

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 87400  
District IV - (505) 476-3460  
1220 S St. Francis Dr., Santa Fe, NM 87505

**RECEIVED**

NOV 13 2012

**HOBBSD**

Minerals and Natural Resources

CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, NM 87505

Revised August 1, 2011

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> (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 checked="" type="checkbox"/> Other <input type="checkbox"/>		WELL API NO. 30-025-38576
2. Name of Operator DCP Midstream LP		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
3. Address of Operator 370 17 <sup>th</sup> Street, Suite 2500, Denver CO 80202		6. State Oil & Gas Lease No. V07530-0001
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		7. Lease Name or Unit Agreement Name Linam AGI
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3736 GR		8. Well Number 1
		9. OGRID Number 36785
		10. Pool name or Wildcat Wildcat

## 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 ☐

OTHER: ☐OTHER. Monthly Report pursuant to Workover C-103 ☒

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.

## Monthly Report for the Month ending October 31, 2012 (10/4/12-11/1/12) Pursuant to Workover C-103 for Linam AGI #1

This is the sixth monthly submittal of data as agreed to between DCP and OCD relative to injection pressure, TAG temperature and casing annulus pressure. As shown on the attached graphs, there has continued to be some fluctuation in the data due to fluctuating gas flows. DCP has modified operational procedures to better maintain the pressure and temperature conditions in the well to minimize the opportunity for corrosion in the tubing. This reporting period extends 1 day into November. Average temperatures and pressures for the report period are as follows: TAG injection pressure: 1482 psig, Annulus Pressure 447 psig, TAG temperature 118 °F, and Pressure differential: 1035 psig.

The data clearly show the effect of the changing temperature and pressure in the annulus and continue to clearly demonstrate that the workover successfully eliminated all connection between the tubing and the annular space. See attached graphs containing explanation of observed trends and excel spreadsheet for raw data.

As required by the C-103 approved in May 2012 for the workover, DCP will conduct an MIT on this well on November 14, 2012. The procedure for the MIT was approved by OCD on October 29, 2012.

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

SIGNATURE  TITLE Consultant to DCP Midstream/ Geolex, Inc. DATE 11/9/2012

Type or print name Alberto A. Gutierrez, RG

E-mail address: aag@geolex.com

PHONE: 505-842-8000

For State Use Only

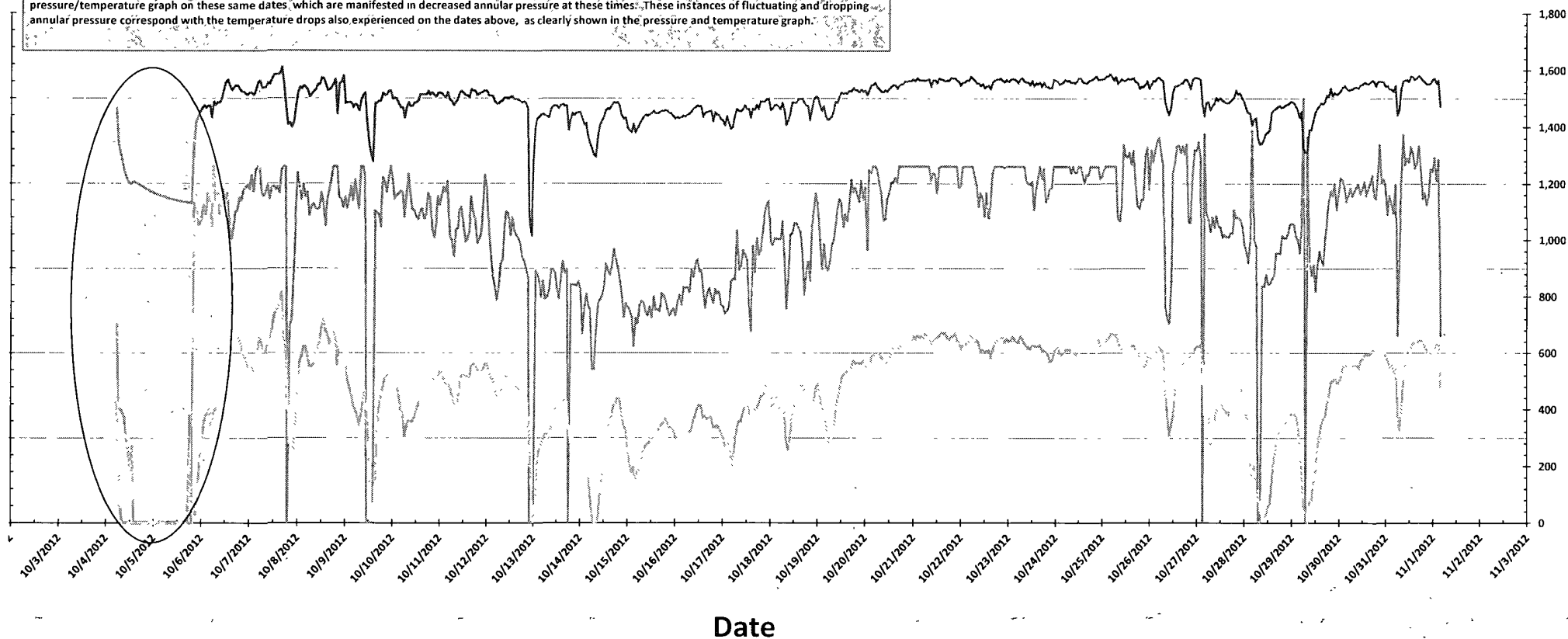
APPROVED BY:  TITLE Dist. Mgr. DATE 11-13-2012

