

Submit 1 Copy To Appropriate District
Office
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
OCD
OIL CONSERVATION DIVISION
220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-103
Revised July 18, 2013

APR 05 2018

RECEIVED

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. Maljamar AGI#1 30-025-40420 Maljamar AGI#2 30-025-42628
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other: Acid Gas Injection Well <input checked="" type="checkbox"/>		5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/> FEDERAL <input checked="" type="checkbox"/>
2. Name of Operator Frontier Field Services LLC		6. State Oil & Gas Lease No. NMLC029509A
3. Address of Operator 65 Mercado Street, Suite 250, Durango, CO 81301		7. Lease Name or Unit Agreement Name Maljamar AGI
4. Well Location AGI#1 Unit Letter <u>O</u> : <u>130</u> feet from the SOUTH line and <u>1,813</u> feet from the EAST line AGI#2 Unit Letter <u>O</u> : <u>400</u> feet from the SOUTH line and <u>2,100</u> feet from the EAST line Section <u>21</u> Township <u>17S</u> Range <u>32E</u> NMPM County <u>Lea</u>		8. Well Number #1 and #2
11. Elevation (Show whether DR, RKB, RT, GR, etc.) AGI#1 4,016 (GR) AGI#2 4,019 (GR)		9. OGRID Number 221115
		10. Pool name or Wildcat AGI: Wolfcamp

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 ☐
CLOSED-LOOP SYSTEM ☐
OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☒
OTHER: Q1 2018 Report ☒
per NMOCC Order R-13443

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.

This represents the Q1 2018 report for the AGI#1 and AGI#2 dual well AGI system at Frontier Field Services LLC's Maljamar Gas Processing Plant pursuant to the quarterly reporting required under NMOCC Order R-13443. AGI#2 has bottom-hole PT sensors which provide data on reservoir pressure and temperature that have been performing very well. This report includes an analysis of the surface and bottom-hole data from AGI#2 and is also the Q1 report for the two well system, as required under the order referenced above. For Q1 the flow from the plant was sent to both AGI#1 and AGI#2 until March 1st when it was all routed to AGI #2 in order to conduct an interference test between the two wells. When both wells are in operation, Frontier operates this system by keeping flow constant to AGI#2 while allowing AGI#1 to take the fluctuations in overall plant flow (see Figure 1). Average flow rate for the AGI#1 during the entire reporting period was 669 MSCFD. Average flow rate for the AGI#2 for the entire period was 1,521 MSCFD. The surface injection parameters for both wells are shown on Figures 2 and 3, respectively. These two figures show the correlative behavior of injection pressure, injection temperature and annular pressure when both wells are operating and clearly demonstrate the continued integrity of both wells.

During the period AGI#1 and AGI#2 showed average injection pressures of 2,187 psig and 2,123 psig, average injection temperatures of 88°F and 106°F and average surface annular pressures of 419 psig and 448 psig, respectively (see Figures 2 and 3). AGI#2 bottom-hole pressure and temperature for the entire period were 5,041 psig and 123°F, respectively (see Figure 4). Finally, during the period the differential pressure (surface injection pressure vs. annular pressure) for AGI#1 averaged 1,768 psig and 1,675 psig for AGI#2 (see Figure 5). The overall period average bottom-hole pressure values of 5,041 psig and temperature of 123°F are reflective of current actual conditions in the reservoir and demonstrate ongoing favorable reservoir conditions. All of the graphs in Figures 1-5 further confirm the continued integrity of both Maljamar AGI#1 and Maljamar AGI#2, and the overall analysis demonstrates that both wells are fully in compliance with all applicable requirements of the NMOCC orders governing the operation of this AGI system.

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

SIGNATURE _____ TITLE Consultant to Frontier Energy LLC DATE 4/9/2018
Type or print name Alberto A. Gutierrez E-mail address: aag@geolex.com PHONE: 505-842-8000

For State Use Only

APPROVED BY: _____ TITLE Accepted for Record Only DATE _____
Conditions of Approval (if any): Ms Brown 4/5/2018

