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

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

Form C-103
Revised July 18, 2013

WELL API NO.
Maljamar AGI#1 30-025-40420
Maljamar AGI#2 30-025-42628

5. Indicate Type of Lease
STATE ☐ FEE ☐ FEDERAL ☒

6. State Oil & Gas Lease No.
NMLC029509A

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
Maljamar AGI

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

8. Well Number #1 and #2

2. Name of Operator
Durango Midstream, LLC

9. OGRID Number
221115

3. Address of Operator 10077 Grogans Mill Rd. Suite 300
The Woodlands, TX 77380

10. Pool name or Wildcat
AGI: Wolfcamp

4. Well Location AGI#1 Unit Letter O : 130 feet from the SOUTH line and 1,813 feet from the EAST line
AGI#2 Unit Letter O : 400 feet from the SOUTH line and 2,100 feet from the EAST line
Section 21 Township 17S Range 32E NMPM County Lea

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:				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	☐						
CLOSED-LOOP SYSTEM	☐			OTHER: Q1 2020 Report per NMOCC Order R-13443			☒
OTHER:	☐						

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.

This represents the Q1 2020 report for the AGI#1 and AGI#2 dual well AGI system at Durango Midstream's 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 Q1 report for the two well system, as required under the order referenced above.

For Q1 2020, the flow from the plant was sent to both AGI#1 and AGI#2. When both wells are in operation, flow is kept constant at about 1.3 MMSCFD 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 678 MSCFD. Average flow rate for the AGI #2 for the entire period was 1,325 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 2,360 psig and 2,200 psig, average injection temperatures of 93°F and 99°F and average surface annular pressures of 428 psig and 329 psig, respectively (see Figures 2 and 3). AGI #2 bottom-hole pressure and temperature for the entire period averaged 5,039 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 1,932 psig, and 1,871 psig for AGI #2 (see Figure 5). The overall period average bottom-hole pressure values of 5,039 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.

SIGNATURE _____ TITLE Environmental Manager DATE 4/7/2020
Type or print name Mary I. Taylor E-mail address: MTaylor@DurangoMidstream.com PHONE: 346-224-2459

For State Use Only
APPROVED BY: _____ TITLE _____ DATE _____
Conditions of Approval (if any):