Conditions of Approval (if any):

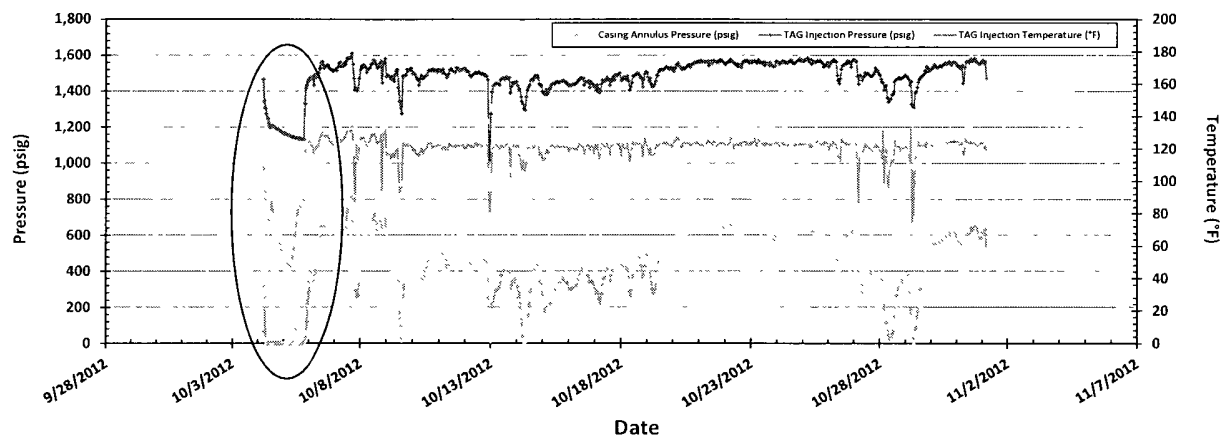
NOV 14 2012

## Linam AGI #1 Injection and Casing Annulus Pressure and TAG Injection Flowrate 10/4/2012 to 11/1/2012

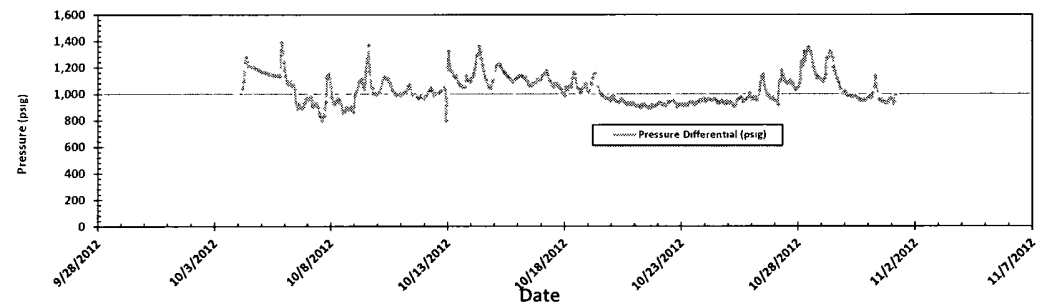
Fluctuations in annular pressure observed during the month of October 2012 primarily represent the correlative behavior of the annular pressure with the flowrate and injection pressure. This is especially noticed when the injection rate drops below 100,000 scf/h and the injection pressure drops to below 1300 psig. At these times the annular pressure drops to zero or near zero as can be seen on 10/4 to 10/5 (shown in yellow highlighted circle on the graph) when the facility was shut down due to a fire at the Hobbs Station and also on 10/9, 10/13, 10/14, 10/28 and 10/29 when reduced TAG flows caused significant reductions in injection rate and pressure. The net effect of this is to reduce the heating and ballooning effect of the tubing and is also reflected in concurrent temperature drops visible on the pressure/temperature graph on these same dates which are manifested in decreased annular pressure at these times. These instances of fluctuating and dropping annular pressure correspond with the temperature drops also experienced on the dates above, as clearly shown in the pressure and temperature graph.



Linam AGI #1 TAG Injection Pressure, Casing Annulus Pressure and TAG Injection Temperature 10/4/2012 to 11/1/2012



Linam AGI #1 TAG Injection Pressure and Casing Annular Pressure Differential (psig) 10/4/2012 to 11/1/2012



Linam AGI #1 TAG Injection Pressure and Casing Annular Pressure Differential (psig) 10/4/2012 to 11/1/2012

