

OCT 27 2014

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

DISTRICT II
811 S. First St., Artesia, NM 88210
Phone (575) 748-1283 Fax: (575) 748-9720

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410
Phone (505) 334-6178 Fax: (505) 334-6170

DISTRICT IV
1220 S. St. Francis Dr., Santa Fe, NM 87505
Phone (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources Department

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

Submit one copy to appropriate District Office

RECEIVED

WELL LOCATION AND ACREAGE DEDICATION PLAT

AMENDED REPORT

API Number 30-025-422-07	Pool Code 98096	Pool Name AGI CHERRY CANYON - BRUSHY CANYON
Property Code 317824	Property Name ZIA AGI	Well Number 2
OGRID No. 36785	Operator Name DCP MIDSTREAM	Elevation 3547'

Surface Location

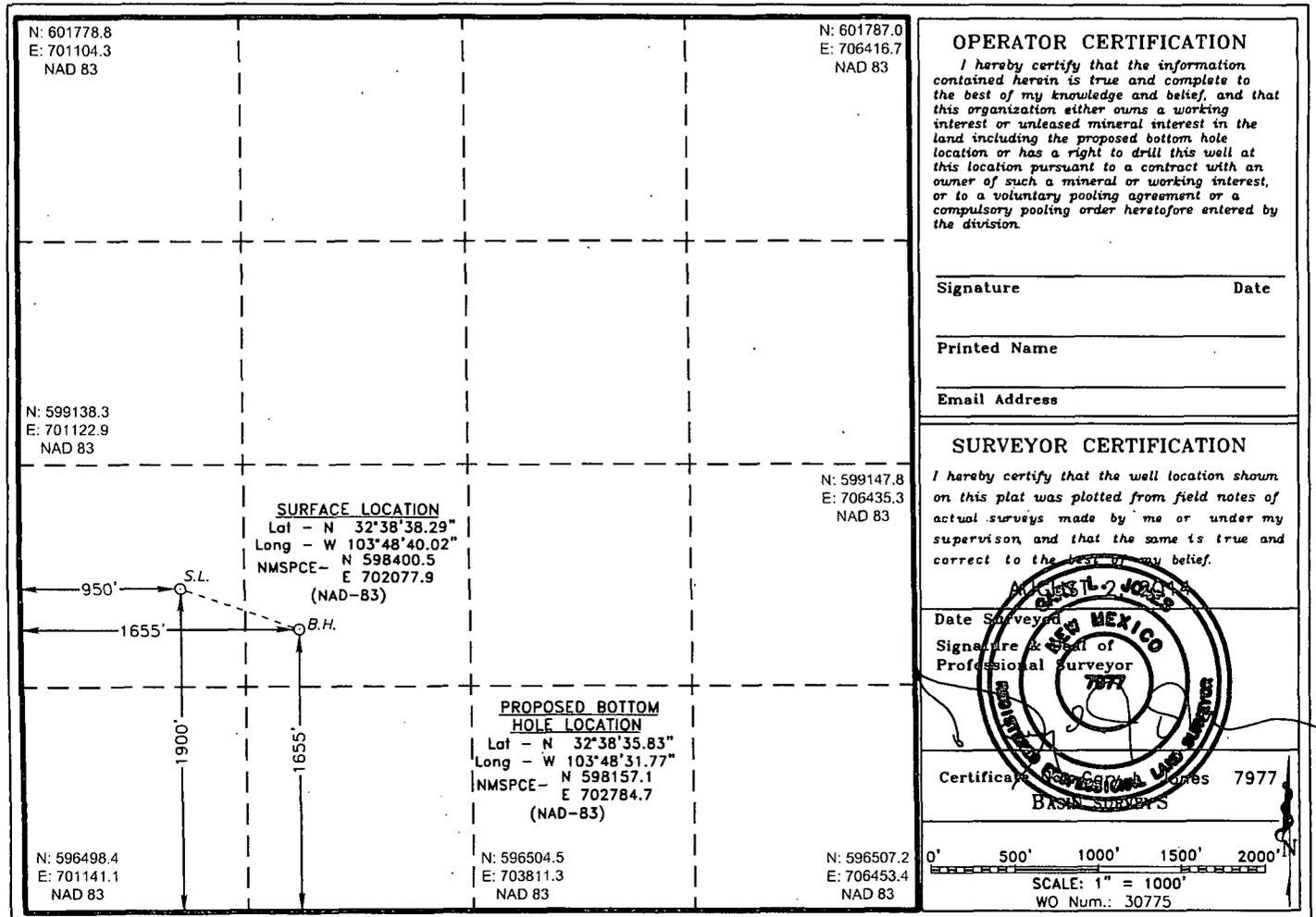
UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
L	19	19 S	32 E		1900	SOUTH	950	WEST	LEA

Bottom Hole Location If Different From Surface

UL or lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
K	19	19 S	32 E		1655	SOUTH	1655	WEST	LEA

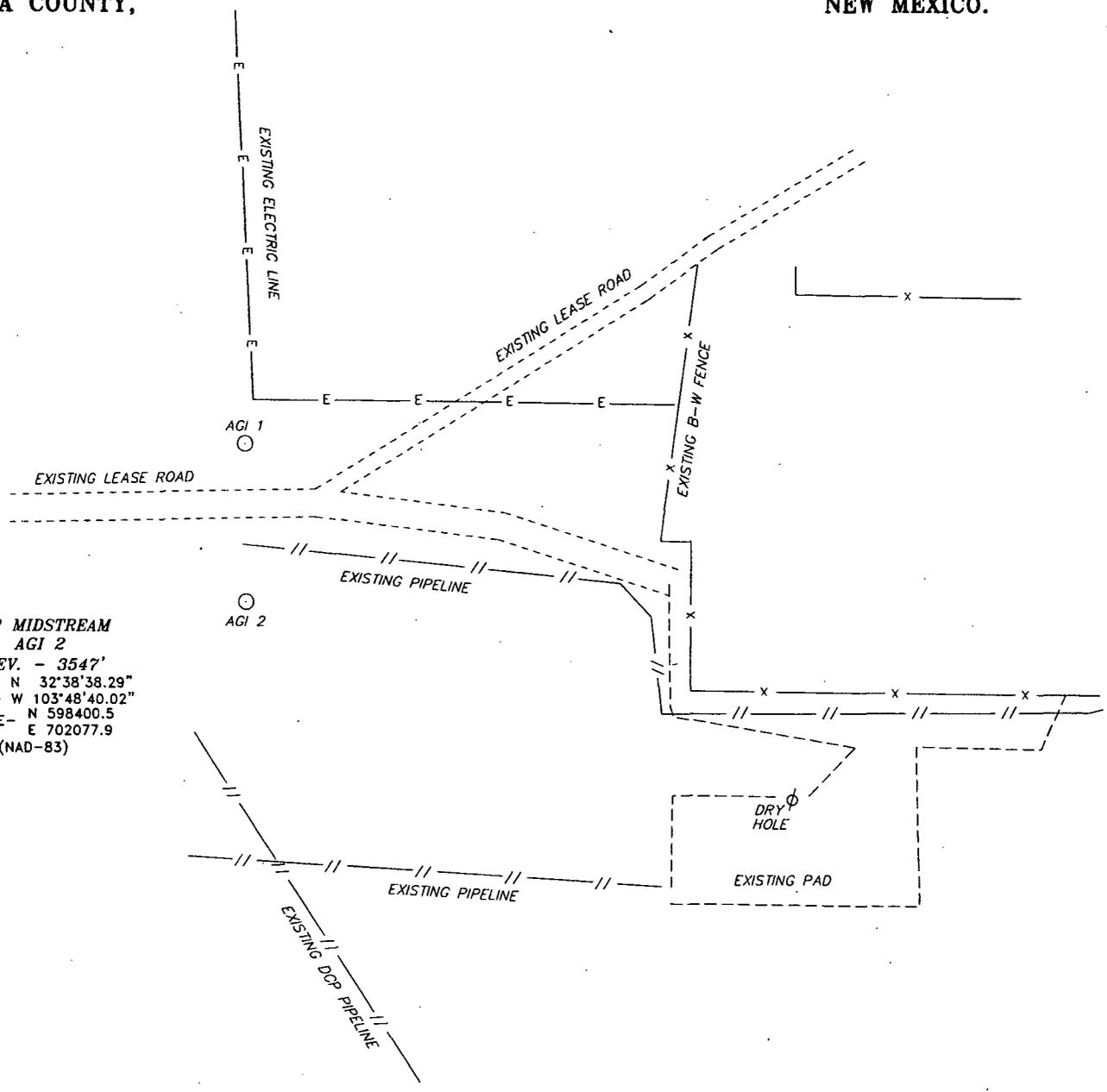
Dedicated Acres	Joint or Infill	Consolidation Code	Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



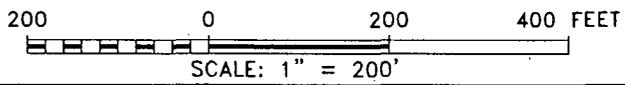
OCT 28 2014

SECTION 19, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.



DCP MIDSTREAM
AGI 2
ELEV. - 3547'
Lat - N 32°38'38.29"
Long - W 103°48'40.02"
NMSPE - N 598400.5
E 702077.9
(NAD-83)

LOCO HILLS, NM IS ±15 MILES TO THE NORTHWEST OF LOCATION.



REF: AGI 2 / WELL PAD TOPO

THE AGI 2 LOCATED 1900'

FROM THE SOUTH LINE AND 950' FROM THE WEST LINE OF
SECTION 19, TOWNSHIP 19 SOUTH, RANGE 32 EAST,
N.M.P.M., LEA COUNTY, NEW MEXICO.



P.O. Box 1786 (575) 393-7316 - Office
1120 N. West County Rd. (575) 392-2206 - Fax
Hobbs, New Mexico 88241 basinsurveys.com

SECTION 19, TOWNSHIP 19 SOUTH, RANGE 32 EAST, N.M.P.M.,
LEA COUNTY, NEW MEXICO.