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

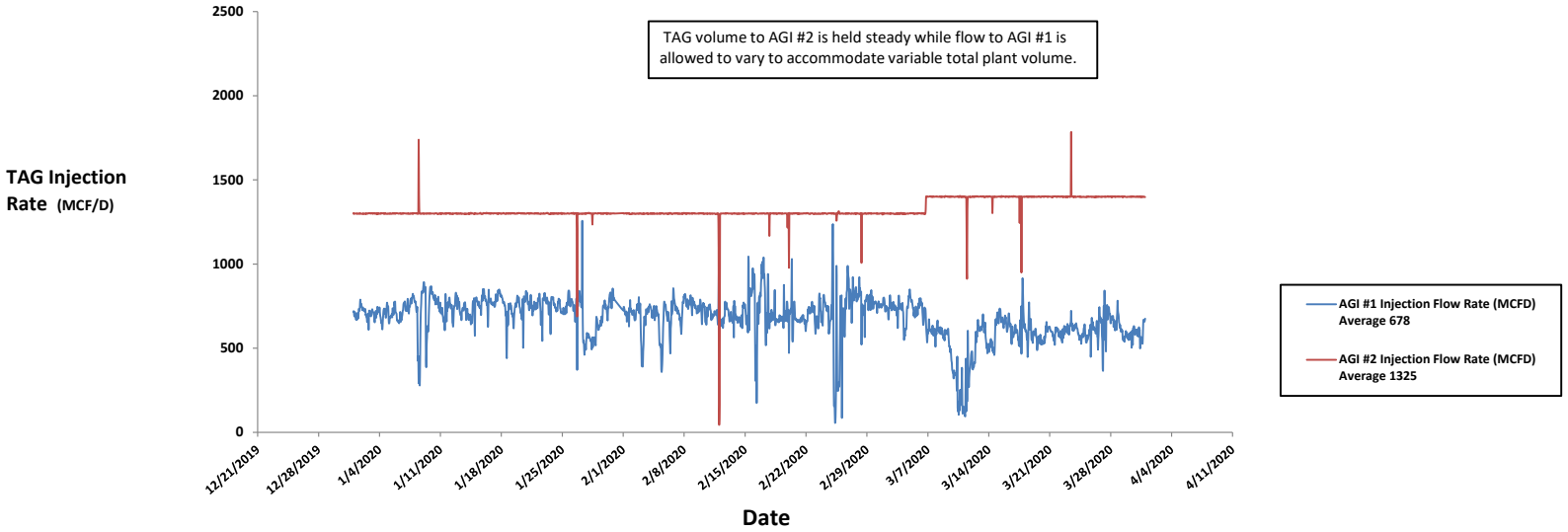


Figure 2: Maljamar AGI #1 Surface Injection Parameters

