

Submit 1 Copy To Appropriate District

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District I - (575) 393-6161

1625 N. French Dr., Hobbs, NM 88240

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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

Form C-103

Revised August 1, 2011

HOBBS

APR 27 2017

RECEIVED

CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

WELL API NO.

30-025-38576 and 30-025-42139

5. Indicate Type of Lease

STATE ☒ FEE ☐

6. State Oil & Gas Lease No.

V07530-0001

7. Lease Name or Unit Agreement Name

Linam AGI

8. Wells Number 1 and 2

9. OGRID Number 36785

10. Pool name or Wildcat

Wildcat

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.)

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

2. Name of Operator

DCP Midstream LP

3. Address of Operator

370 17th Street, Suite 2500, Denver CO 80202

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

11. Elevation (Show whether DR, RKB, RT, GR, etc.)

3736 GR

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

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.

Report for the Month ending March 31, 2017 (3/1/17-3/31/17) Pursuant to Workover C-103 for Linam AGI#1 and AGI#2

This is the fifty-ninth monthly submittal of data as agreed to between DCP and OCD relative to injection pressure, TAG temperature and casing annulus pressure for Linam AGI#1 until the well is worked over. AGI#2 (API #30-025-42139) was brought online in October 2015. During the month of March, DCP began injecting TAG into AGI #2. TAG was injected into it from 3-13-17 through 3-16-17 and from 3-21-17 through the end of the month; TAG was also being injected into AGI #1 at the same time (see Figure #1). Since the data for both wells provides the overall picture of the performance of the AGI system, the data for both wells is analyzed and presented herein even though that analysis it is only required on a quarterly basis for AGI #2. In March the values for the injection parameters being monitored for AGI #1 while in operation were as follows (see Figures #2, #3 & #4): Average TAG Injection Rate: 174,281scf/hr, Average TAG Injection Pressure: 1,708 psig, Average TAG Temperature: 114°F, Average Annulus Pressure: 782 psig, Average Pressure Differential: 927 psig. Values for AGI #2 while in operation are as follows (see Figures #5, #6 & #7): Average TAG injection rate: 25,341 scf/hr, Average Injection Pressure: 1,701 psig, Average TAG Temperature: 104°F, Average Annulus Pressure: 373 psig, Average Pressure Differential: 1327 psig. It is anticipated that with Well #2 on-line and able to take the full flow after the injectivity issues are resolved, the workover of the #1 well will take place within the next several months. Bottomhole P/T measuring equipment will also be added to the #1 well with this workover.

These average values are shown as lines on the various graphs that display the respective parameters. The Linam AGI#1 and AGI #2 wells are serving as safe, effective and environmentally-friendly system to dispose of Class II wastes consisting of H₂S and CO₂. The two wells provide the required redundancy to the plant that allows for operation with disposal to either or both wells.

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

SIGNATURE

Type or print name Alberto A. Gutierrez, RG

TITLE Consultant to DCP Midstream/ Geolex, Inc. DATE 4/24/2017

E-mail address: aag@geolex.com

PHONE: 505-842-8000

For State Use Only

APPROVED BY:

Accepted for Record Only

DATE

Conditions of Approval (if any):

Matey Abraham 4/27/2017

Figure #1: Linam AGI#1 and #2 TAG Injection Flow Rates 3/1/2017 - 3/31/2017

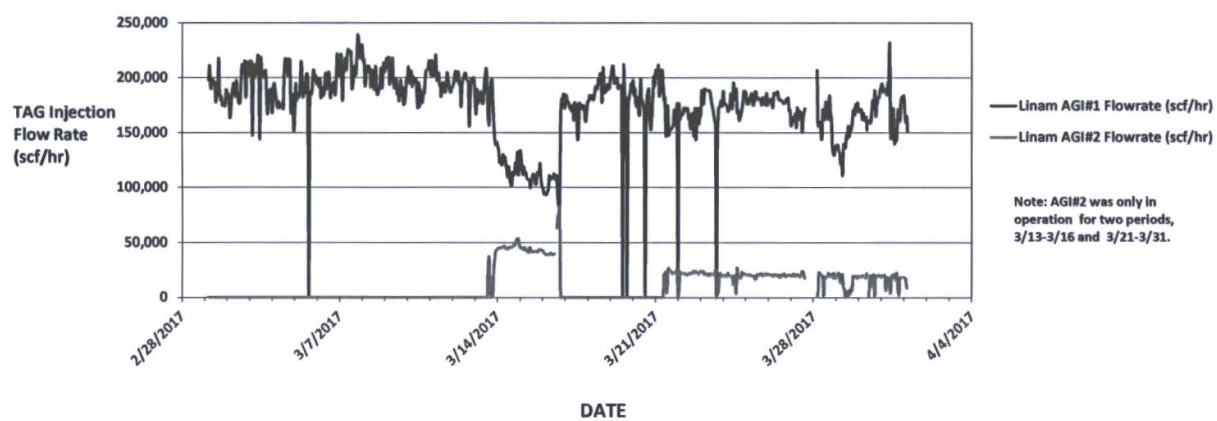


Figure #2: Linam AGI #1 Injection and Casing Annulus Pressure and TAG Injection Flowrate 3/1/2017 to 3/31/2017

