

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

Form C-103
Revised July 18, 2013

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

WELL API NO.

30-025-40420

5. Indicate Type of Lease

STATE ☐ FEE ☐ FEDERAL ☒

6. State Oil & Gas Lease No.

7. Lease Name or Unit Agreement Name

Maljamar AGI

8. Well Number

#1

9. OGRID Number

221115

10. Pool name or Wildcat

Wildcat (Lower Wolfcamp)

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: Acid Gas Injection Well ☒

2. Name of Operator

Durango Midstream

3. Address of Operator

2002 Timberloch, Suite 110, Woodlands, TX 79096

4. Well Location

Unit Letter O : 130 feet from the SOUTH line and 1,813 feet from the EAST line

Section 21 Township 17S Range 32E NMPM County Lea

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

4,016 (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 ☐

CLOSED-LOOP SYSTEM ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐ P AND A ☐

CASING/CEMENT JOB ☐

OTHER: Mechanical Integrity Test ☒

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work).

The MIT was conducted on Monday, July 22, 2019 at 9:00 am (MT). Kerry Fortner (NMOCD) was on site to witness and approve the test, and conduct a Bradenhead Test. Below is a step-by-step summary and results:

1. The annular space pressure between casing and tubing was 365 psig at the casing valve prior to the start of the MIT; approximately 37% of the total TAG stream was being injected in AGI #1 at 2,247 psig.
2. The annular space pressure was closed to the well while attaching the diesel pump and calibrated chart recorder.
3. At 10:08 am diesel was added to the line from the pump truck and chart recorder while opening the valve to the well.
4. At 10:09 am the annulus pressure reached 555 psig, the chart recorder and well was then isolated from the truck. The chart pen line dropped to 545 psig abruptly when the door to the recorder was closed (see chart).
5. The MIT began at 10:10 am and the chart recorded the annular pressure until 10:42 am (32 minutes).
6. The annulus pressure dropped from 545 to 535 psig; a loss of 10 psig (1.8% decrease) by the end of the test.
7. Diesel was then bled from the well annulus to the truck. At 350 psig (final annulus pressure) the valve to the well was shut and the remaining pressure was bled to the truck prior to disconnection of the line and chart.

In addition to the MIT, a Bradenhead test was conducted by the NMOCD by monitoring the intermediate and surface casing annular space pressures.

Please see the attached MIT pressure chart (approved by NMOCD), calibration sheet, and Bradenhead test documentation.

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

SIGNATURE Dale T Littlejohn TITLE Consultant to Durango Midstream DATE 7/23/19

Type or print name Dale T Littlejohn E-mail address: dale@geolex.com PHONE: 505-842-8000

For State Use Only

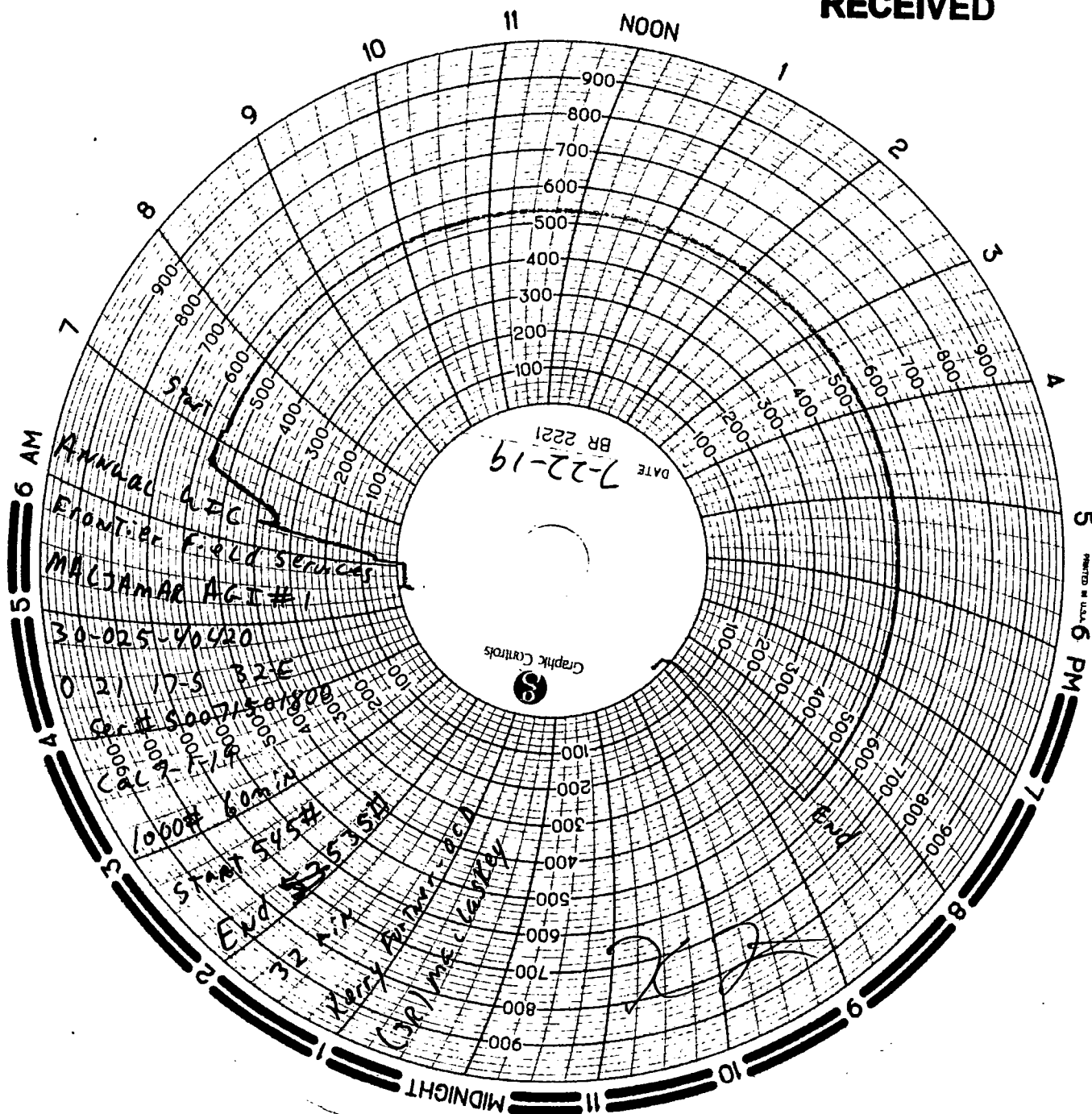
APPROVED BY: Kerry Fort TITLE Compliance Officer DATE 7-24-19