EXISTING ELECTRIC LINE

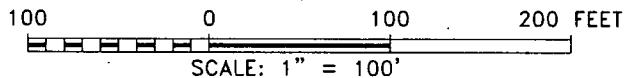
AGI 1
⊙

EXISTING LEASE ROAD

EXISTING LEASE ROAD

EXISTING PIPELINE

AGI 2
⊙



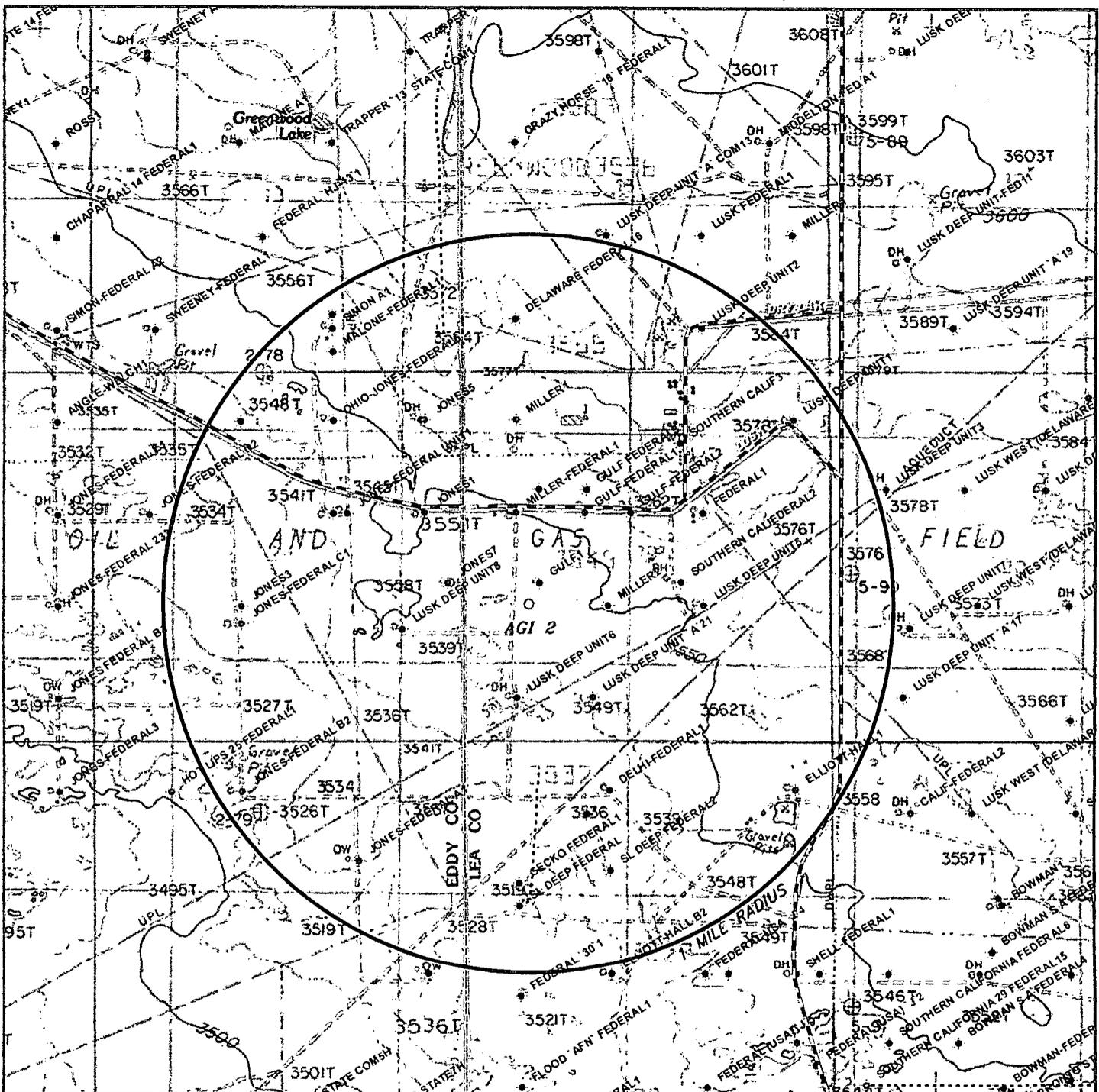
REF: AGI 2 / WELL PAD TOPO

THE AGI 2 LOCATED 1900'

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AGI 2

Located 1900' FSL and 950' FWL
 Section 19, Township 19 South, Range 32 East,
 N.M.P.M., Lea County, New Mexico.

basin surveys
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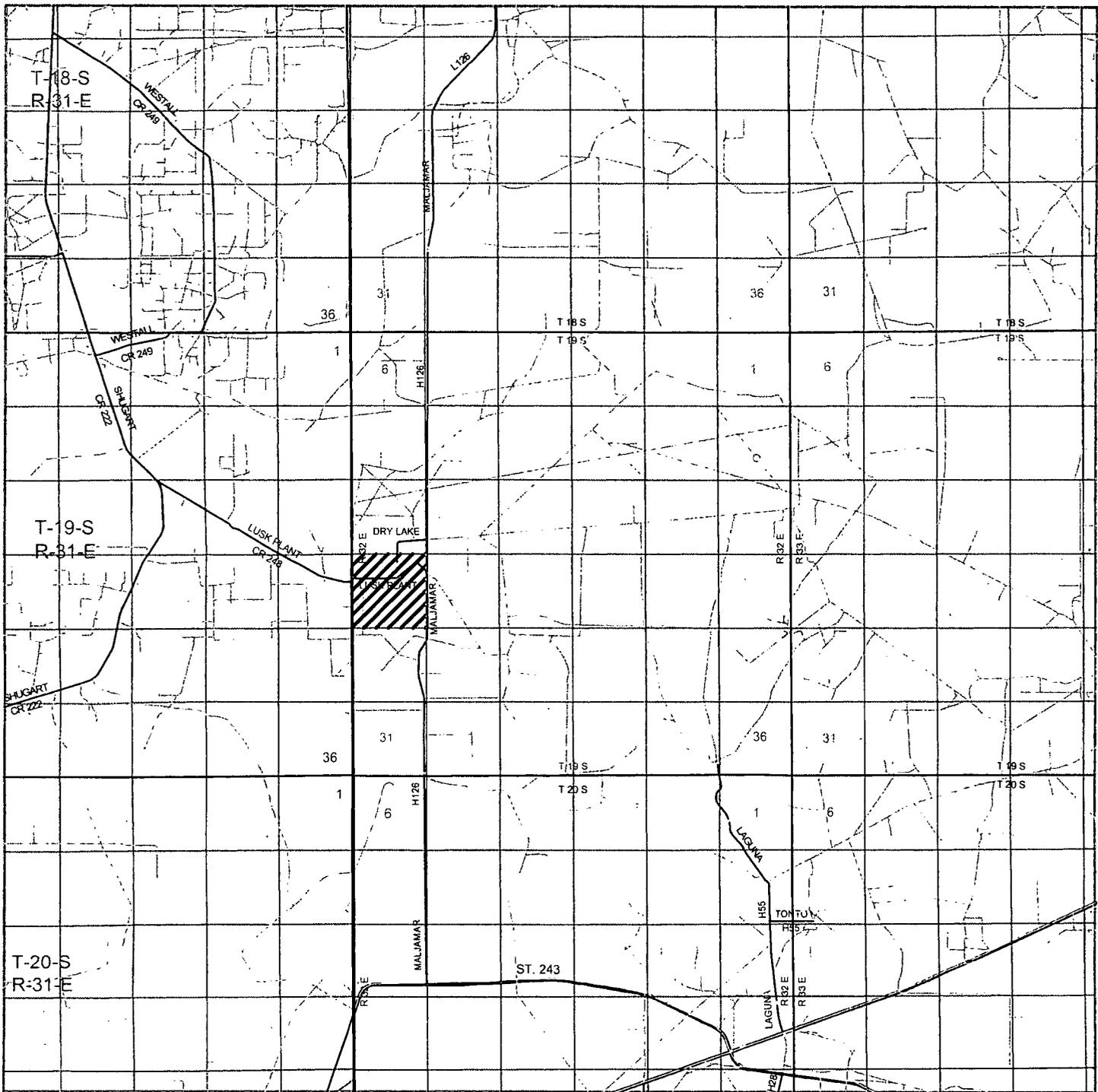
0' 1000' 2000' 3000' 4000'
 SCALE: 1" = 2000'

W.O. Number: JMS 30775

Survey Date: 08-02-2014

YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
 NATURAL COLOR - FEE LAND

dcp
 Midstream

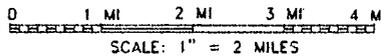


AGI 2

Located 1900' FSL and 950' FWL
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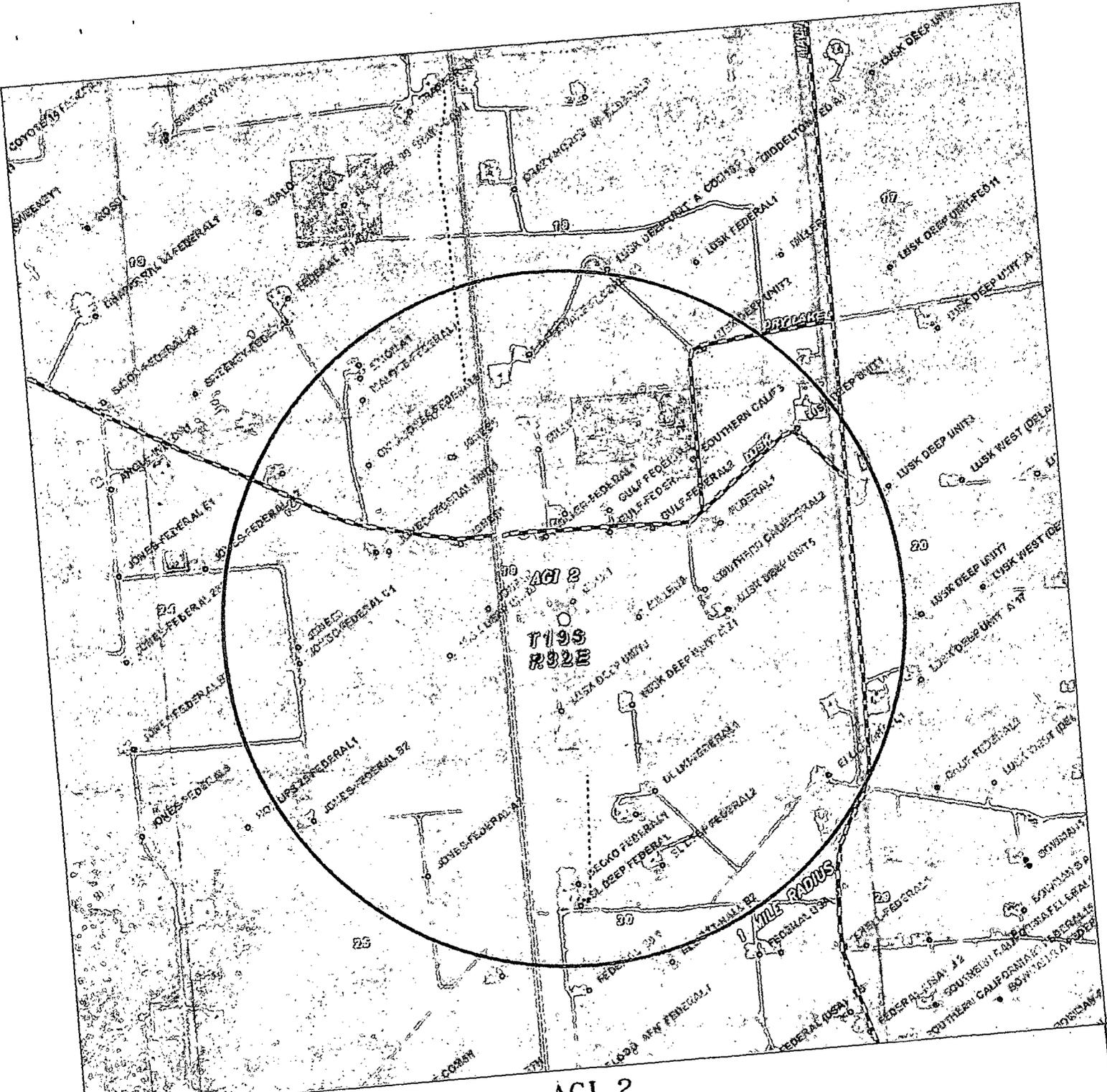


