

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

Form C-103
Revised August 1, 2011

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

WELL API NO. 30-025-38576
5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No. V07530-0001
7. Lease Name or Unit Agreement Name Linam AGI
8. Well Number 1
9. OGRID Number 36785
10. Pool name or Wildcat Wildcat
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3736 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 ☐ Gas Well ☐ Other

2. Name of Operator

DCP Midstream LP

3. Address of Operator

370 17th Street, Suite 2500, Denver CO 80202

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

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 ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☒

ALTERING CASING ☐

COMMENCE DRILLING OPNS. ☐

P AND A ☐

CASING/CEMENT JOB ☐

Diesel Reinjection into Annular Space

OTHER: ☐

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.

Report of Diesel Reinjection into Annular Space between 31/2" Tubing and 7" Casing in Linam AGI #1 Pursuant to NMOCD ACO 275

The C-103 form requesting permission for the Reinjection of Diesel bled from annulus between injection tubing and production casing was approved on January 31, 2012 following a meeting with NMOCD District 1 Acting Director and technical staff. Diesel reinjection commenced on 2/1/2012 after the initial pump which was intended for use in the reinjection was replaced due to mechanical malfunction and communication with OCD District 1 Acting Director. As of this date we successfully replaced the diesel which was removed from the annular space in preparation for the MIT test. This effort has substantially increased the margin of safety to allow the continued operation of the well until the planned workover to repair the tubing/packer seal leak and eliminate all communication between the annular space and the tubing. The diesel reinjection was accomplished with daily operations between February 1, 2012 and February 5, 2012 using a low volume Texteam chemical feed pump which pumped at an average rate of approximately 12 gallons per hour. Annular pressure remained within 33 psig (3.24%) of the initial pressure observed in annulus prior to beginning injection. A total amount of approximately 425 gallons of diesel was reinjected into the annulus displacing the TAG which had entered the annulus back into the injection reservoir. While there was some fluctuation in injection pressure and temperature during the reinjection process, the levels stayed relatively stable as shown on the attached graph. As the injected diesel temperature warms to equilibrate with the diesel in the annular space, a slight pressure increase may be observed and this effect is likely a partial cause for the minor increase in annular pressure of 33 psig observed during the reinjection. Pressure charts recording annular pressure during the reinjection are also attached. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

print name Alberto A. Gutierrez, RG

TITLE Consultant to DCP Midstream/ Geolex, Inc. DATE 02/06/2012 Type or

E-mail address: aag@geolex.com

PHONE: 505-842-8000

For State Use Only

APPROVED BY:

TITLE

DATE

Conditions of Approval (if any):

FEB 06 2012