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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.	
Maljamar AGI#1	30-025-40420
Maljamar AGI#2	30-025-42628
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input type="checkbox"/> FEDERAL <input checked="" type="checkbox"/>
State Oil & Gas Lease No.	NMLC029509A
7. Lease Name or Unit Agreement Name	Maljamar AGI
8. Well Number	#1 and #2
9. OGRID Number	221115
10. Pool name or Wildcat	AGI: Wolfcamp
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	AGI#1 4,016 (GR) AGI#2 4,019 (GR)

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 <input type="checkbox"/> Gas Well <input type="checkbox"/> Other: Acid Gas Injection Well <input checked="" type="checkbox"/>	
2. Name of Operator	Frontier Field Services LLC
3. Address of Operator	65 Mercado Street, Suite 250, Durango, CO 81301
4. Well Location AGI#1 Unit Letter <u>O</u> : <u>130</u> feet from the SOUTH line and <u>1,813</u> feet from the EAST line AGI#2 Unit Letter <u>O</u> : <u>400</u> feet from the SOUTH line and <u>2,100</u> feet from the EAST line Section <u>21</u> Township <u>17S</u> Range <u>32E</u> NMPM County <u>Lea</u>	
11. Elevation (Show whether DR, RKB, RT, GR, etc.) AGI#1 4,016 (GR) AGI#2 4,019 (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: Q4 2018 Report ☒
per NMOCC Order R-13443

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 NMAR. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

This represents the Q4 2018 report for the AGI#1 and AGI#2 dual well AGI system at Frontier Field Services LLC's Maljamar Gas Processing Plant pursuant to the quarterly reporting required under NMOCC Order R-13443. AGI#2 has bottom-hole PT sensors which provide data on reservoir pressure and temperature that have been performing very well and providing good insights into reservoir behavior. This report includes an analysis of the surface and bottom-hole data from AGI#2 and is also the Q4 report for the two well system, as required under the order referenced above.

For Q4 the flow from the plant was sent to both AGI#1 and AGI#2. When both wells are in operation, flow is kept constant to AGI#2 while allowing AGI#1 to take the fluctuations in overall plant flow (see Figure 1). Average flow rate for the AGI#1 during the entire reporting period was 785 MSCFD. Average flow rate for the AGI#2 for the entire period was 1,290 MSCFD. The surface injection parameters for both wells are shown on Figures 2 and 3, respectively. These two figures show the correlative behavior of injection pressure, injection temperature and annular pressure when both wells are operating and clearly demonstrate the continued integrity of both wells. During the period AGI#1 and AGI#2 showed average injection pressures of 2,260 psig and 2,161 psig, average injection temperatures of 95°F and 103°F and average surface annular pressures of 337 psig and 298 psig, respectively (see Figures 2 and 3). AGI#2 bottom-hole pressure and temperature for the entire period were 5,053 psig and 123°F, respectively (see Figure 4). Finally, during the period the differential pressure (surface injection pressure vs. annular pressure) for AGI#1 averaged 1,883 psig and 1,864 psig for AGI#2 (see Figure 5). The overall period average bottom-hole pressure values of 5,053 psig and temperature of 123°F are reflective of current actual conditions in the reservoir and demonstrate ongoing favorable reservoir conditions. All of the graphs in Figures 1-5 further confirm the continued integrity of both Maljamar AGI#1 and Maljamar AGI#2, and the overall analysis demonstrates that both wells are fully in compliance with all applicable requirements of the NMOCC orders governing operation of this AGI system.

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


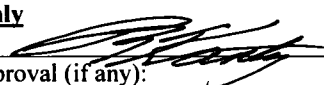
SIGNATURE  TITLE Consultant to Frontier Energy LLC DATE 1/7/2019
Type or print name Alberto A. Gutierrez E-mail address: aag@geolex.com PHONE: 505-842-8000
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APPROVED BY:  TITLE Petroleum Engineer DATE 01/11/19
Conditions of Approval (if any):

Figure 1: Maljamar AGI #1 and #2 Injection Rates

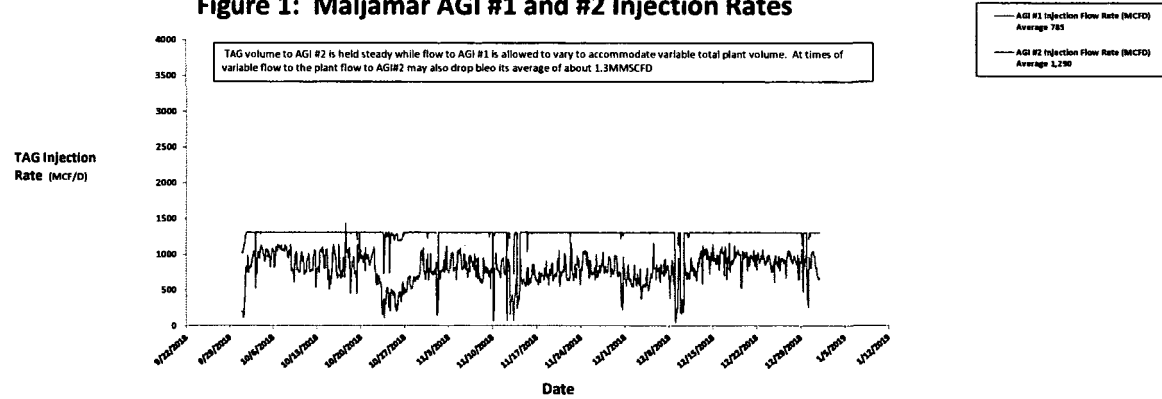


Figure 2: Maljamar AGI #1 Surface Injection Parameters

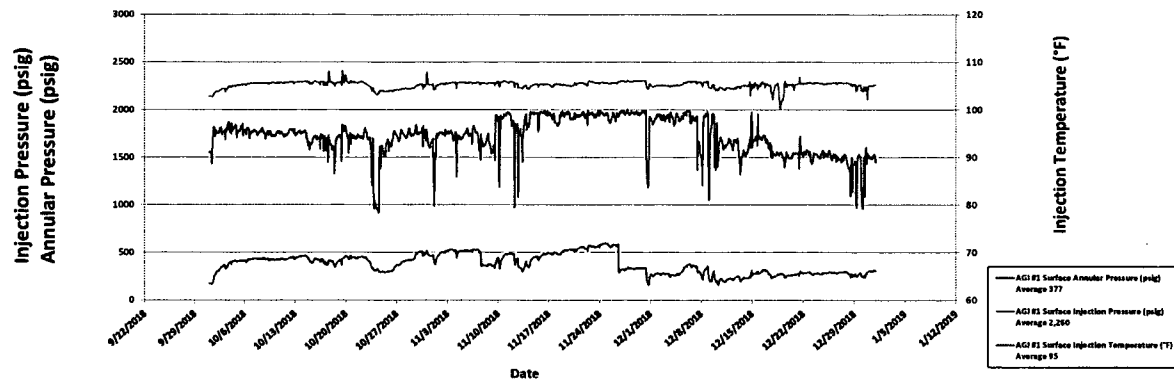


Figure 3: Maljamar AGI #2 Surface Injection Parameters