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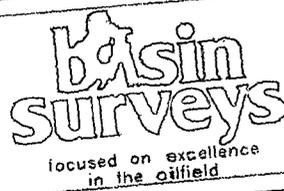
Survey Date: 08-02-2014

YELLOW TINT - USA LAND
 BLUE TINT - STATE LAND
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AGI 2
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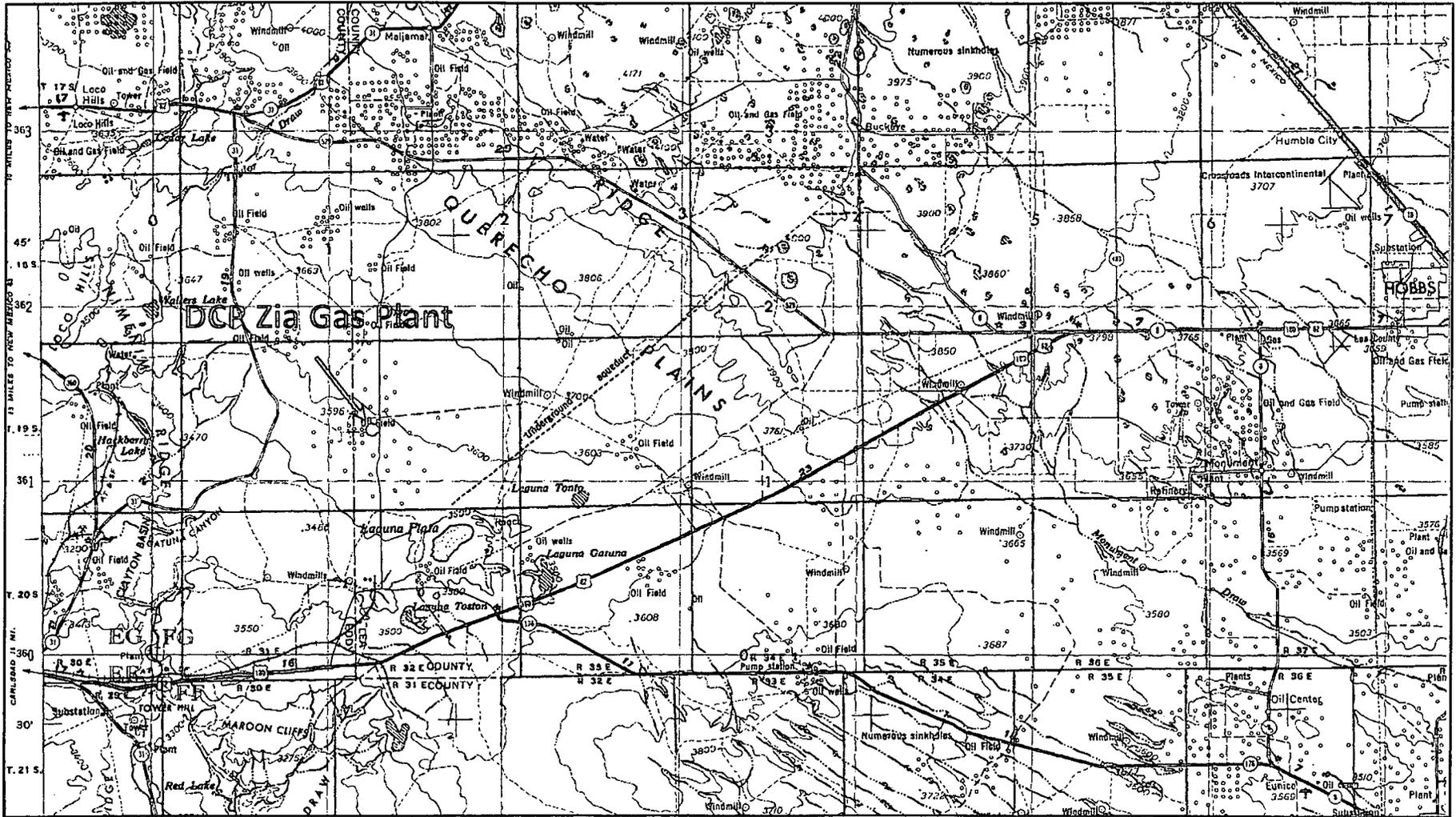


Figure 1: Location of the Proposed DCP Zia Gas Plant and AGI Wells.
 (USGS 1:250,000)

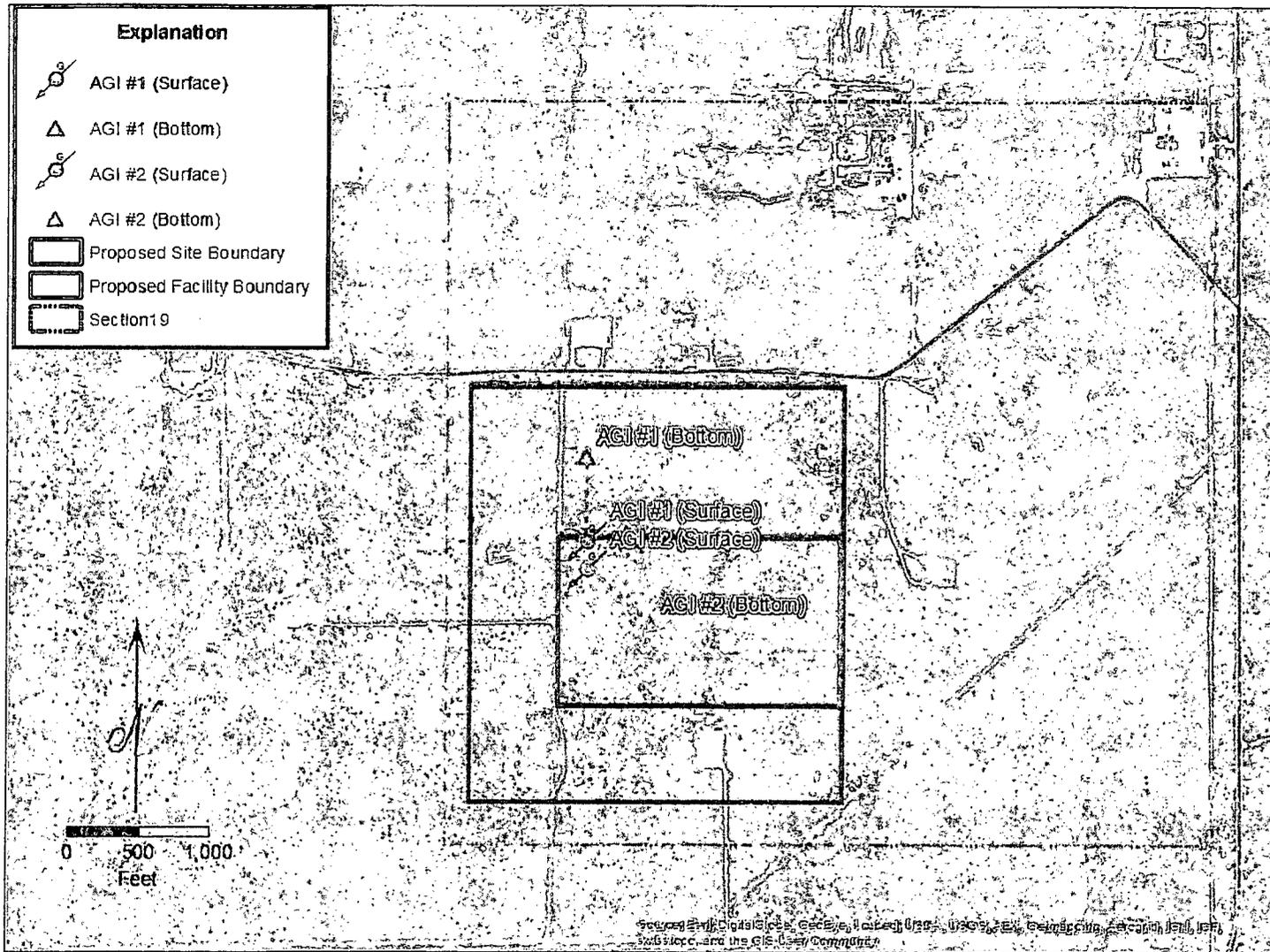
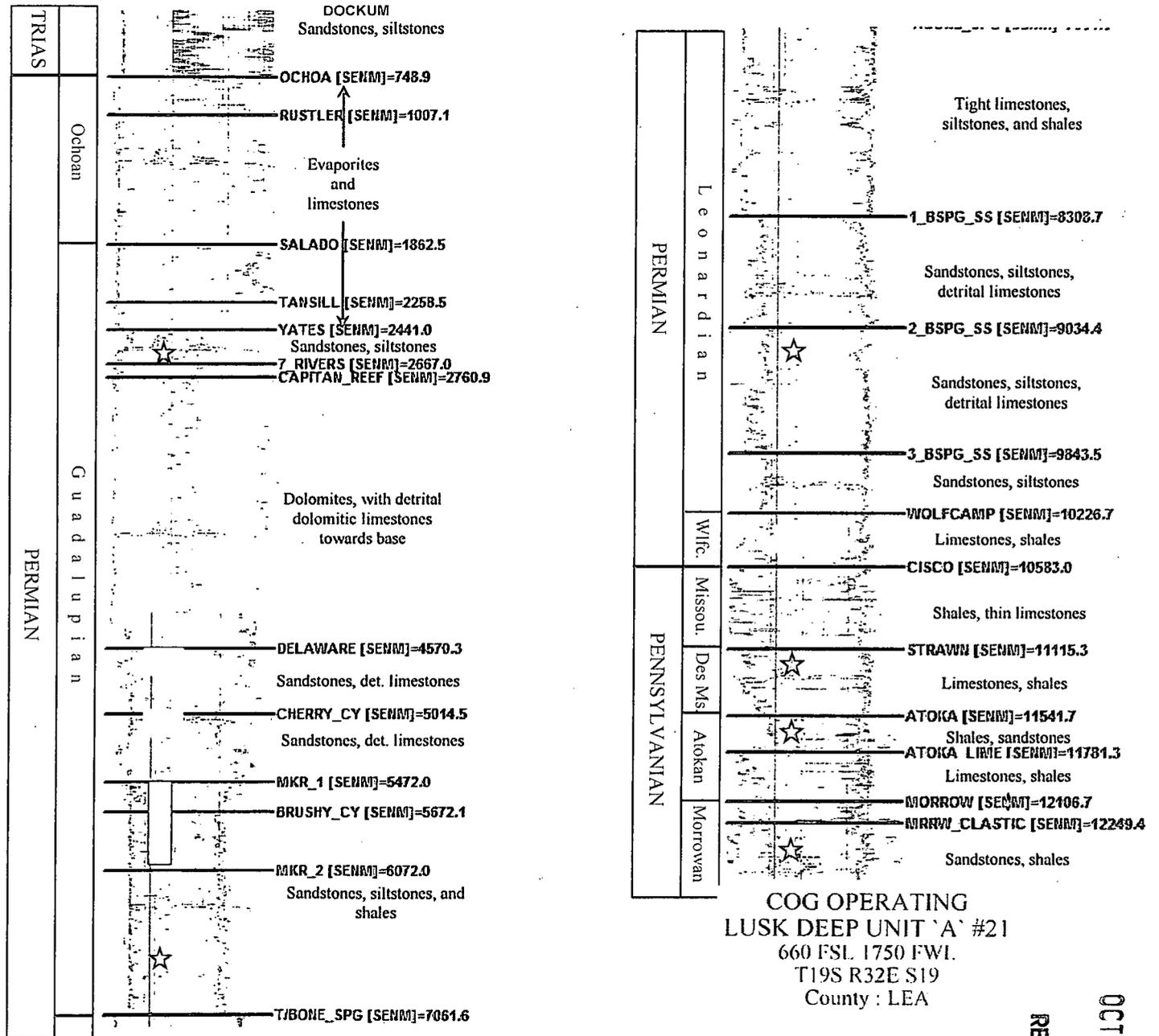