Conditions of Approval (if any):

HOBBS OCD

JUL 24 2019

RECEIVED



MACLASKEY OILFIELD SERVICES

5900 WEST LOVINGTON HWY. HOBBS, NM 88240
505-333-1316

HOBBS OCD

JUL 24 2019

RECEIVED

THIS IS TO CERTIFY THAT:

DATE 7-1-19

I, Albert Rodriguez METER TECHNICIAN FOR MACLASKEY OILFIELD SERVICES, INC. HAS CHECKED THE CALIBRATION ON THE FOLLOWING INSTRUMENT. 1000 PRESSURE RECORDER

SERIAL NUMBER

50071501800

TESTED AT THESE POINTS.

PRESSURE <u>5000</u>		
TEST	AS FOUND	CORRECTED
<u>0</u>	<u>100</u>	<u>/</u>
<u>100</u>	<u>200</u>	<u>/</u>
<u>200</u>	<u>300</u>	<u>/</u>
<u>300</u>	<u>400</u>	<u>/</u>
<u>400</u>	<u>500</u>	<u>/</u>

PRESSURE <u>1000</u>		
TEST	AS FOUND	CORRECT
<u>500</u>	<u>600</u>	<u>/</u>
<u>600</u>	<u>700</u>	<u>/</u>
<u>700</u>	<u>800</u>	<u>/</u>
<u>800</u>	<u>900</u>	<u>/</u>
<u>900</u>	<u>100</u>	<u>/</u>

REMARKS: _____

SIGNED: Albert Rodriguez

District I
1625 N French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720

State of New Mexico
Energy, Minerals and Natural Resources Department
Oil Conservation Division Hobbs District Office

BRADENHEAD TEST REPORT

Operator Name Frontier Field Services		API Number 30-025-40420
Property Name MAC SAMAR A G I		Well No. 001

1. Surface Location

UL - Lot 0	Section 21	Township 17S	Range 32E	Feet from 130	N/S Line S	Feet From 1813	E/W Line E	County Lea
----------------------	----------------------	------------------------	---------------------	-------------------------	----------------------	--------------------------	----------------------	----------------------

Well Status

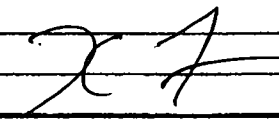
TA'D WELL YES <input checked="" type="radio"/> NO	SHUT-IN YES <input checked="" type="radio"/> NO	INJECTOR <input checked="" type="radio"/> INJ	SWD	OIL	PRODUCER GAS	DATE 7-22-19
--	--	--	-----	-----	-----------------	------------------------

OBSERVED DATA

	(A)Surface	(B)Interm(1)	(C)Interm(2)	(D)Prod Casing	(E)Tubing
Pressure	0	0	NA	365	2247
Flow Characteristics				AGI	
Puff	Y / <input checked="" type="radio"/> N	Y / <input checked="" type="radio"/> N	Y / N	<input checked="" type="radio"/> Y / N	CO2
Steady Flow	Y / <input checked="" type="radio"/> N	Y / <input checked="" type="radio"/> N	Y / N	Y / <input checked="" type="radio"/> N	WTR
Surges	Y / <input checked="" type="radio"/> N	Y / <input checked="" type="radio"/> N	Y / N	Y / <input checked="" type="radio"/> N	GAS
Down to nothing	<input checked="" type="radio"/> Y / N	<input checked="" type="radio"/> Y / N	Y / N	<input checked="" type="radio"/> Y / N	Type of Fluid
Gas or Oil	Y / <input checked="" type="radio"/> N	Y / <input checked="" type="radio"/> N	Y / N	Y / <input checked="" type="radio"/> N	Injected for
Water	Y / <input checked="" type="radio"/> N	Y / <input checked="" type="radio"/> N	Y / N	Y / <input checked="" type="radio"/> N	Waterflood if
					applies

Remarks - Please state for each string (A,B,C,D,E) pertinent information regarding bleed down or continuous build up if applies.

AGI MIT/BHT Test
(3R) MacLuskey
ser# 30071501800
cal 7-1-19

Signature:		OIL CONSERVATION DIVISION
Printed name:		Entered into RBDMS
Title:		Re-test
E-mail Address:		
Date: 7-22-19	Phone:	
Witness: Berry Porter - OCO		

399-3221

INSTRUCTIONS ON BACK OF THIS FORM