

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION COMMISSION

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APPLICATION OF DUKE ENERGY FIELD
SERVICES, LP FOR AN ACID GAS INJECTION
WELL, LEA COUNTY, NEW MEXICO.

CASE NO. 13589
ORDER NO. R-12546-G

ORDER TO EXTEND THE STAY OF CERTAIN CONDITIONS IN ORDER R-12546
AND ALLOWING TEMPORARY INJECTION

BY THE COMMISSION:

THIS MATTER came before the Oil Conservation Commission (the Commission) for hearing on March 13, 2006, and 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 (DCP) to inject acid gas into the Lower Bone Spring (Wolfcamp) formation through a well to be drilled 1980 feet from the South and West lines (Unit K) of Section 30, Township 18 South, Range 37 East, NMPM, Lea County, New Mexico.

NOW, on this 19th day of July, 2010, the Chair of the Commission,

FINDS THAT:

(1) In Order No. R-12546-D, the Commission Chair authorized DCP to temporarily inject acid gas into its Linam Ranch AGI well and stayed Paragraphs N and Q in Order R-12546 for a period of 90 days from the date of the Order.

(2) In Order No. R-12546-E, the Commission Chair extended the stay of Paragraphs N and Q and authority to inject for an additional 60 days until April 19, 2010.

(3) In Order No. R-12546-F, the Commission Chair extended the stay an additional 90 days until July 19, 2010.

(4) The draft discharge permit is currently under review with the Oil Conservation Division's Environmental Bureau staff.

(4) DCP has requested another stay of Paragraph N and Q of Order No. R-12546 in order to continue to inject acid gas into the AGI well.

IT IS THEREFORE ORDERED:

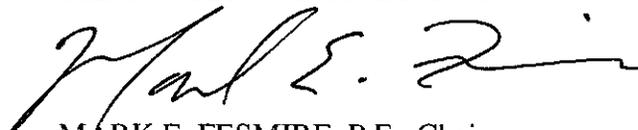
(1) For good cause shown, the conditions in Paragraphs N and Q will be stayed pursuant to 19.15.4.23.B NMAC until a hearing is held before the Commission and the Commission issues a written order regarding the stay.

(2) Pursuant to Paragraph A of Order No. R-12546, DCP is hereby authorized to inject acid gas into the Linam AGI well during the extended stay in accordance with the conditions in Order No. R-12546-D.

(3) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



MARK E. FESMIRE, P.E., Chair

SEAL