

District I – (575) 393-6161  
1625 N. French Dr., Hobbs, NM 88240  
District II – (575) 748-1283  
811 S. First St., Artesia, NM 88210  
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

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 <sup>th</sup> 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 January 31, 2014 (1/1/14-2/1/14) Pursuant to Workover C-103 for Linam AGI #1**

This is the twenty-first 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, we continue to see the effects of fluctuating gas inlets to the plant. 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: 1574 psig, Annulus Pressure: 8 psig, TAG Temperature: 121°F, and Pressure Differential: 1566 psig. These average values are shown as lines on the pressure and flow rate graph to assist in visualizing the deviations from the averages and the corresponding effects on the annular pressure. Slight reductions in average TAG temperature, injection rate and temperature are reflected in the lower average annular pressure.

Both December and January's data show 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. In January the average injection temperature dropped by about 3°F and average injection pressure by about 34 psig resulting in a drop in annular pressure. See attached graphs containing explanation of observed trends and excel spreadsheet for raw data. All these data continue to confirm the integrity of the tubing which was replaced last year which were further verified by the successful completion of the biannual MIT test on October 30, 2013. The Linam AGI#1 continues to serve as a safe, effective and environmentally-friendly system to dispose of Class II wastes consisting of H<sub>2</sub>S and CO<sub>2</sub>.

