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

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

Form C-103
Revised August 1, 2011

WELL API NO.
30-025-38576

5. Indicate Type of Lease
STATE ☒ FEE ☐

6. State Oil & Gas Lease No.
V07530-0001

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.)

7. Lease Name or Unit Agreement Name
Linam AGI

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

8. Well Number 1

2. Name of Operator
DCP Midstream LP

9. OGRID Number 36785

3. Address of Operator
370 17th Street , Suite 2500, Denver CO 80202

10. Pool name or Wildcat
Wildcat

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: | | | | SUBSEQUENT REPORT OF: | | | |
|---|---|---|---|---|---|---|---|
| PERFORM REMEDIAL WORK | ☐ | PLUG AND ABANDON | ☐ | REMEDIAL WORK | ☐ | ALTERING CASING | ☐ |
| TEMPORARILY ABANDON | ☐ | CHANGE PLANS | ☐ | COMMENCE DRILLING OPNS. | ☐ | P AND A | ☐ |
| PULL OR ALTER CASING | ☐ | MULTIPLE COMPL | ☐ | CASING/CEMENT JOB | ☐ | | |
| DOWNHOLE COMMINGLE | ☐ | | | | | | |
| OTHER: | ☐ | | | 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.

**Monthly Report for the Month ending December 31, 2012 (12/1/12-12/31/12) Pursuant to Workover C-103 for Linam AGI #1**
This is the eighth monthly submittal of data as agreed to between DCP and OCD relative to injection pressure, TAG temperature and casing annulus pressure. As shown on the attached graphs, there has continued to be some fluctuation in the data due to fluctuating gas flows especially when the NGL sales line was shut in for the period from 12/27-12/29. DCP has modified operational procedures to better maintain the pressure and temperature conditions in the well to minimize the opportunity for corrosion in the tubing. Average temperatures and pressures for the report period are as follows: TAG injection pressure: 1446 psig , Annulus Pressure 48 psig, TAG temperature 117°F, and Pressure differential: 1398 psig.

The data clearly show the effect of the changing temperature and pressure in the annulus and continue to clearly demonstrate that the workover successfully eliminated all connection between the tubing and the annular space. When the NGL line was shut in, the resulting temporary reduction in acid gas flow rate from the plant are reflected in the data from 12/27-12/29. See attached graphs containing explanation of observed trends and excel spreadsheet for raw data.

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

SIGNATURE _____ TITLE Consultant to DCP Midstream/ Geolex, Inc. DATE 1/8/2013

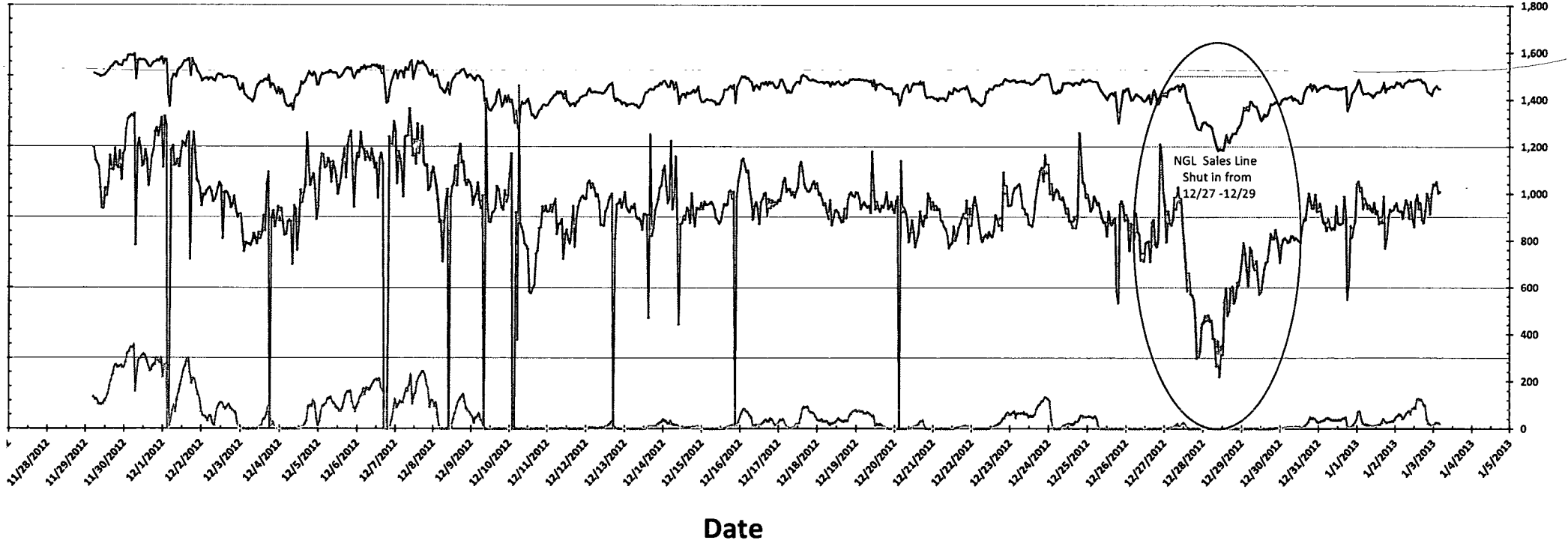
Type or print name Alberto A. Gutierrez, RG E-mail address: aag@geolex.com PHONE: 505-842-8000