For the month of March, the normal correlation between annular pressure and other injection parameters is observed in both wells; however, since the month has been spent attempting to switch over to the #2 well there have been variations observed. Throughout the month there were several brief shutdowns due to mechanical issues, but normal operations were reestablished within hours. Fluctuations in the injection rate were also noted on a daily basis. TAG began to be routed to AGI #2 during March, beginning on 3-13-17 and continuing through 3-16-17. TAG was again routed to AGI #2 from 3-21-17 through 4-1-17. The three lines on this graph show the average injection pressure, injection rate and annular pressure for AGI #1 and demonstrate the overall correlation of injection rate and pressure with annular pressure. The remaining primary factor influencing annular pressure (TAG injection temperature) is shown on the next graph of pressure and temperature trends under operating conditions. During the time that the plant routed TAG to AGI #2, they also continued injection into AGI #1. Some issues which are currently being addressed have restricted the ability to put the full flow into AGI#2. We believe these issues are related to the well having been idle for about 18 months since last injection and they are being addressed in April.

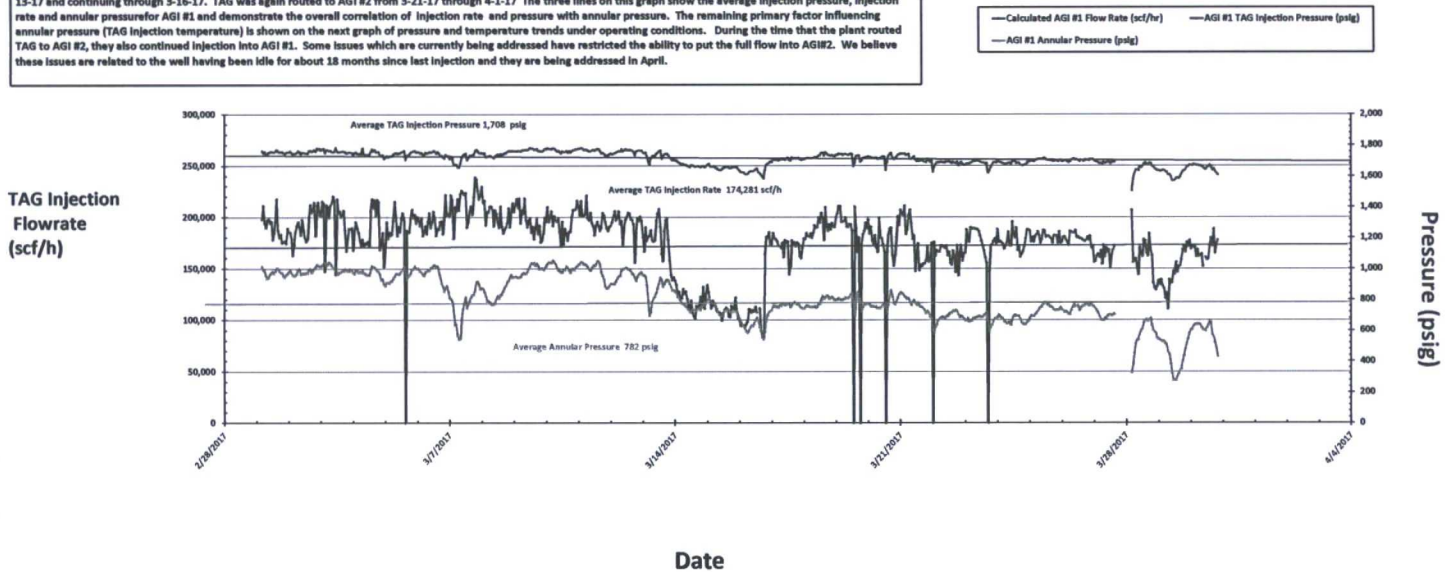


Figure #3: Linam AGI #1 TAG Injection Pressure, Casing Annulus Pressure and TAG Injection Temperature 3/1/2017 to 3/31/2017

