

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

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

CASE NO. 13589

**DCP'S MOTION TO EXTEND THE STAY OF CERTAIN
CONDITIONS IN ORDER R-12546**

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DCP Midstream, LP (“DCP”) moves the New Mexico Oil Conservation Commission (“Commission”) for an order staying the conditions in Paragraph N and Q of Order No. R-12546 and continued authority to inject and in support thereof states as follows:

1. 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) in the above-referenced case and authorized injection of acid gas into the Lower Bone Spring (Wolfcamp) through a well drilled at a location 1980 feet from the South and West lines of Section 30, Township 18 South, Range 37 East, NMPM, Lea County, New Mexico.
2. The Commission has extended Order No. R-12546 from time-to-time to allow DCP more time to drill and complete the Linam AGI well as well as construct all surface facilities associated with the well. See Order Nos. 12546-B & C.
3. Shortly after the well and all facilities were completed, DCP began to experience dramatic deterioration in the performance of the Sulfur Recovery Unit at the Linam Ranch Plant. DCP requested temporary approval from the Commission to inject acid gas into its Linam Ranch AGI well in order to prevent waste, to avoid excess emissions at the Linam Ranch Plant or to harm human health and the environment. DCP also requested a stay of Paragraphs N and Q of

Order No. R-12546.

4. DCP had met all conditions of Order No. R-12546 except for Paragraph N and Q in the order.

(a) Paragraph N of Order No. R-12546 provided that prior to commencing injection in the well, the operator shall secure Division approval of an appropriate modification of the discharge permit for the Linam Gas Plant.

(b) Paragraph Q of Order No. R-12546 provided that the operator submit to the Engineering Bureau in the Division's Santa Fe Office written evidence of satisfaction of the conditions precedent to injection provided in the order and obtain an administrative order.

5. The Commission issued Order No. R-12546-D which authorized DCP to inject gas into the Linam AGI well and to stay the conditions of Paragraphs N and Q for 90 days.

6. As required by Paragraph N of Order No. R-12546, DCP submitted an application to modify its discharge permit for the Linam Ranch Plant to include the AGI well. The draft discharge permit was under review by the Oil Conservation Division's Environmental Bureau staff at the time the extension was due to expire. Therefore, DCP requested and the Commission granted additional extensions in Order Nos. R-12546-E & F.

7. The current authority to inject and stay certain conditions in Order No. R-12546 expires on July 19, 2010.

8. The Environmental Bureau issued a new draft discharge permit to DCP on April 23, 2010. DCP provided comments on the draft permit on May 24, 2010. Those comments are now under review by the Environmental Bureau.

9. DCP therefore respectfully requests another extension of the stay and continued authority to inject acid gas into the Linam Ranch AGI well. This extension will allow the

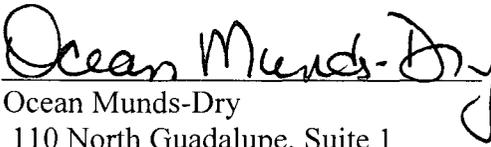
Environmental Bureau more time to review DCP's comments to the draft discharge permit.

10. The granting of this motion will prevent waste and protect human health and the environment.

WHEREFORE, DCP Midstream, LP requests for good cause shown, that this Motion be granted.

Respectfully submitted,

HOLLAND & HART, LLP

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ATTORNEYS FOR DCP MIDSTREAM, LP

CERTIFICATE OF SERVICE

I certify that on July 15, 2010 I served a copy of the foregoing document to the following
by:

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AMENDED CERTIFICATE OF SERVICE

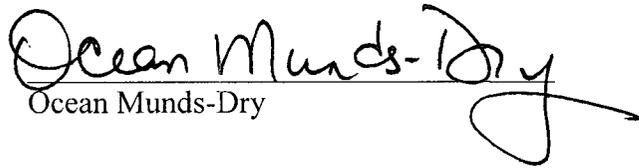
I certify that on July 15, 2010 I served a copy of DCP's Motion to Extend Stay of Certain Conditions to the following by:

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