**For State Use Only**

APPROVED BY _____ TITLE Dist. Mgr DATE 1-8-2013
Conditions of Approval (if any):

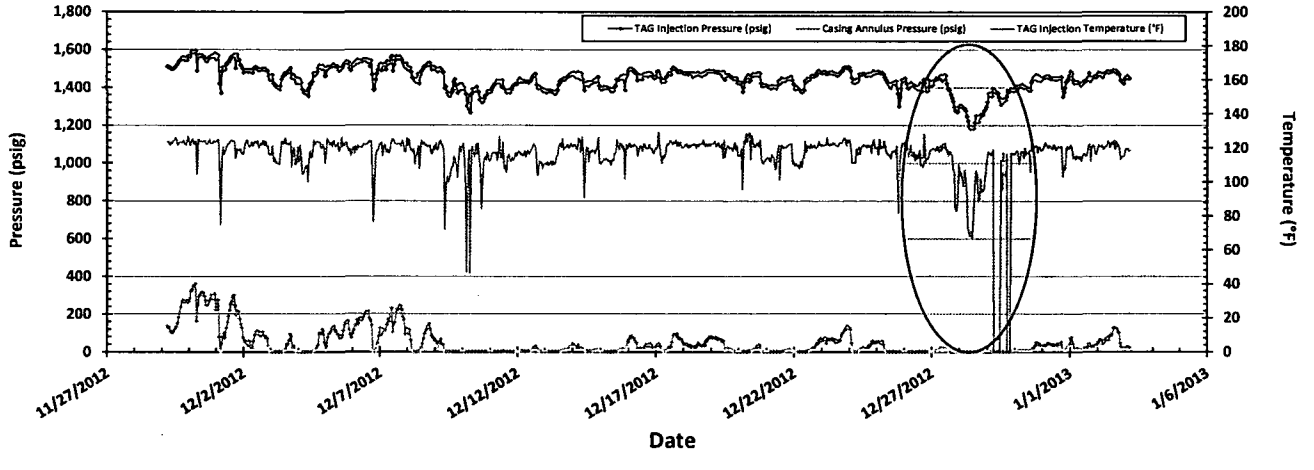
# Linam AGI #1 Injection and Casing Annulus Pressure and TAG Injection Flowrate 11/29/2012 to 1/3/2013

Fluctuations in annular pressure observed during the month of December 2012 primarily represent the correlative behavior of the annular pressure with the flowrate and injection pressure. This is especially noticed when the injection rate drops below 150,000 scf/h and the injection pressure drops to below 1300 psig. At these times the annular pressure drops to zero or near zero as can be seen from 12/10-12/20 when injection rates were reduced. Flow rate dropped off dramatically on 12/27-12/29 to below 100,000 when the NGL sales line was shut in . This resulted in decreased flowrate and temperature drops which were corrected by 12/29 when the NGL line came back on and some problems with the regen heater were resolved. The net effect of this ion the system is to reduce the heatin g and ballooning effect of the tubing and is also reflected in concurrent temperature drops visible on the pressure/temperature graph on these same dates which are manifested in decreased annular pressure at these times. These instances of fluctuating and dropping annular pressure correspond with the temperature drops also experienced on the dates above, as clearly shown in the pressure and temperature graph. The effect of the drop in injection pressure correspondingly reduced the pressure differential during this time because annular pressure was already at 0 psig. See highlighted portions of graphs.




**Date**

**Linam AGI #1 TAG Injection Pressure, Casing Annulus Pressure and TAG Injection Temperature 11/29/2012 to 1/3/2013**



## Linam AGI #1 TAG Injection Pressure and Casing Annular Pressure Differential (psig) 11/29/2012 to 1/3/2013

Reductions in differential occurred on 12/27-12/29 when injection rate was significantly reduced due to a shut in of the NGL sales line and annular pressure was already at 0 psig when injection pressure and temperature were reduced (shown in yellow highlighted circle).