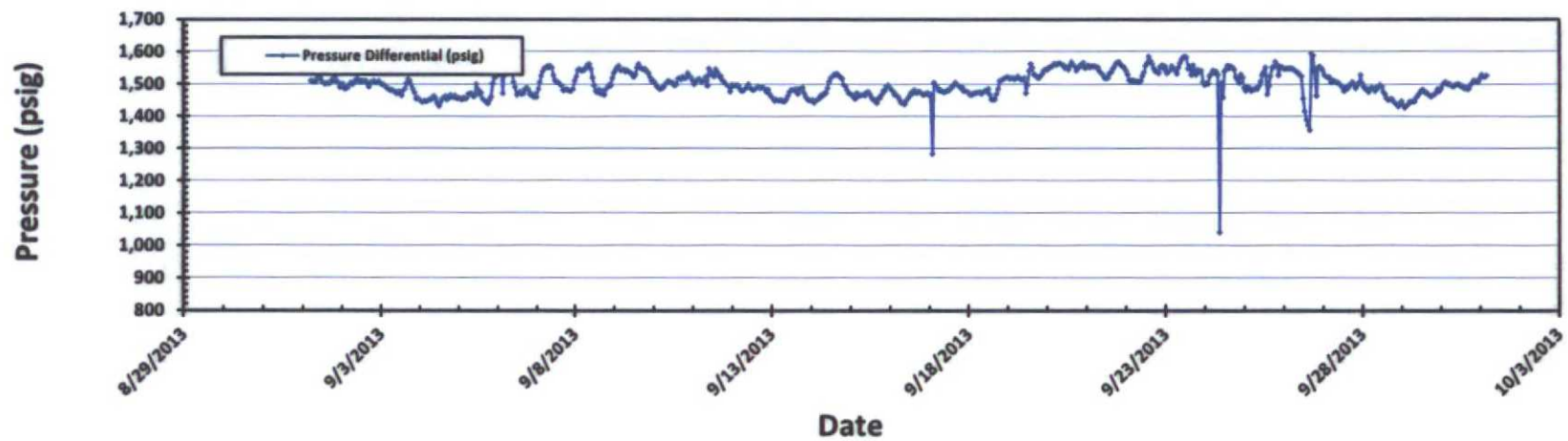
Fluctuations in annular pressure observed during the month of September 2013 primarily represent the correlative behavior of the annular pressure with the flowrate and injection pressure. There were numerous interruptions in electrical power from the Xcel power plant to the AGI compressors resulting in compressor shutdowns and flow interruptions on Sept. 12, 17, 20, 24, 26 and a longer one on 9/27. These issues were generally corrected within hours. Furthermore, in the week of 9/20 to 9/27 reduced flows to the plant resulted in lower average flows and corresponding annular pressure drops. At these times the annular pressure drops significantly when injection rates and TAG temperatures are reduced, as can be seen on the graph. The effect is also visible on the pressure/temperature graphs during the same period as the flow drops and temperature varies. These drops are also associated with decreased annular pressure, as demonstrated on the graph. The significant spread between TAG injection pressure (inside tubing) and the annular pressure proves the continuing integrity of the well and the tubing. Lines have been added to show the average TAG injection pressure, injection rate and annular pressure to aid in seeing this correlative behavior.



Linam AGI #1 TAG Injection Pressure, Casing Annulus Pressure and TAG Injection Temperature 8/1/2013 to 9/1/2013



Linam AGI #1 TAG Injection Pressure and Casing Annular Pressure Differential (psig) 9/1/2013 to 10/1/2013





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DCP Midstream
1625 West Marland St
Ofc. (575) 397-5552
Fax (575) 397-5598

Electronic MAIL:

October 7, 2013

Mr. Elidio Gonzales
District Supervisor
New Mexico Oil Conservation Division
Hobbs Office – District 1
1625 North French Dr.
Hobbs, NM 88240

Re: September C-103 monthly report, Linam AGI #1

Dear Mr. Gonzales:

This letter serves as DCP Midstream, LP's (DCPM) response to file a monthly C-103 report with the OCD. DCPM will continue to operate as per our original approved injection order as modified by the C-103 approved on 5/3/2012 which requires monthly reporting and MIT every 6 months.

If you have any questions about the information included in this submittal, please feel free to contact me at 575-397-5505 or via email at SJHarless@dcpmidstream.com.

Sincerely,

Steve Harless
General Manager of Operations, SENM

SH; de

cc: Will Jones, New Mexico OCD
Steve Boatenhamer, DCPM – Hobbs
Russ Ortega, DCPM – Hobbs
Quentin Mendenhall, DCPM – Midland
Paul Tourangeau, DCPM – Denver
Jonas Figueroa, DCPM – Midland
Chris Root, DCPM – Denver
Alberto Gutierrez, Geolex – Albuquerque