Figure 2: Map Showing Surface and Bottom Hole Locations of Proposed Wells Zia AGI #1 and AGI #2

**Figure 3:
Stratigraphy and
Lithology of
Producing Zones
Above and Below
Proposed Injection
Zone**

Stratigraphy and generalized lithology of the subsurface formations underlying the proposed Zia AGI sites. Zones with active pay within the radii of investigation are shown by the red stars. Other than the Delaware Mountain Group, none of the other formations present under the site contain reservoirs with enough porosity and areal extent to support the AGI needs of the proposed Plant.

The Delaware Group, specifically the interval shown by the blue bar, is the only formation with laterally-extensive reservoirs and are sufficiently isolated from active pay zones either above or below.



COG OPERATING
LUSK DEEP UNIT 'A' #21
660 FSL 1750 FWL
T19S R32E S19
County : LEA

RECEIVED
OCT 27 2014
HOBBS OCD

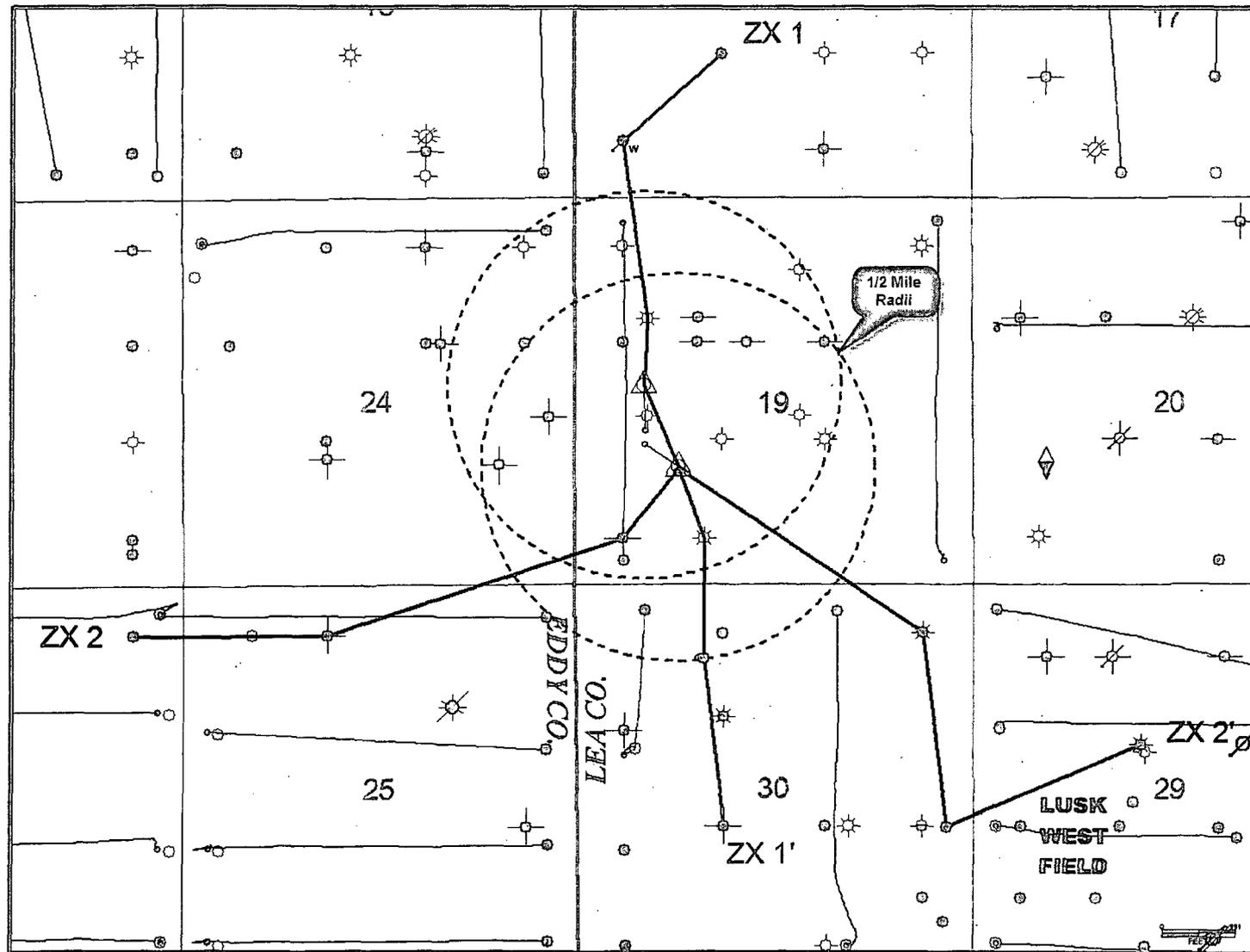


Figure 4: Locations of Cross-Sections ZP-1 and ZP-2

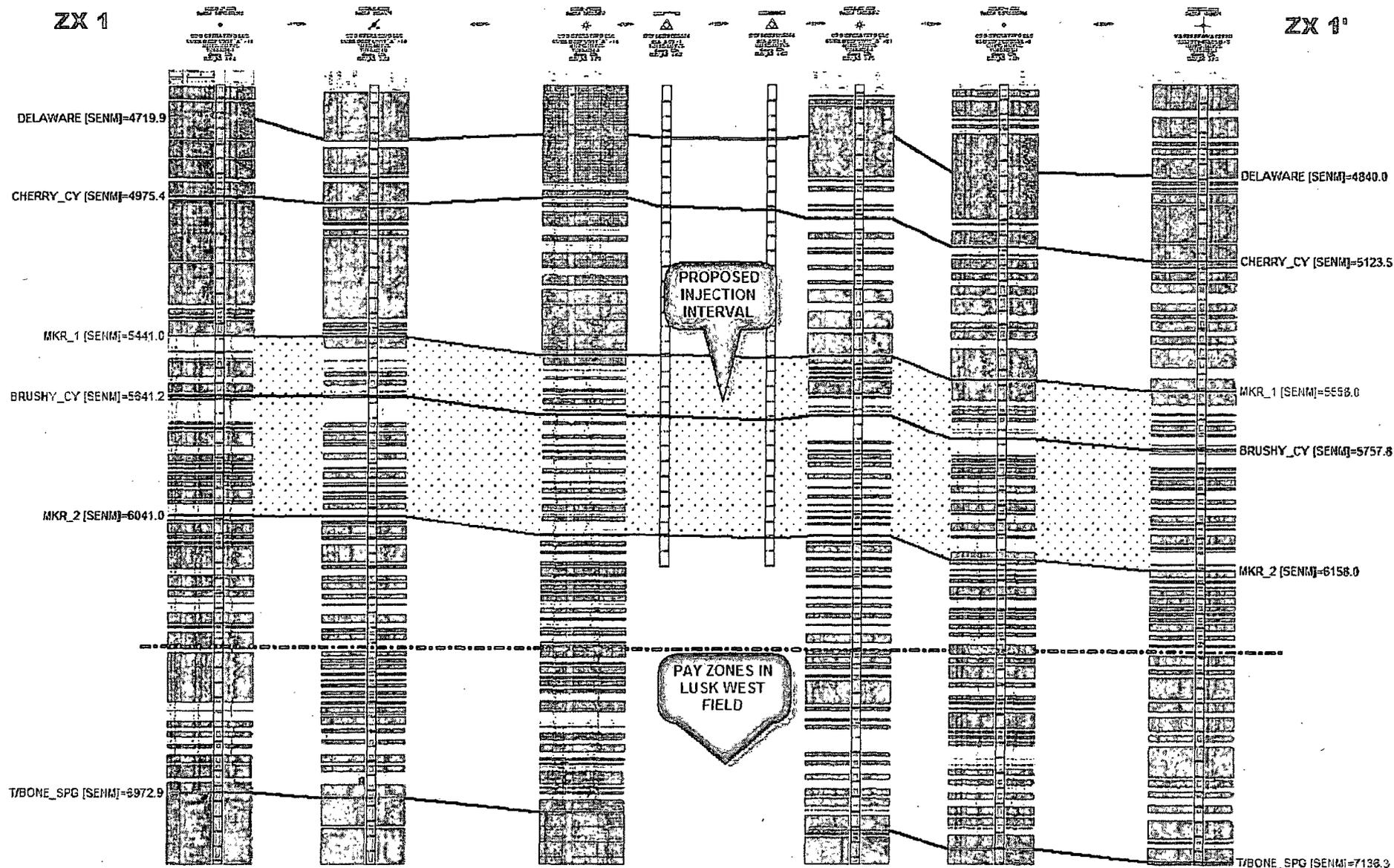


Figure 5: Northwest-Southeast Cross Section Through Delaware Mountain Group in Proposed Injection Area