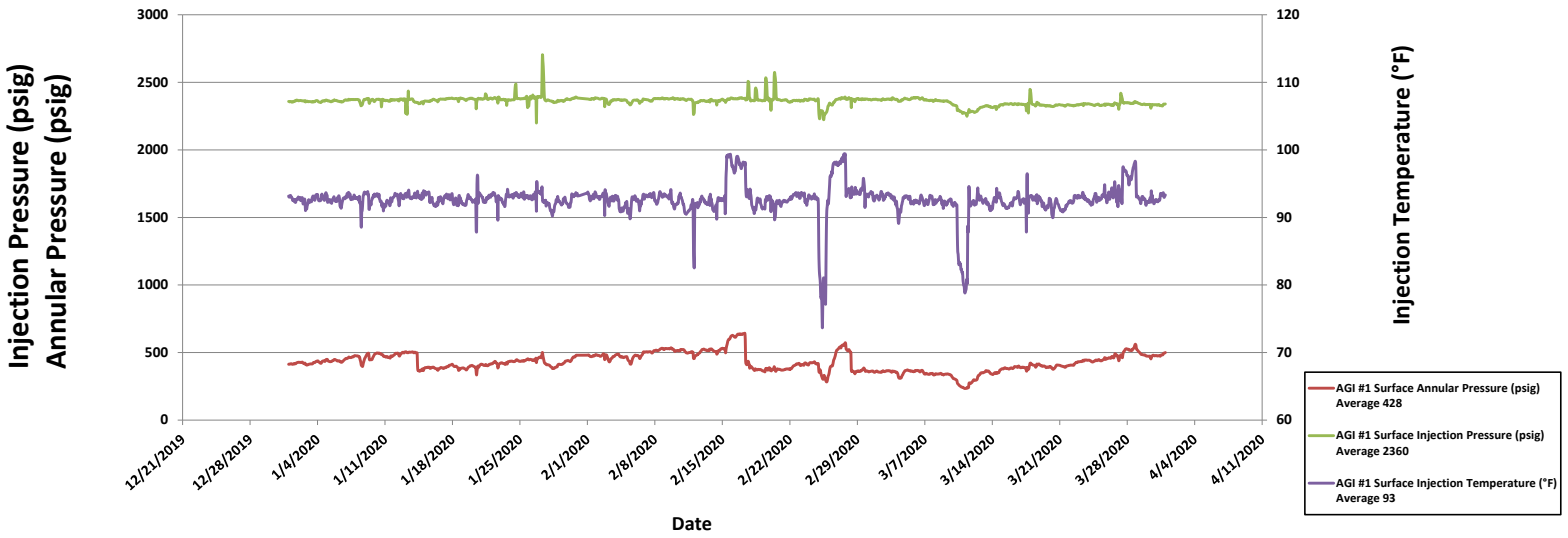


Figure 3: Maljamar AGI #2 Surface Injection Parameters

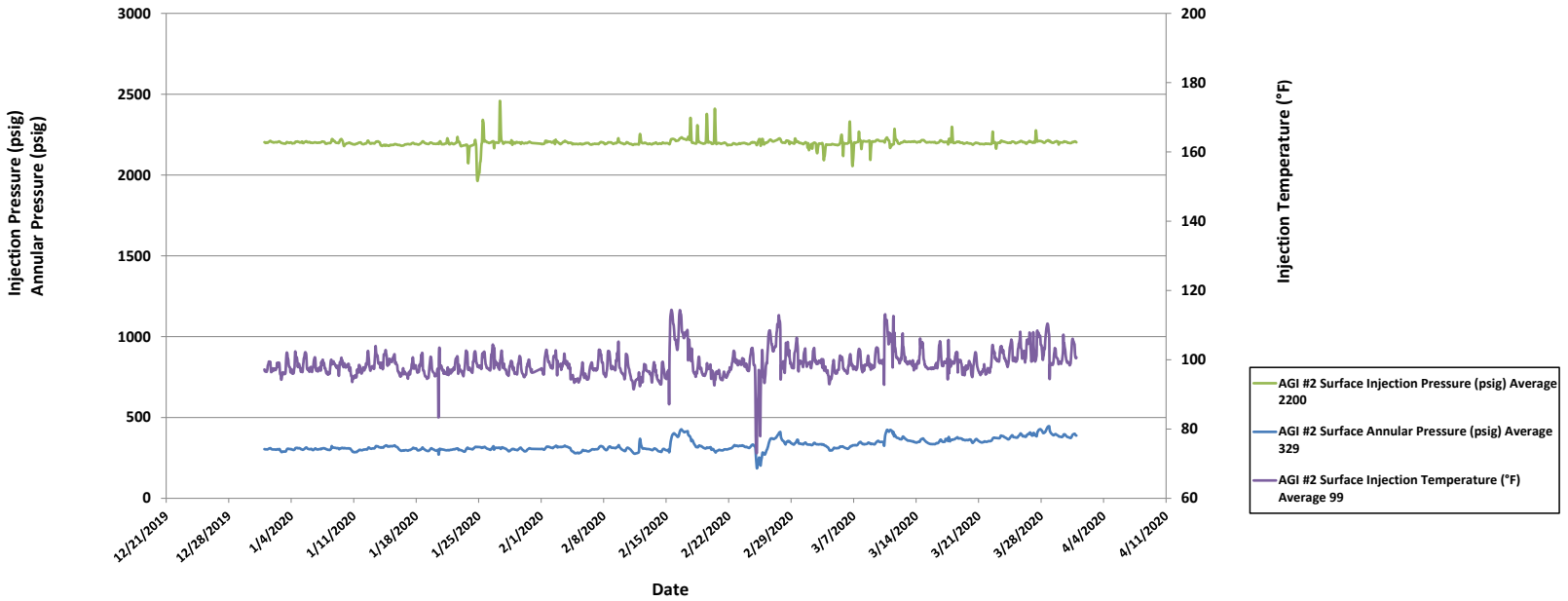
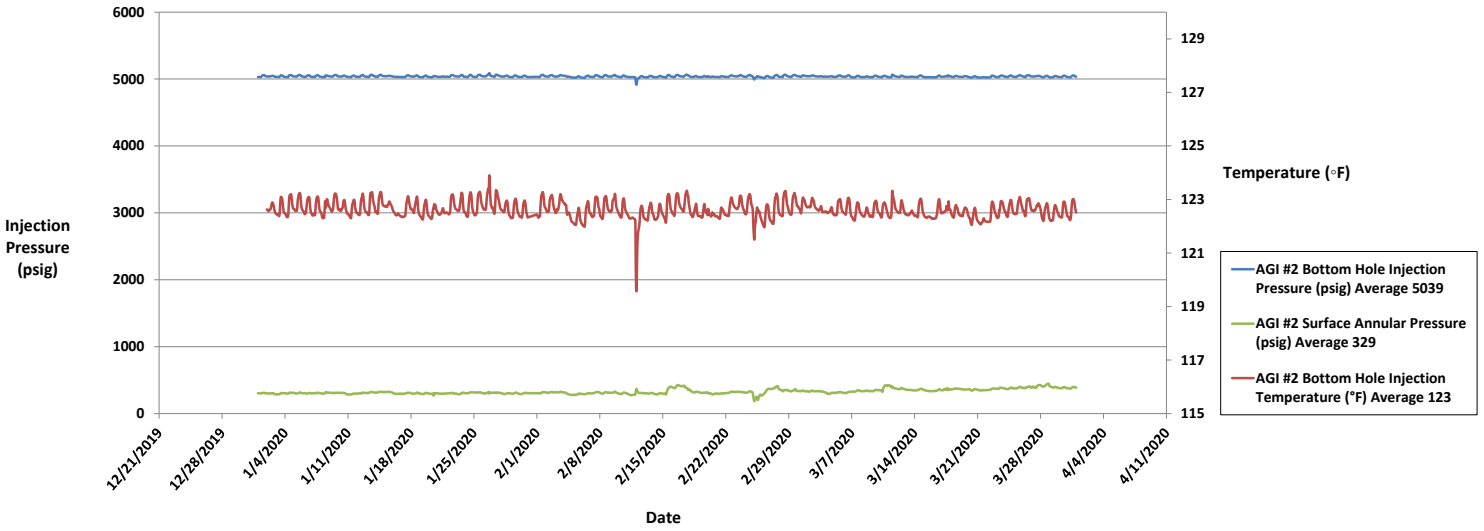