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 2/11/2014

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

E-mail address: aag@geolex.com

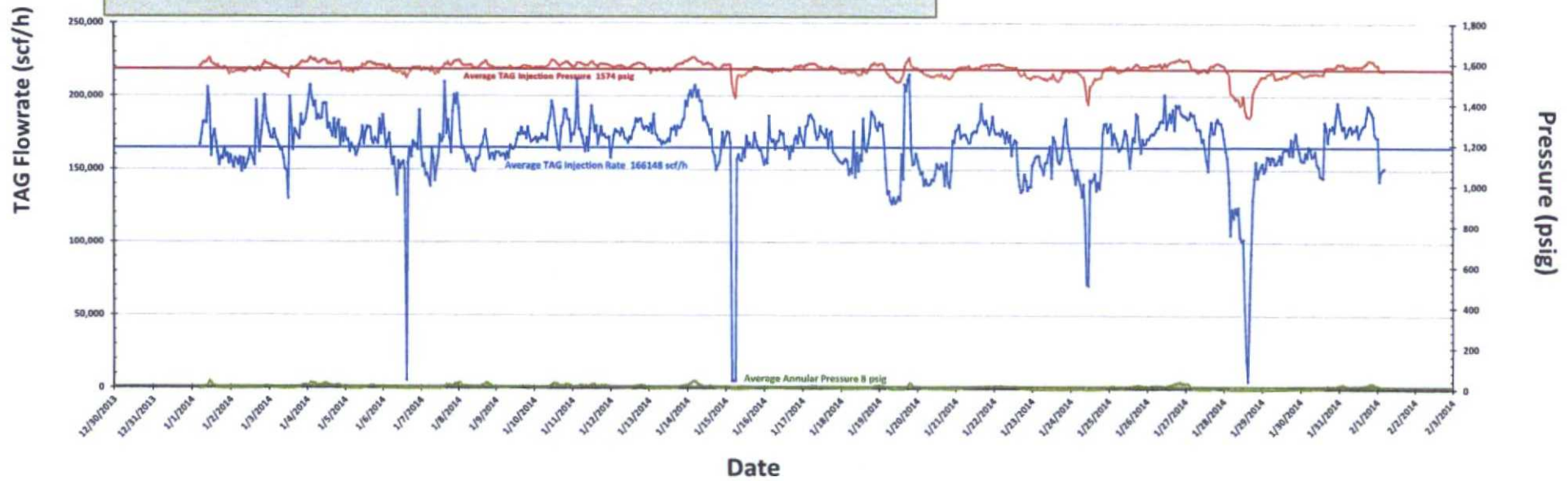
PHONE: 505-842-8000

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

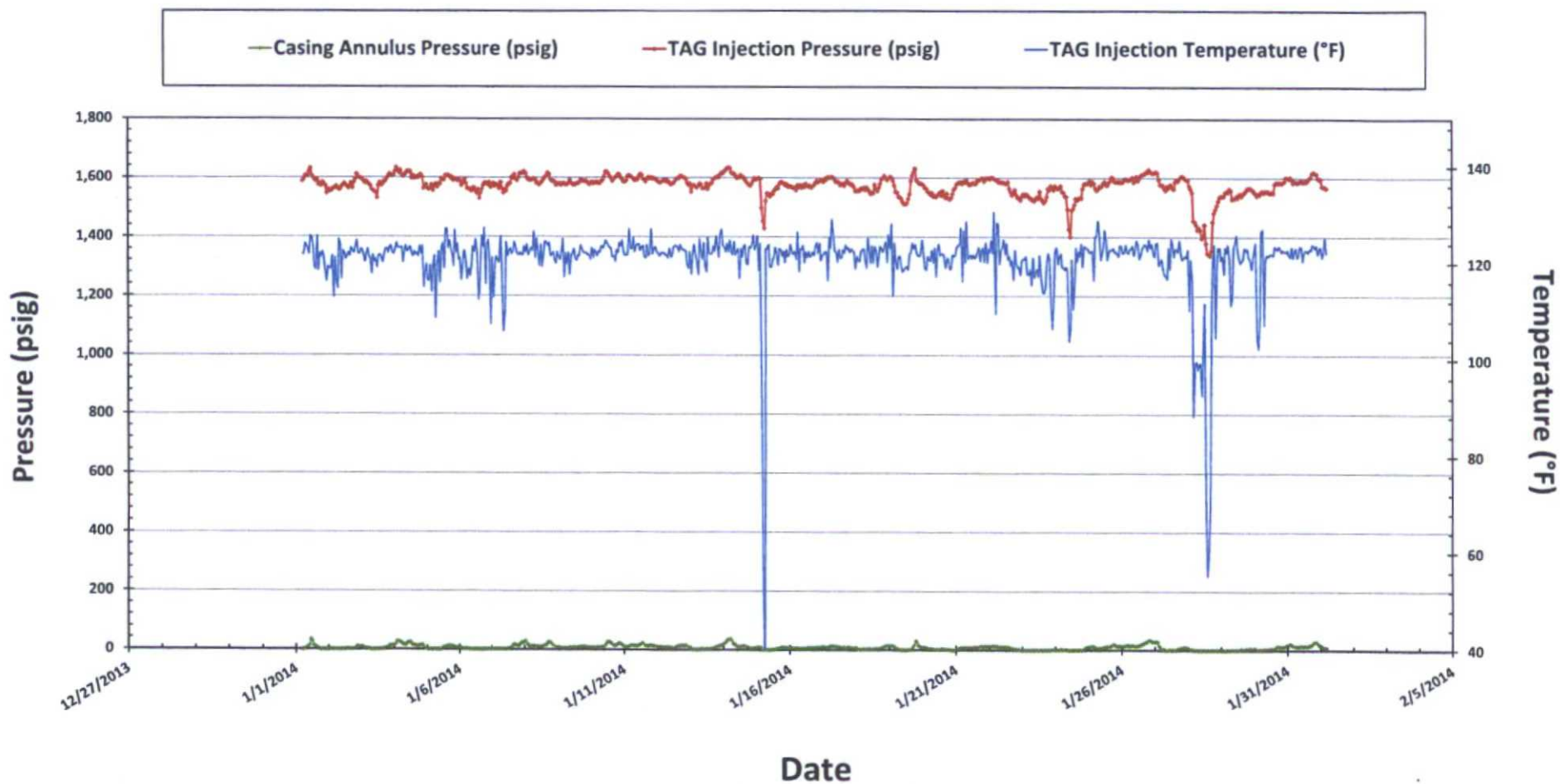
## Linam AGI #1 Injection and Casing Annulus Pressure and TAG Injection Flowrate 1/1/2014 to 2/1/2014

Fluctuations in annular pressure observed during the month of January 2014 primarily represent the correlative behavior of the annular pressure with the flowrate and injection pressure and temperature. There were interruptions of flow to the inlet of the plant which resulted in reduced flow to the AGI compressors resulting in compressor shutdowns and flow interruptions for short periods of time. These flow interruptions were corrected within hours each time. 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 annular pressure has remained low due to the reduction in injection pressure from December to January of approximately 34 psig and injection temperature of approximately 3°F. The significant spread between TAG injection pressure (inside tubing) and the annular pressure proves the continuing integrity of the well, packer, casing and tubing.