 N-S structure section through the Delaware Mountain Group across the area of the proposed injection zone. Yellow shading denotes sandstone porosity in excess of 10%, and brown shading shows tight facies. There are very thick sections of tight rock above the proposed injection interval that will prevent upward migration of fluids into shallower (Yates) pay zones, and even shallower groundwater zones. There are also alternating tight and sandy facies between the injection interval and lower Brushy Canyon pay zones in the nearby Lusk West Field.

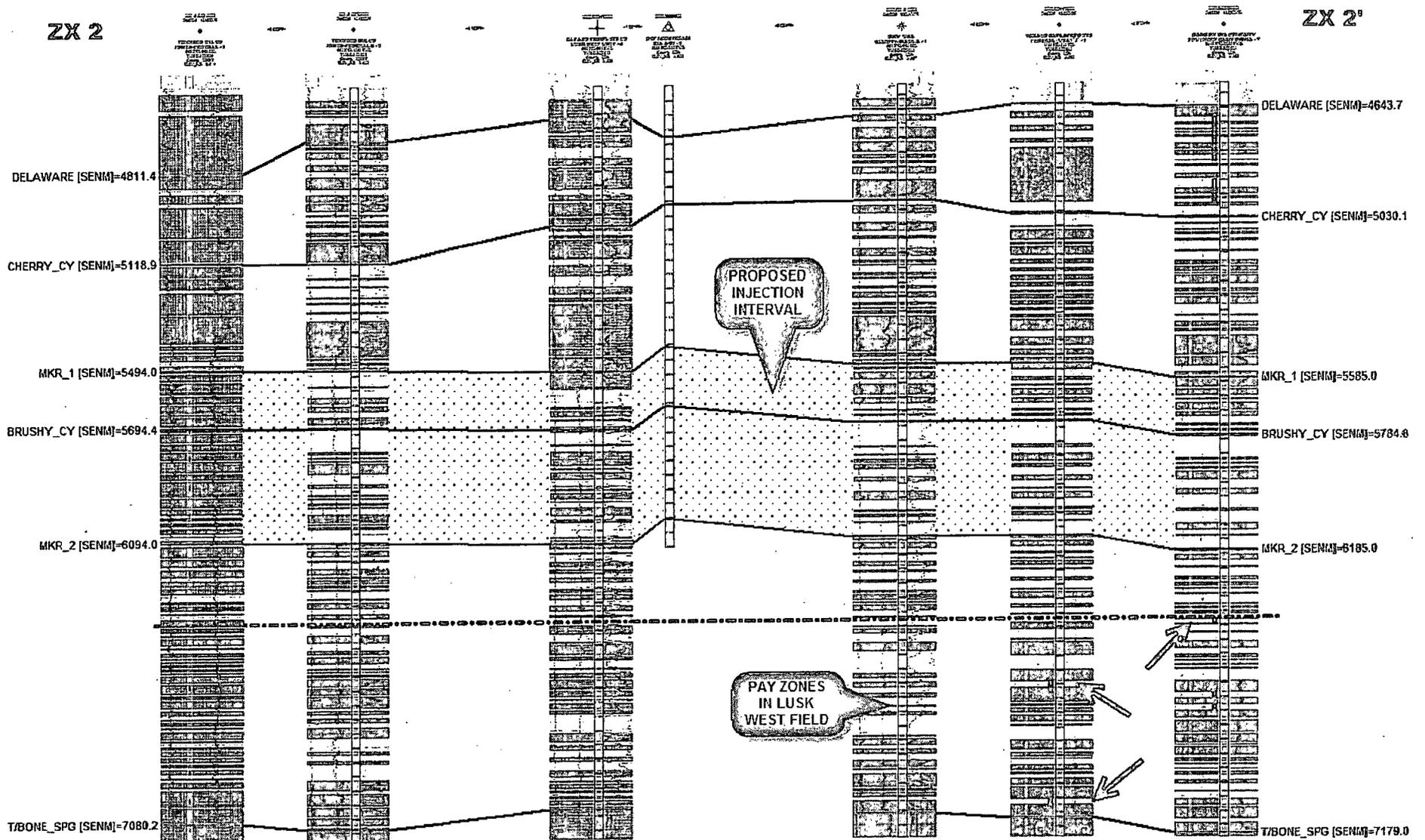


Figure 6: West-East Cross Section Through Delaware Mountain Group in Proposed Injection Area

The W-E structure section shows the caprock relationship above the proposed injection interval, and the intervening tight facies below that would isolate the injection interval from any remaining pay zones in the lower Brushy Canyon.

The Lusk West Field produces from several confined, thinner-bedded channel sands that are encased in tight facies.

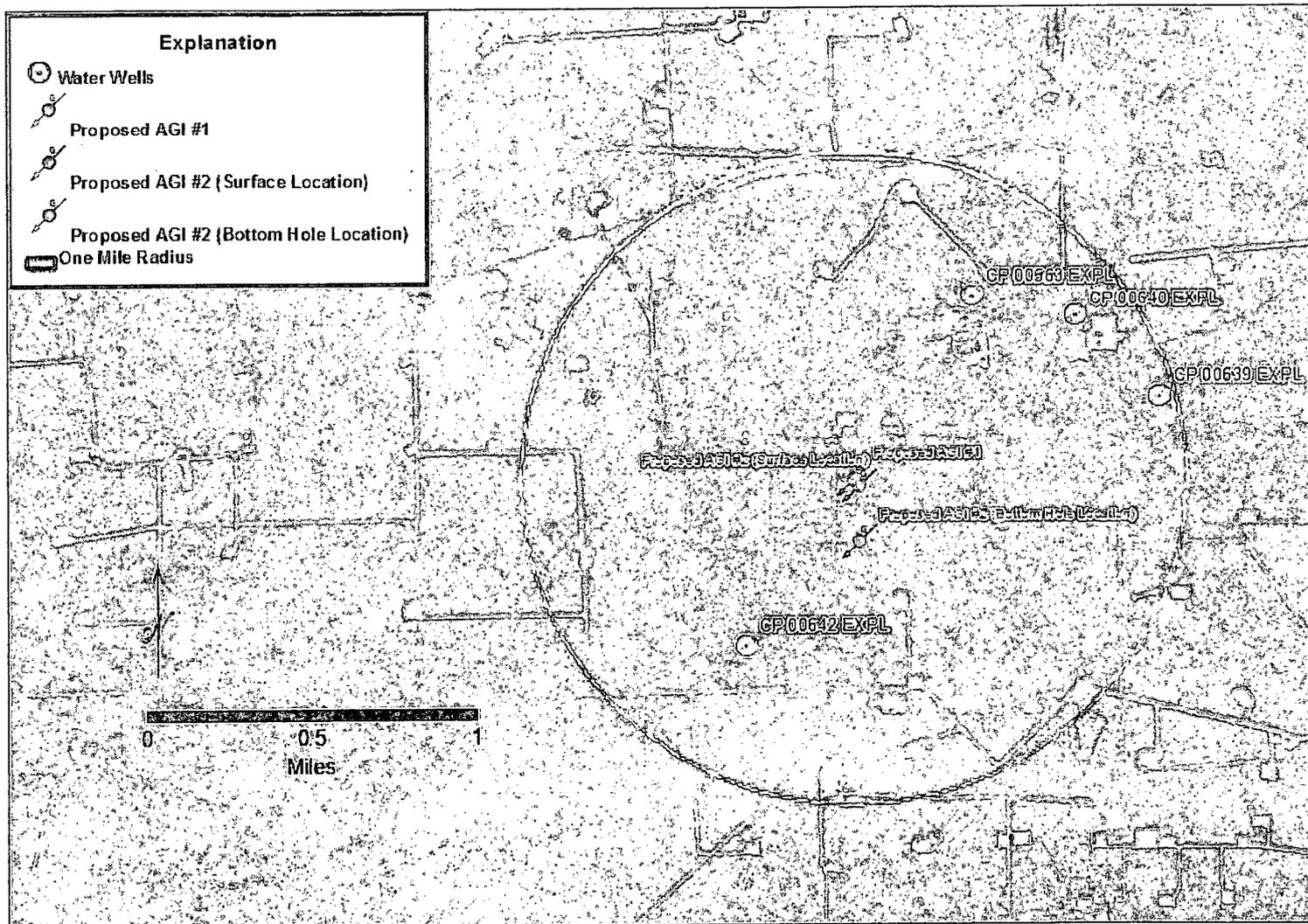


Figure 7: Water Wells Identified by the New Mexico State Engineer's Files within One Mile of the Proposed Zia AGI Wells

