

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

RECEIVED
CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505
DEC 04 2012
HOBBSUCD

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.)		WELL API NO. 30-025-38576
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		5. Indicate Type of Lease STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator DCP Midstream LP		6. State Oil & Gas Lease No. V07530-0001
3. Address of Operator 370 17 th Street, Suite 2500, Denver CO 80202		7. Lease Name or Unit Agreement Name Linam AGI
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		8. Well Number 1
11. Elevation (Show whether DR, RKB, RT, GR, etc.) 3736 GR		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 November 30, 2012 (11/1/12-11/30/12) Pursuant to Workover C-103 for Linam AGI #1

This is the seventh 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. Average temperatures and pressures for the report period are as follows: TAG injection pressure: 1539 psig, Annulus Pressure 376 psig, TAG temperature 121 °F, and Pressure differential: 1163 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. On 11/13, 11/19, 11/24 and 11/26-27 temporary interruptions in acid gas flow from the plant due to equipment malfunctions are reflected in the data. 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 conducted an MIT on this well on November 14, 2012. The MIT was conducted during the morning of the 14th and the bleeding off and repressuring of the annulus is reflected in the data between 8 and 10am on that day.

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 12/3/2012

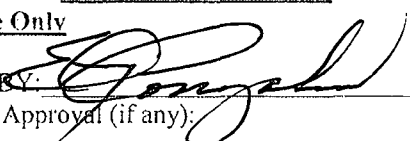
Type or print name Alberto A. Gutierrez, RG

E-mail address: aag@geolex.com

PHONE: 505-842-8000

For State Use Only

APPROVED BY:



TITLE

Dist. MGR

DATE 1 - 20

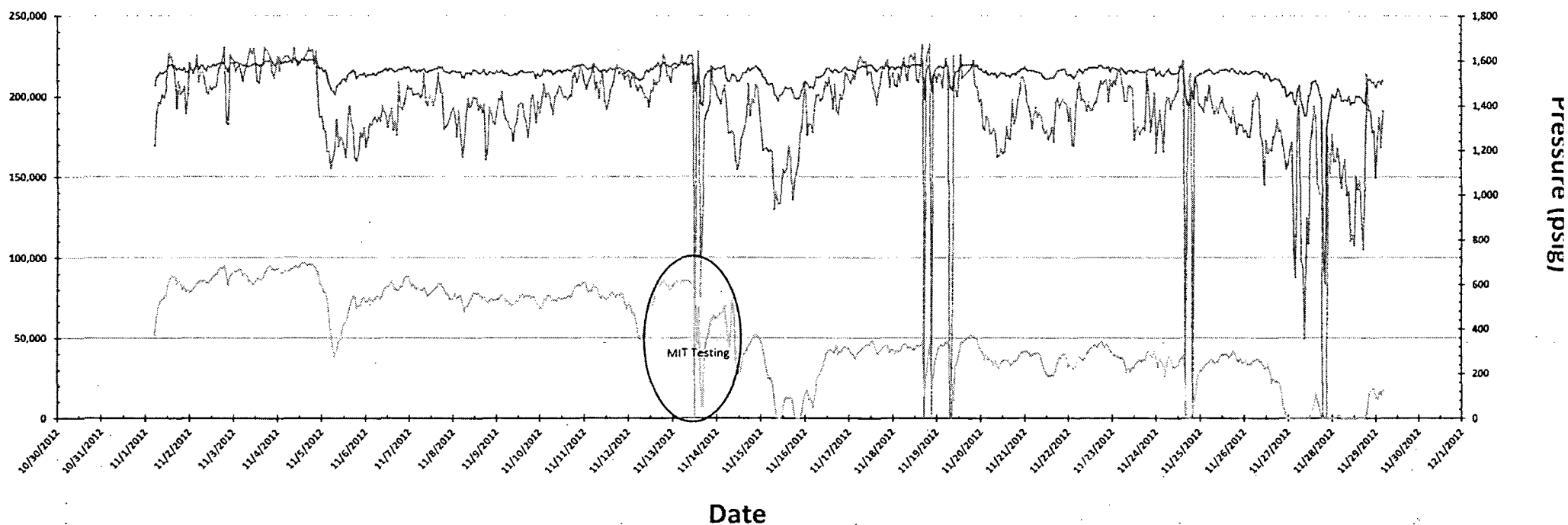
Conditions of Approval (if any):

DEC 05 2012

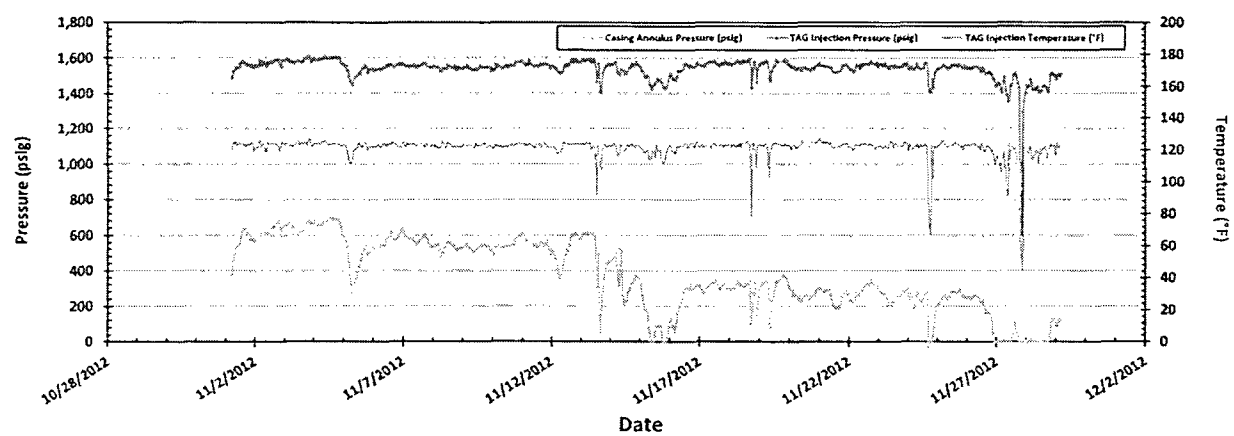
Linam AGI #1 Injection and Casing Annulus Pressure and TAG Injection Flowrate 11/1/2012 to 11/30/2012

Fluctuations in annular pressure observed during the month of November 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 11/14 (for MIT—shown in yellow highlighted circle on the graph) and on 11/15, 11/25 and 11/27-28 when injection ceased temporarily due to equipment malfunctions. 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.

— TAG Injection Flowrate (scf/h) — TAG Injection Pressure (psig) — Casing Annulus Pressure (psig)



Linam AGI #1 TAG Injection Pressure, Casing Annulus Pressure and TAG Injection Temperature 11/1/2012 to 11/30/2012



Linam AGI #1 TAG Injection Pressure and Casing Annular Pressure Differential (psig) 11/1/2012 to 11/30/2012

Pressure Differential increased after MIT due to bleeding of annular pressure after test was successfully completed.
A momentary reduction in differential occurred on 11/27 when injection was stopped and quickly restarted before annular pressure could adjust to the lower injection rate (shown in yellow highlighted circle).