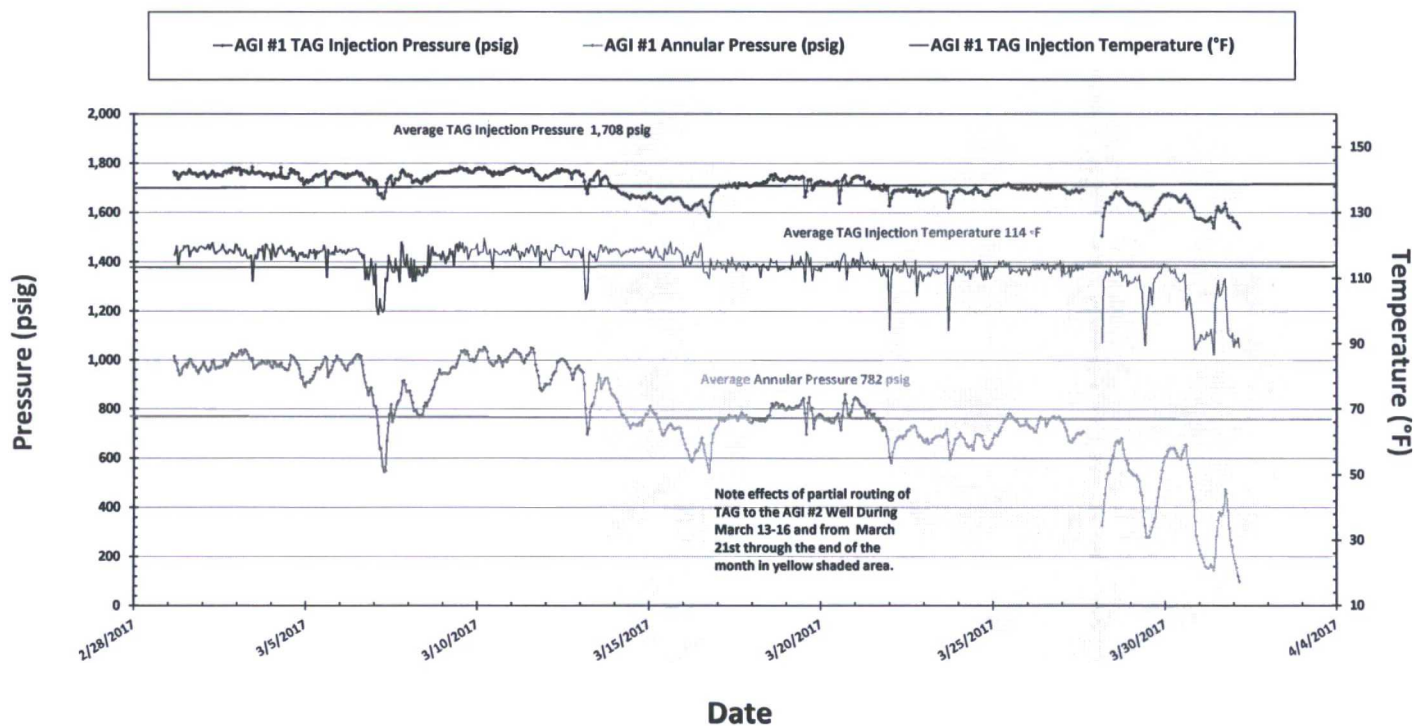


Figure #4: Linam AGI #1 TAG Injection Pressure and Casing Annular Pressure Differential (psig) 3/1/2017 to 3/31/2017