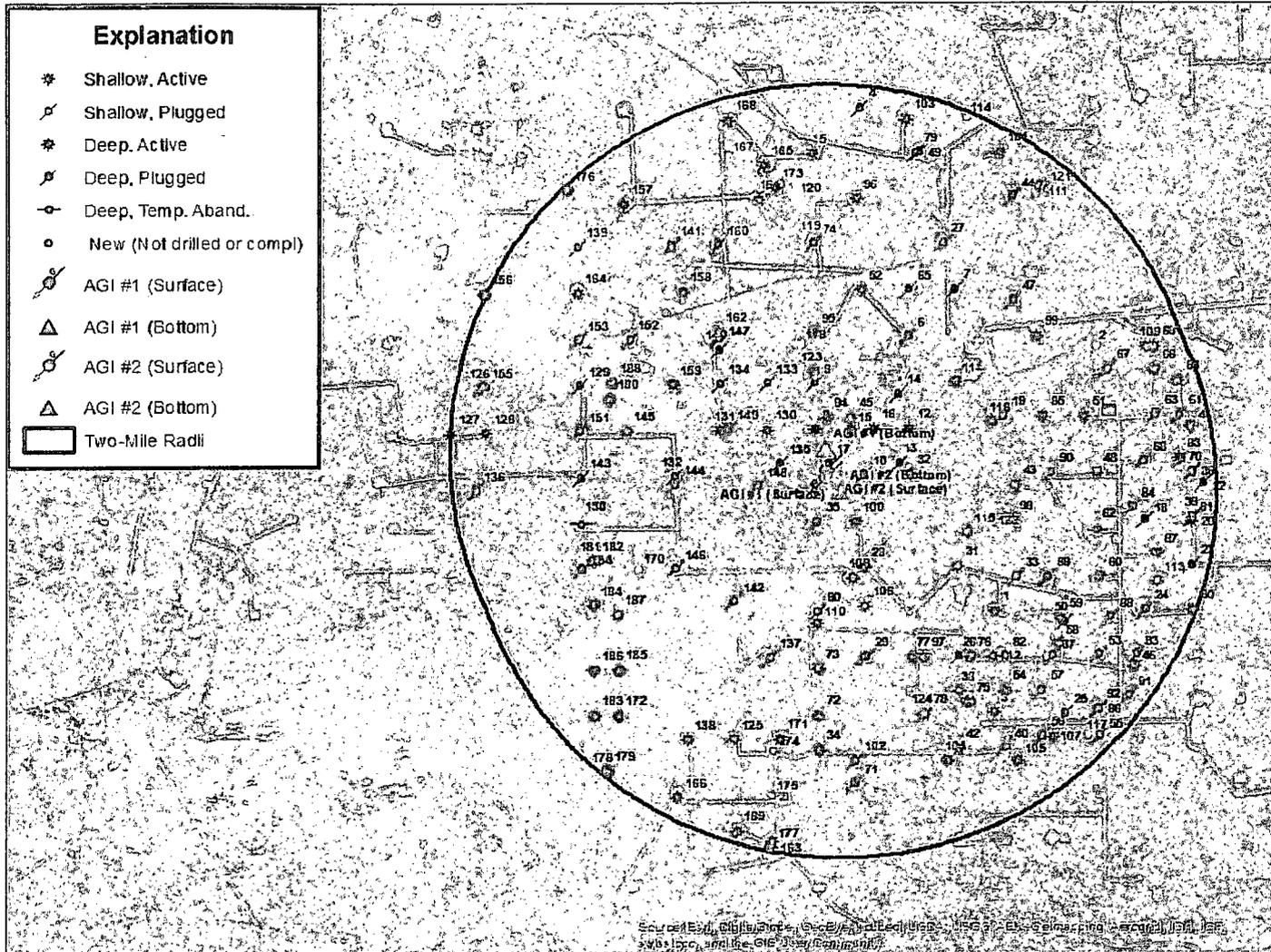


Figure 8: Wells identified within Two Mile Radius of Zia AGI #1 and AGI #2

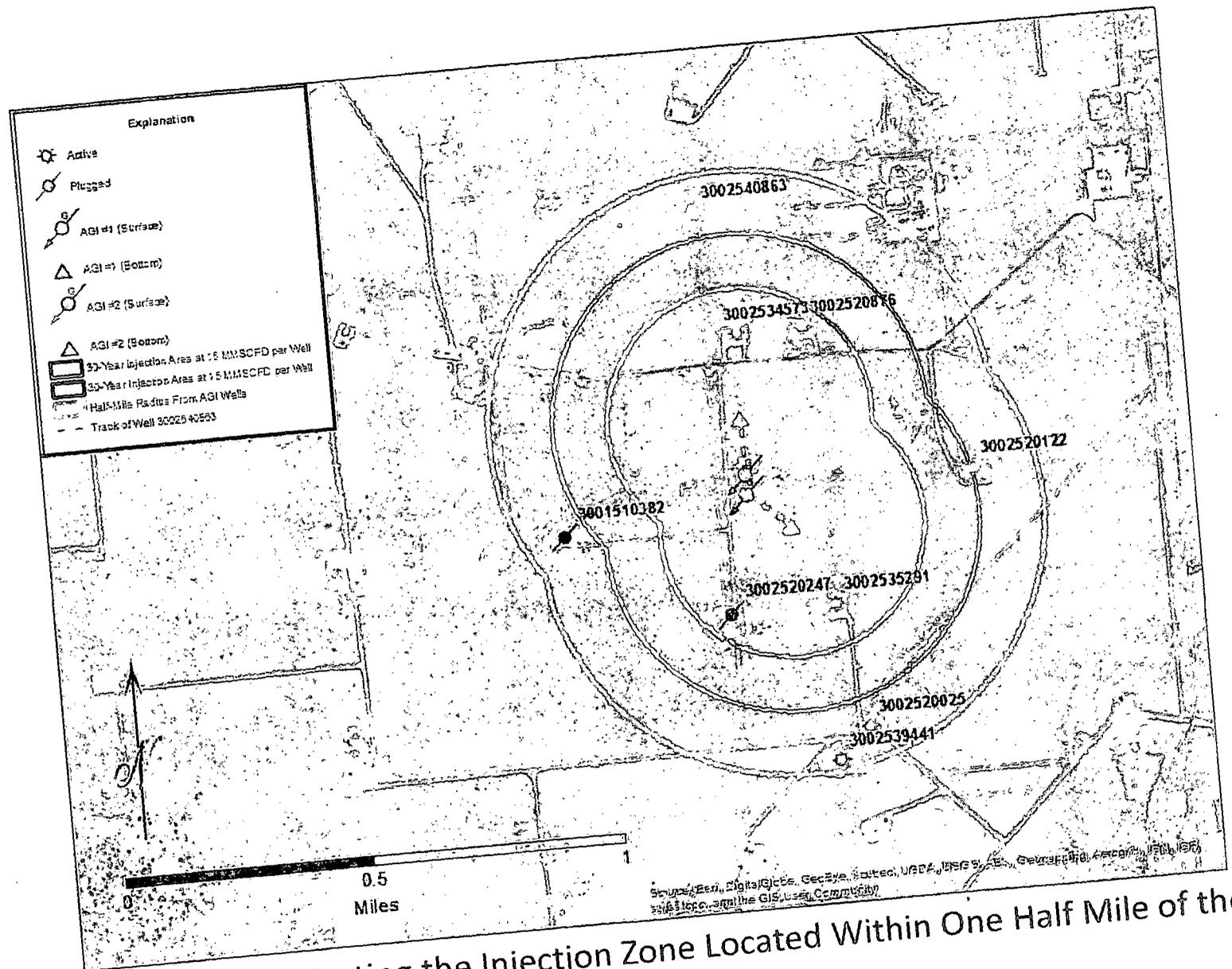


Figure 9: Wells Penetrating the Injection Zone Located Within One Half Mile of the Proposed AGI Wells
 (Circles Show Anticipated Rate of 7.5 MMSCFD and 100% Safety Factor Injection Rate 15.0 MMSCFD)

