

New Mexico Energy, Minerals and Natural Resources Department

Bill Richardson

Governor

Joanna Prukop

Cabinet Secretary

Reese Fullerton

Deputy Cabinet Secretary

Mark Fesmire

Division Director

Oil Conservation Division



April 2, 2008

Ocean Munds-Dry
Holland & Hart LLP
Post Office Box 2208
Santa Fe, New Mexico 87504-2208

Dear Ms. Munds-Dry:

Based upon the reasons stated in your letter of March 31, 2008, and in accordance with the provisions of Division Order No. R-12546, as amended by Order No. R-12546-B, Duke Energy Field Services, LP is hereby granted an additional extension of time until January 5, 2009 in which to commence injection operations into the gas injection well authorized in Order No. R-12546.

Sincerely,

Mark E. Fesmire, P.E.

Director

fd/

cc: ☒ Case No. 13589

OCD – Hobbs





March 31, 2008

HAND-DELIVERED

Mark E. Fesmire, P.E.
Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

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2008 MAR 31 PM 4 04

Re: Oil Conservation Division Case No. 13589: Application of Duke Energy Field Services, LP for an acid gas injection well, Lea County, New Mexico.

Dear Mr. Fesmire:

On May 5, 2006, the Commission entered Order No. R-12546 which granted the application of Duke Energy Field Services, LP (now known as DCP Midstream, LP) in the above-referenced case and authorized the injection of acid gas into the Lower Bone Springs (Wolfcamp) through a well to be drilled at a location 1980 feet from the South and West lines of Section 30, Township 18 South, Range 37 East, NMPM, Lea County, New Mexico. The well will be used for the purpose of disposing natural gas processing wastes from Duke Energy Field Services' Linam Plant located in the NE/4 of Section 6, Township 19 South, Range 37 East, NMPM, Lea County, New Mexico.

On March 2, 2007, the Commission entered Order R-12546-B extending the commencement date for injection operations until May 5, 2008.

Pursuant to Order R-12546, DCP respectfully requests an extension of eighteen months to commence injection operations. See Order Paragraph S. DCP has drilled, completed and tested the Linam well. DCP is now diligently working to complete the pipeline and surface compression facilities for the well. DCP estimates all surface facilities will be in place within eighteen months. Until these facilities are in place, DCP will be unable to commence injection operations in the well. Therefore, DCP hereby requests an extension of Order No. R-12546-B from May 5, 2008 until January 5, 2009.



Thank you for your consideration of this request.

Sincerely,

A handwritten signature in black ink that reads "Ocean Munds-Dry". The signature is written in a cursive, flowing style.

Ocean Munds-Dry
Attorney for DCP Midstream, LP

cc: Joshua Epel, Esq.
Alberto Gutierrez