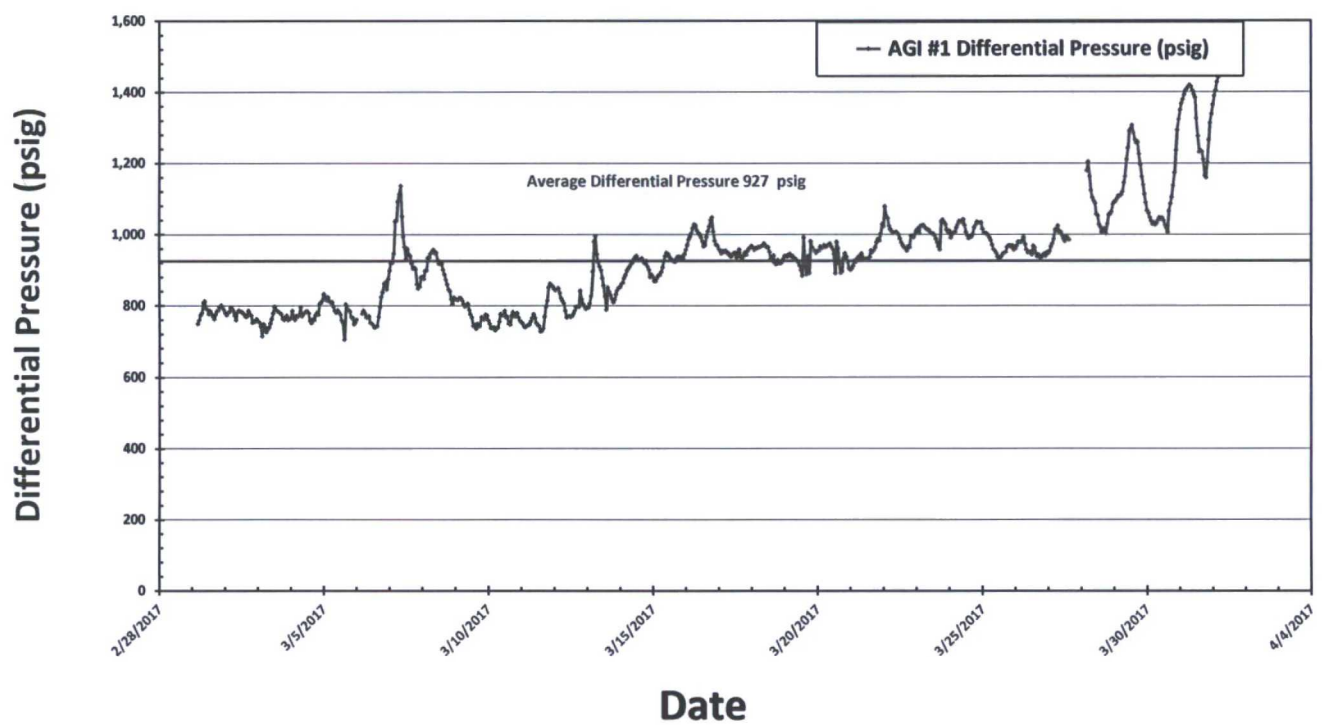


Figure #5: Linam AGI #2 Injection and Casing Annulus Pressure and TAG Injection Flowrate 3/1/2017 to 3/31/2017

TAG began to be routed to AGI #2 on 3-13-17 and continued through 3-16-17. AGI #2 received no TAG from 3-17-17 through 3-20-17. TAG injection into AGI #2 was then resumed on 3-21-17 and continued throughout the remainder of the month. While AGI #2 was in operation, AGI #1 also continued to operate, as shown on the prior graphs. During the time that the plant routed TAG to AGI #2, they also continued injection into AGI #1. Some issues which are currently being addressed have restricted the ability to put the full flow into AGI#2. We believe these issues are related to the well having been idle for about 18 months since last injection and they are being addressed in April.

— Calculated AGI #2 Flow Rate (scf/hr)
 — AGI #2 Static TAG Pressure (psig)
 — AGI #2 Annular Pressure (psig)