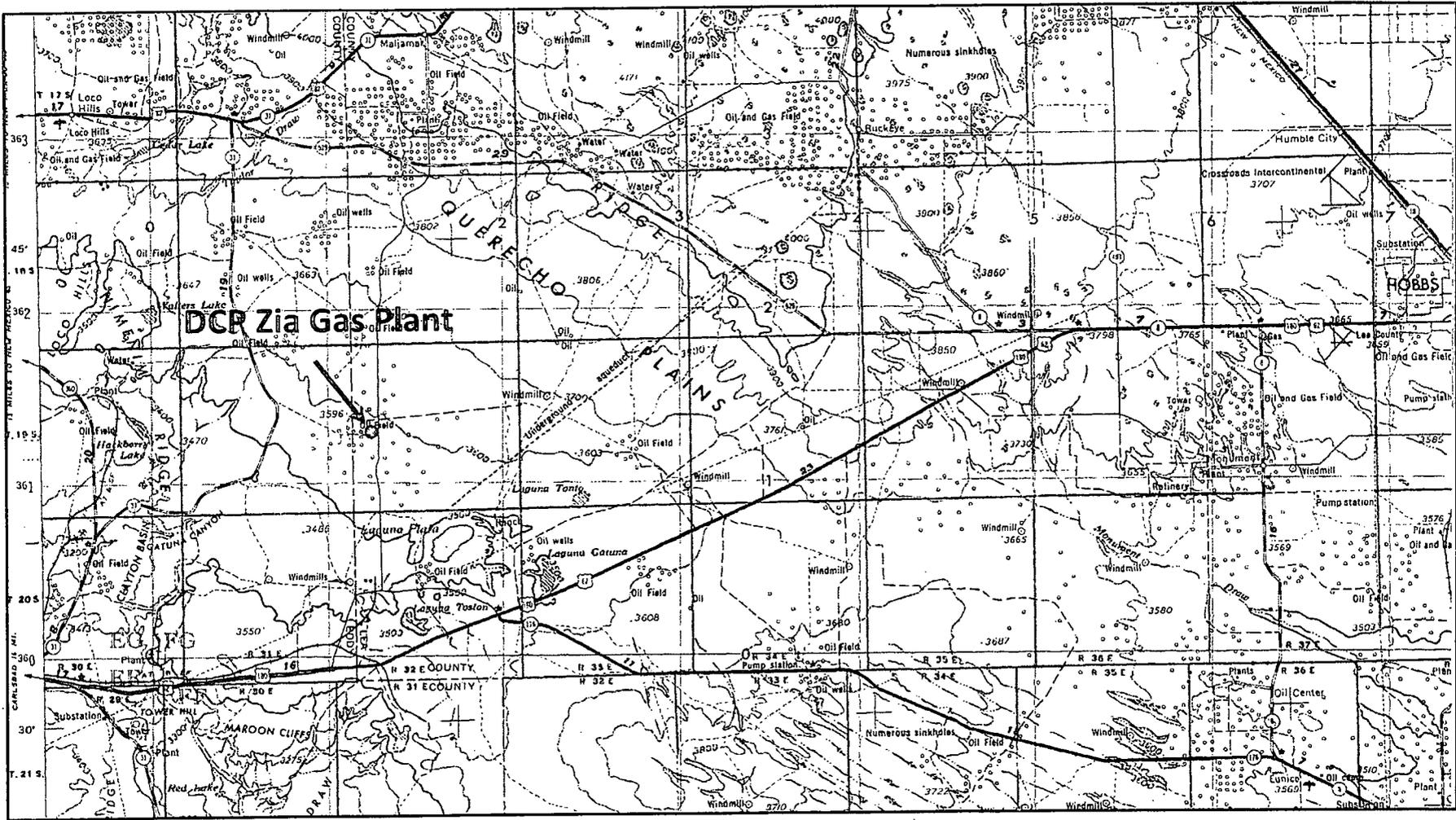


Figure 1: Location of the Proposed DCP Zia Gas Plant and AGI Wells.
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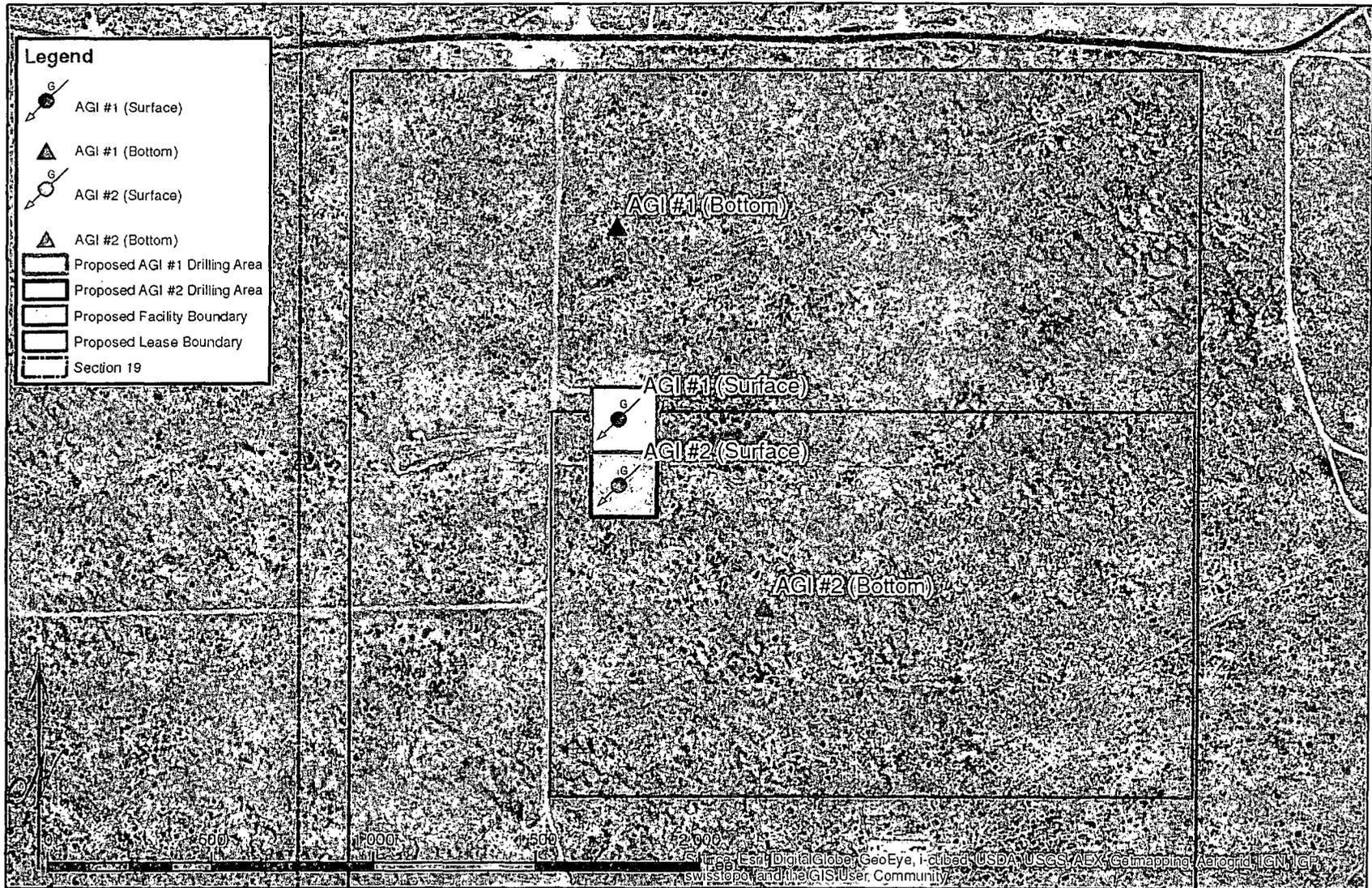