Figure 4: Maljamar AGI #2 BH Injection Pressure & Temperature, Surface Annular Pressure



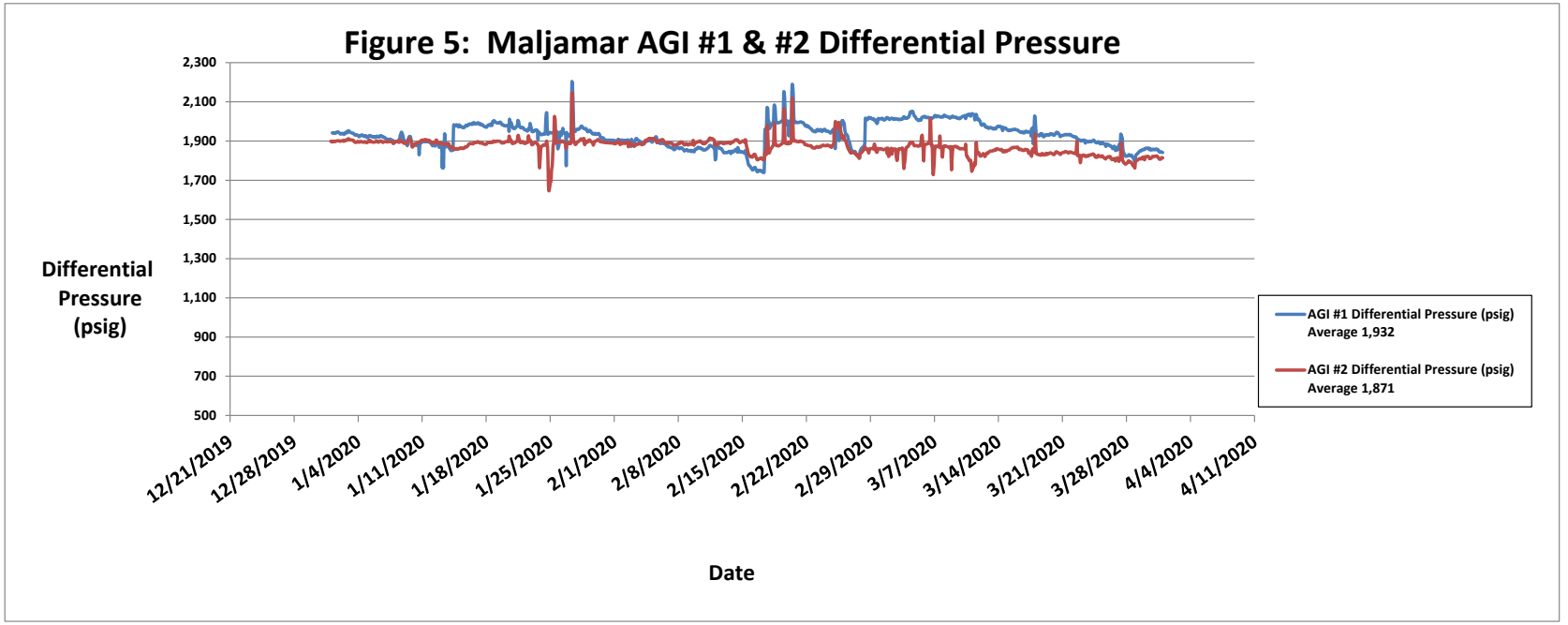


Figure 5: Maljamar AGI #1 & #2 Differential Pressure
Differential Pressure (psig)
2,300
2,100
1,900
1,700
1,500
1,300
1,100
900
700
500
12/21/2019
12/28/2019
1/4/2020
1/11/2020
1/18/2020
1/25/2020
2/1/2020
2/8/2020
2/15/2020
2/22/2020
2/29/2020
3/7/2020
3/14/2020
3/21/2020
3/28/2020
4/4/2020
4/11/2020
Date
AGI #1 Differential Pressure (psig) Average 1,932
AGI #2 Differential Pressure (psig) Average 1,871