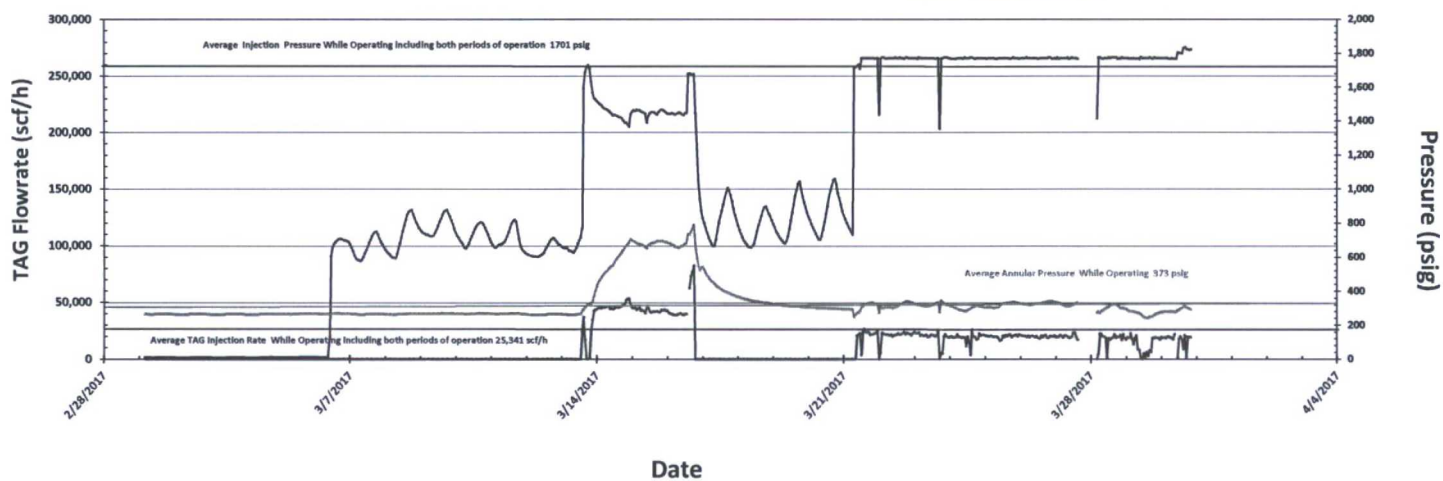


Figure #6: Linam AGI #2 TAG Injection Pressure, Casing Annulus Pressure and TAG Injection Temperature 3/1/2017 to 3/31/2017

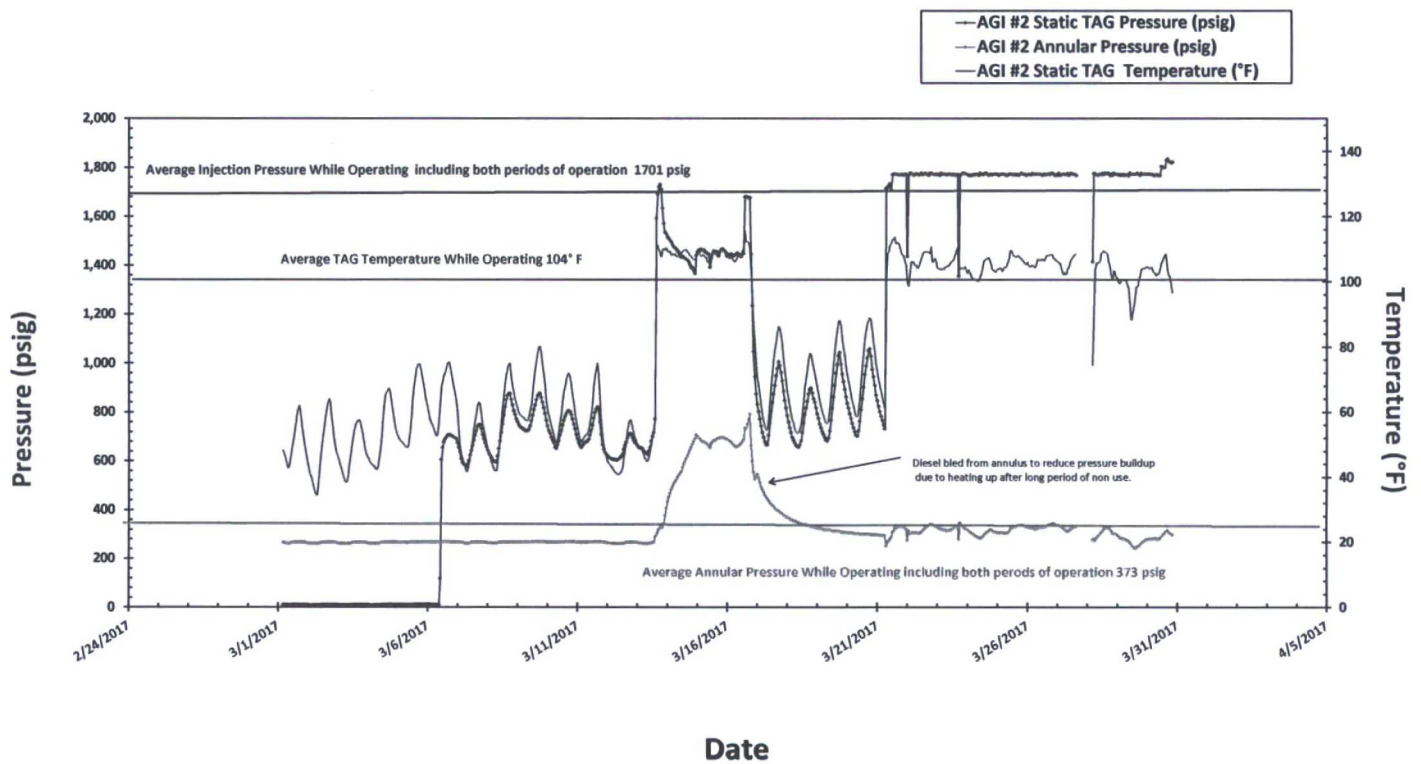


Figure #7: Linam AGI #2 TAG Injection Pressure and Casing Annular Pressure Differential (psig) 3/1/2017 to 3/31/2017

