

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

IN THE MATTER OF THE APPLICATION OF  
TARGA MIDSTREAM SERVICES LP FOR  
APPROVAL OF AN ACID GAS INJECTION  
WELL, LEA COUNTY, NEW MEXICO

CASE NO. 14161

**SECOND AMENDED APPLICATION**

TARGA MIDSTREAM SERVICES LP, by its undersigned attorneys, Montgomery and Andrews, P.A., (J. Scott Hall) hereby makes application pursuant to, *inter-alia*, Division Rule 701 for an order approving the Monument AGI No. 1 well for acid-gas injection operations. In support, Applicant states:

1. Applicant proposes to drill and complete the following well for acid-gas injection operations in Lea County, New Mexico:

Monument AGI No. 1  
662' FSL and 2,513' FEL  
Section 36: SW/4 SE/4 (Unit O)  
T-19-S, R-36-E, NMPM

2. Applicant proposes injection of acid gas and water through a closed system into the Devonian and Fusselman formations through perforations at depths of 8,350' to 9,200' at a maximum injection pressure not to exceed 1,660 psi. Applicant proposes injection at average daily rates of approximately 3,500 bbls and 2.66 mmcf of acid gas and water and at maximum daily rates of approximately 5,000 bbls and 3.38 mmcfpd. The source of the injected fluids will be the Targa Resources LLC Monument Gas Plant.

2008 AUG 15 AM 10 20

RECEIVED

3. Applicant's proposed injection operation can be conducted in a safe and responsible manner without causing waste, impairing correlative rights or endangering fresh water, public health or the environment.

WHEREFORE Applicant requests that this Application be set for hearing before a duly appointed examiner of the Oil Conservation Division on September 18, 2008 and that after notice and hearing as required by law, the Division enter its Order approving the drilling and operation of the Monument AGI No. 1 well for acid-gas injection operations, for the injection of acid-gas fluids into the Devonian and Fusselman formations at the intervals and at the pressures, volumes and rates indicated, and making such other and further provisions as the Division determines appropriate.

MONTGOMERY & ANDREWS, P.A.

By:   
J. Scott Hall

Attorneys for Targa Midstream Services LP  
Post Office Box 2307  
Santa Fe, New Mexico 87504-2307  
(505) 982-3873

***Case 14161: Second Amended Application of Targa Midstream Services LP for Approval of an Acid-Gas Injection Well, Lea County, New Mexico.*** Applicant seeks approval to drill and utilize the following well for acid-gas injection operations:

Monument AGI No. 1 Well  
662' FSL and 2,513' FEL  
Section 36: SW/4 SE/4 (Unit O)  
T-19-S, R-36-E, NMPM  
Lea County, New Mexico

Applicant proposes the injection of acid gas and water through a closed system into the Devonian and Fusselman formations through perforations at depths of 8,350' to 9,200' at average daily rates of approximately 3,500 bbls and 2.66 mmcf/d with maximum daily rates of approximately 5,000 bbls and 3.38 mmcf/d at a maximum injection pressure not to exceed 1,660 psi. The subject well is located approximately 4 miles west of Monument, New Mexico.