Figure 2: Proposed AGI Well Drilling Areas and Lease and Facility Boundaries

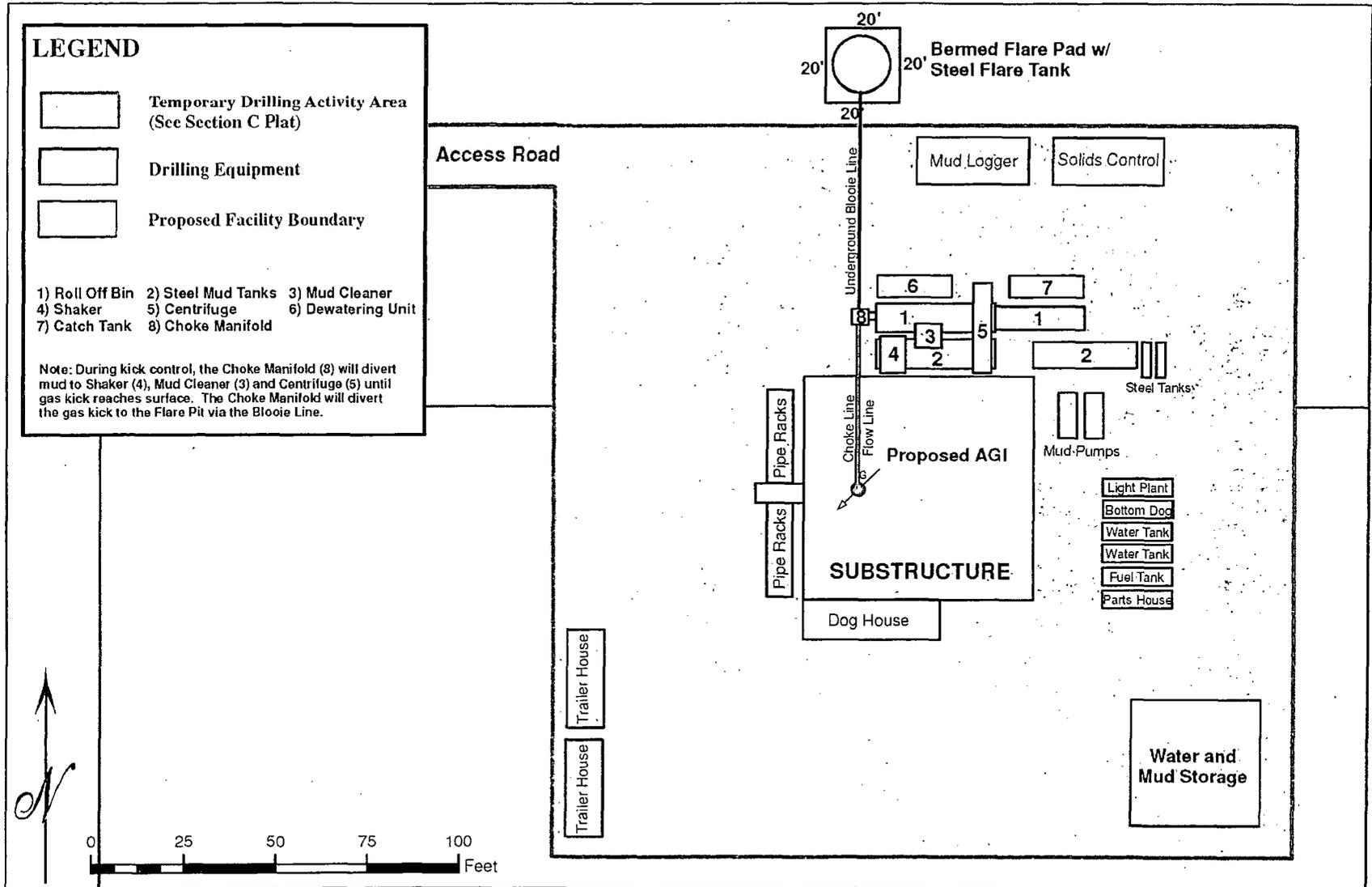


Figure 3: Rig Layout and Schematic with Closed Loop System

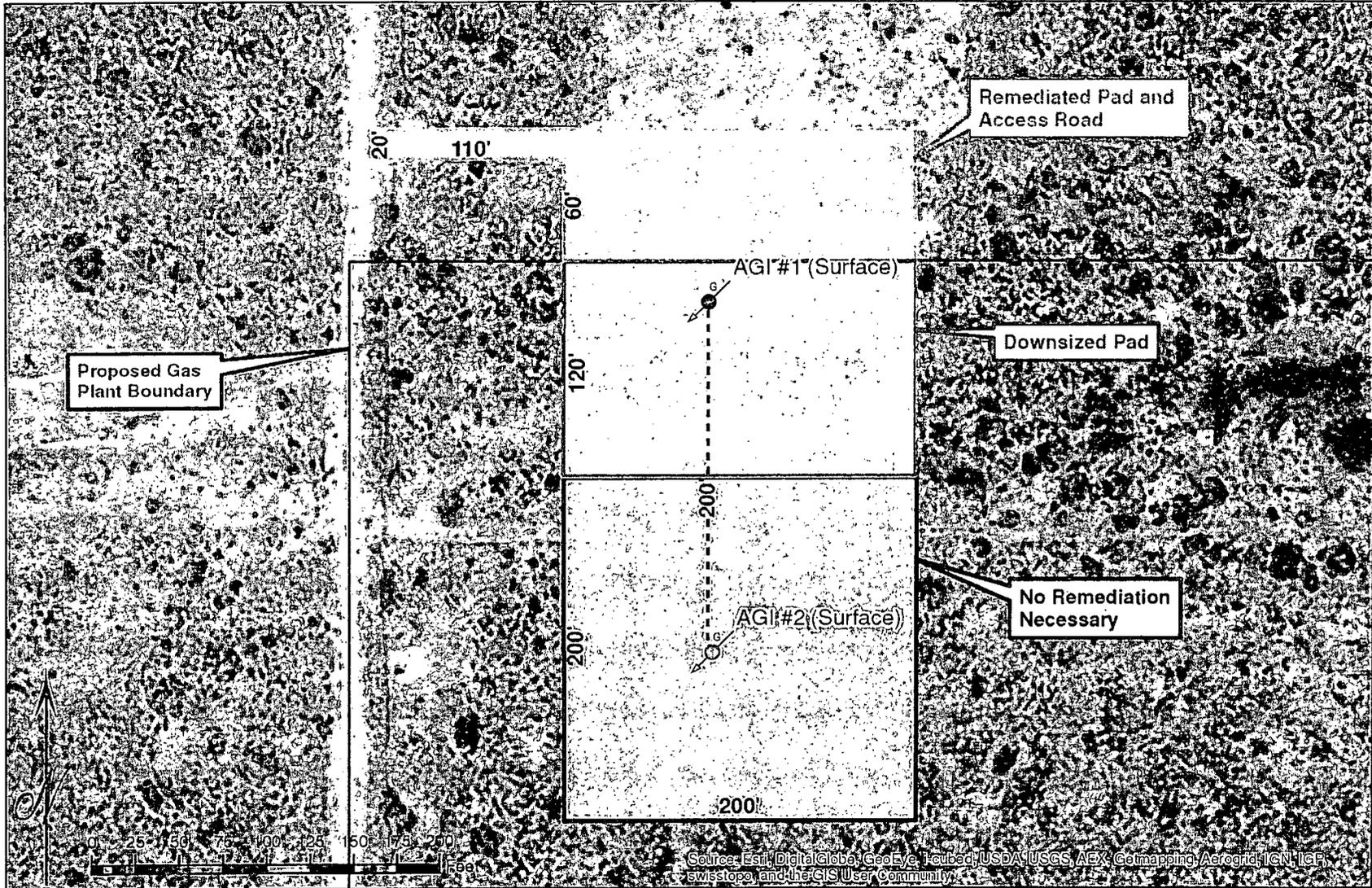


Figure 4: Interim Remediation of Existing and Proposed Parcels

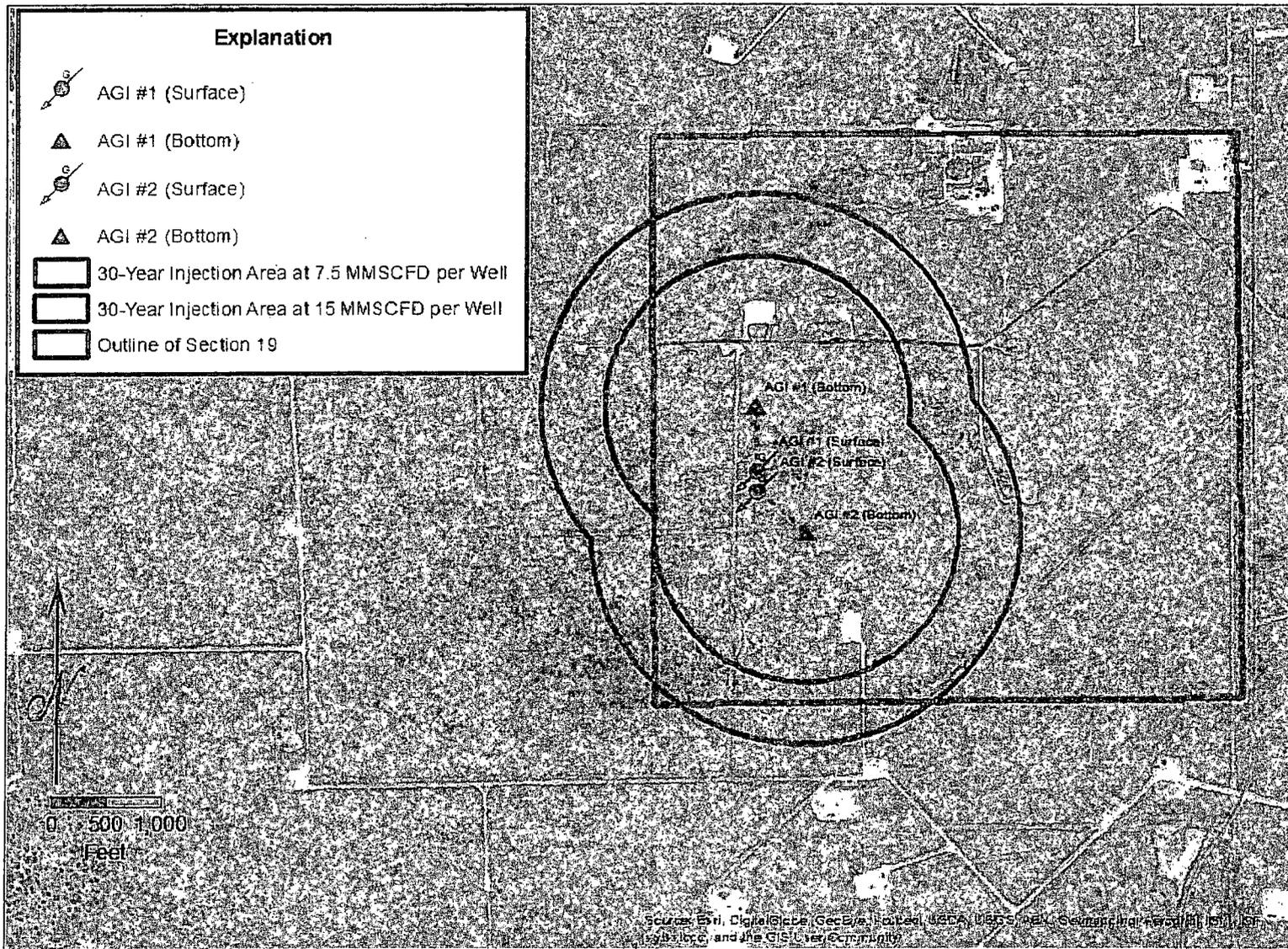
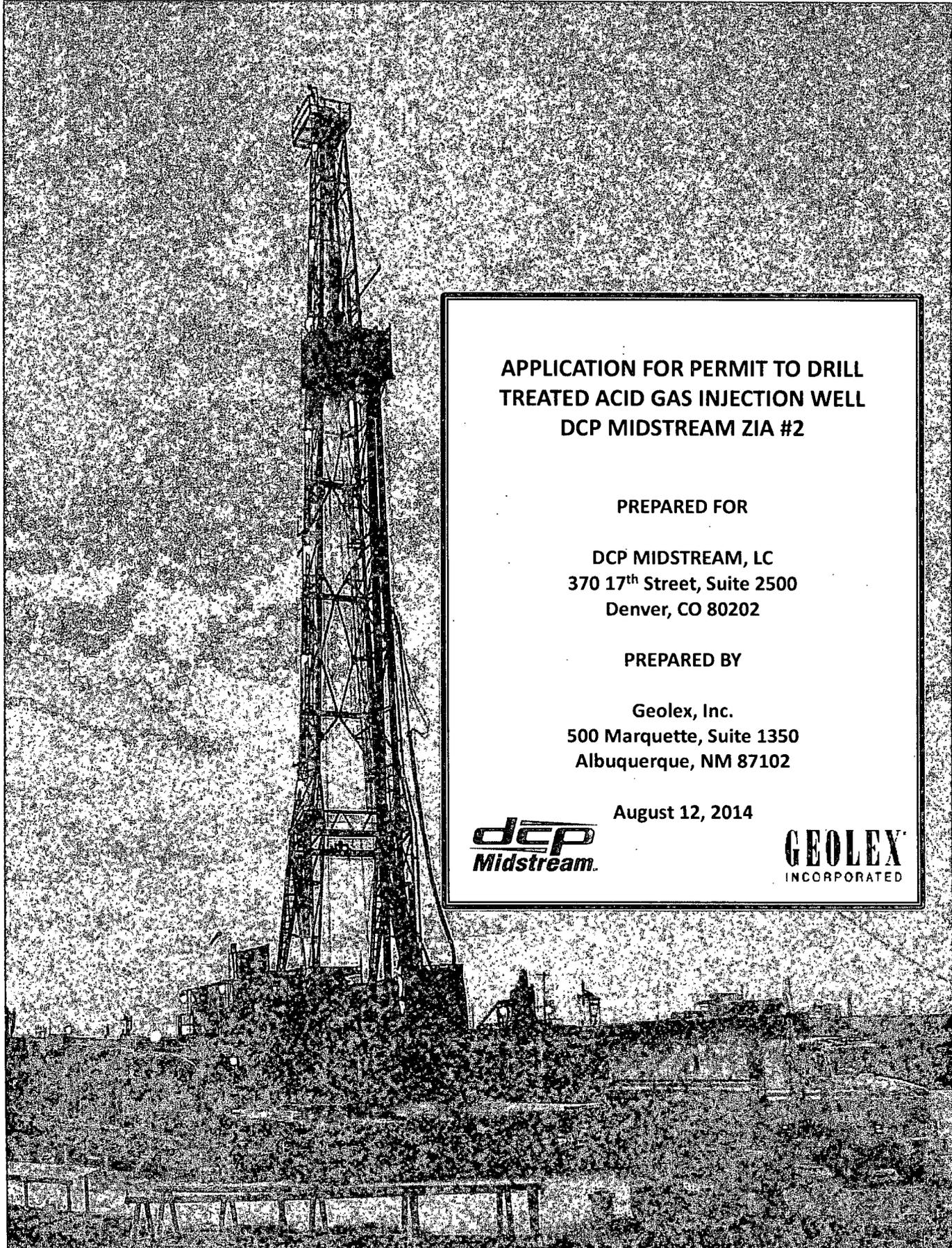


Figure 8: Map Showing ROI After 30 Years of TAG Injection (at max capacity 7.5 MMSCFD and 2X max capacity 15 MMSCFD)



**APPLICATION FOR PERMIT TO DRILL
TREATED ACID GAS INJECTION WELL
DCP MIDSTREAM ZIA #2**

PREPARED FOR

**DCP MIDSTREAM, LC
370 17th Street, Suite 2500
Denver, CO 80202**

PREPARED BY

**Geolex, Inc.
500 Marquette, Suite 1350
Albuquerque, NM 87102**

August 12, 2014

dcp
Midstream.

GEOLEX
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