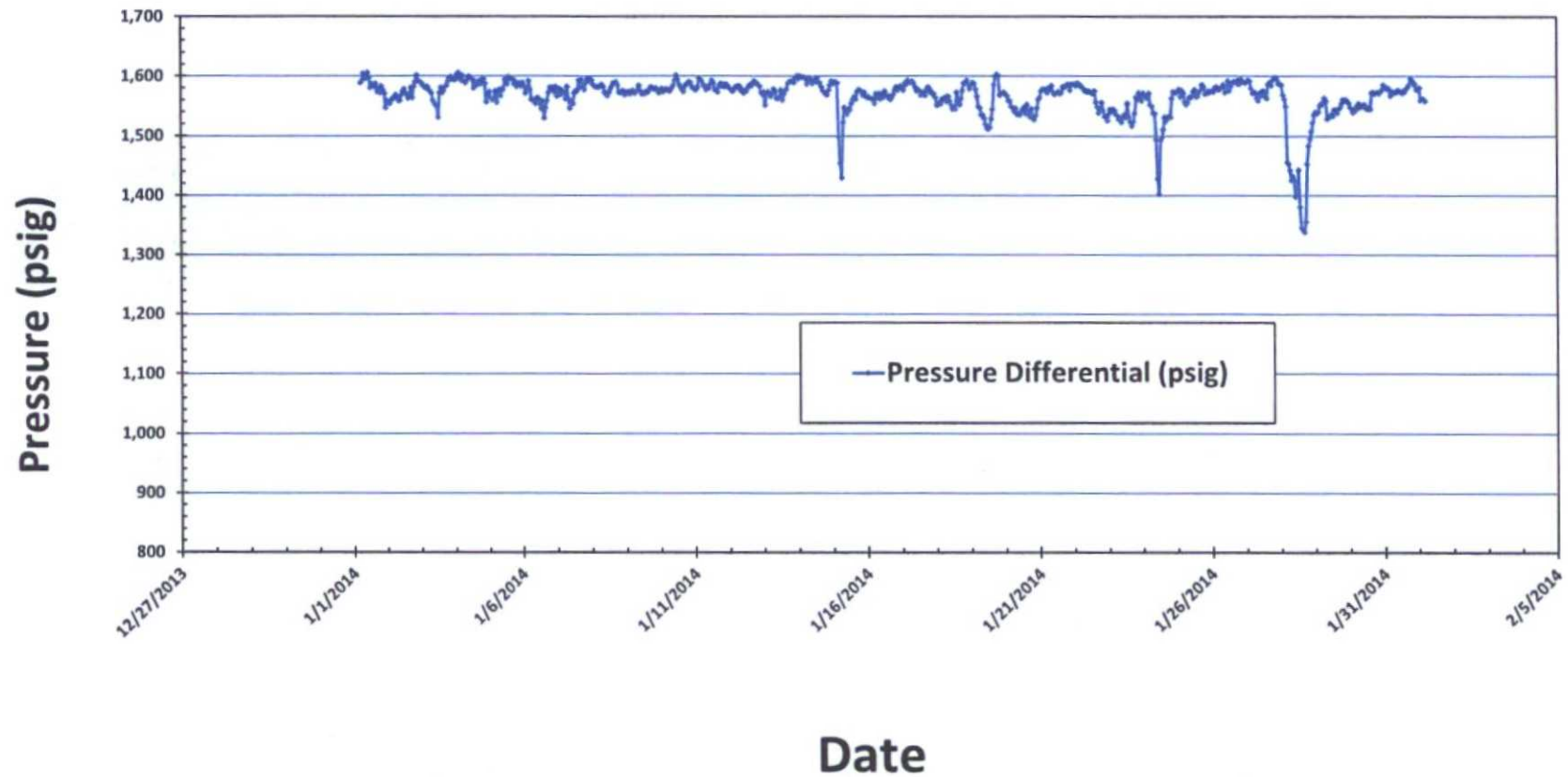
Three lines showing the average injection pressure, injection rate and annular pressure have been added to show the overall correlation of injection rate and pressure with annular pressure. The remaining primary factor influencing annular pressure is shown on the next graph of pressure and temperature trends under operating conditions.



## Linam AGI #1 TAG Injection Pressure, Casing Annulus Pressure and TAG Injection Temperature 1/1/2014 to 2/1/2014



# Linam AGI #1 TAG Injection Pressure and Casing Annular Pressure Differential (psig) 1/1/2014 to 2/1/2014





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2014 FEB 20 P 3: 13

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

**Electronic MAIL:**

February 12, 2014

Mr. Paul Kautz  
Acting Director  
New Mexico Oil Conservation Division  
Hobbs Office – District 1  
1625 North French Dr.  
Hobbs, NM 88240

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

Dear Mr. Kautz:

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](mailto: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