Figure 1: Maljamar AGI #1 and #2 Injection Rates

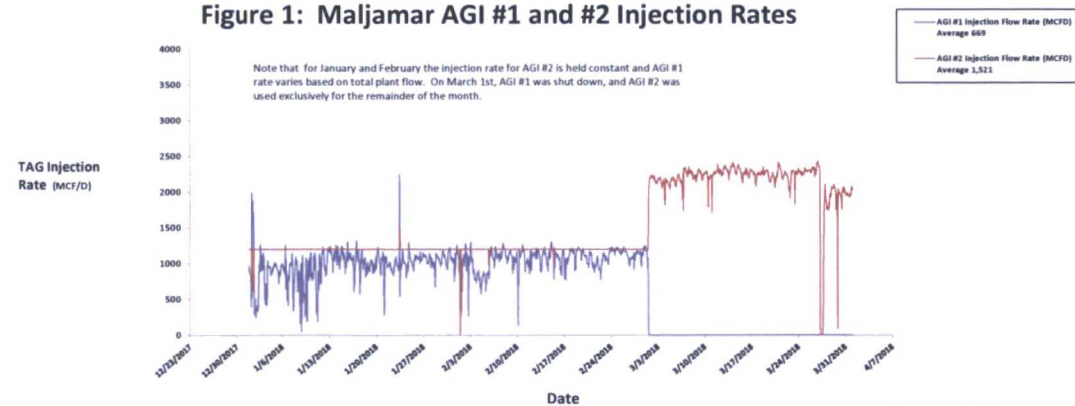


Figure 2: Maljamar AGI #1 Surface Injection Parameters

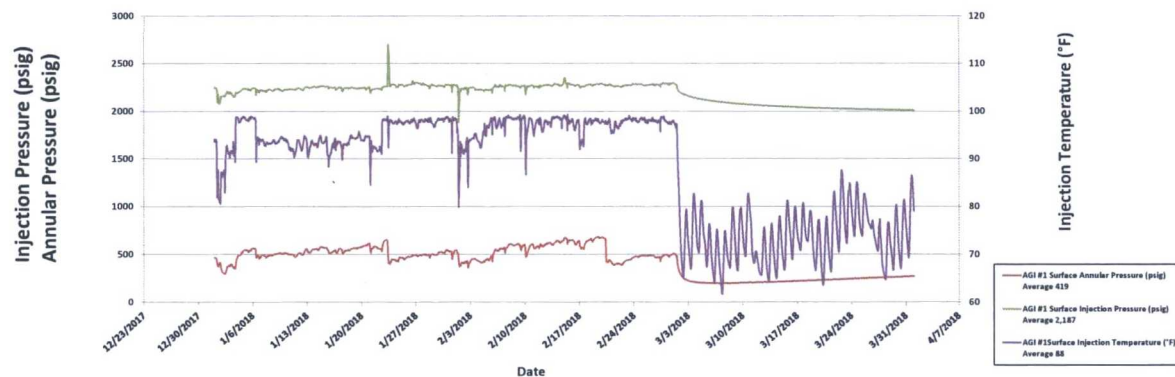


Figure 3: Maljamar AGI #2 Surface Injection Parameters

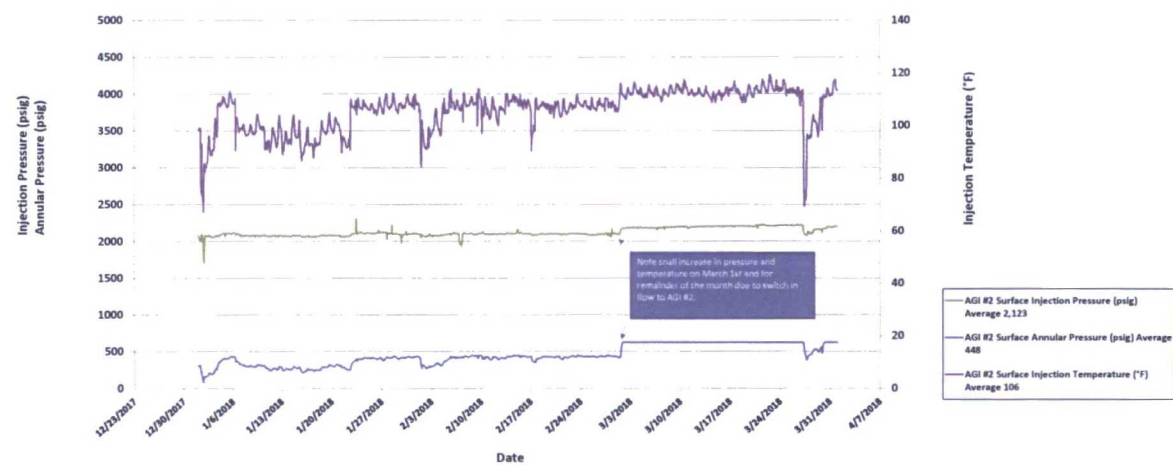


Figure 4: Maljamar AGI #2 BH Injection Pressure & Temperature, Surface Annular Pressure

