

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

Form C-103
Revised August 1, 2011

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	
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	
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

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 ☐

OTHER: ☐

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
COMMENCE DRILLING OPNS. ☐ P AND A ☐
CASING/CEMENT JOB ☐

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 December 31, 2012 (12/1/12-12/31/12) Pursuant to Workover C-103 for Linam AGI #1

This is the eighth 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 especially when the NGL sales line was shut in for the period from 12/27-12/29. 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: 1446 psig, Annulus Pressure 48 psig, TAG temperature 117°F, and Pressure differential: 1398 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. When the NGL line was shut in, the resulting temporary reduction in acid gas flow rate from the plant are reflected in the data from 12/27-12/29. See attached graphs containing explanation of observed trends and excel spreadsheet for raw data.

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 1/8/2013

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

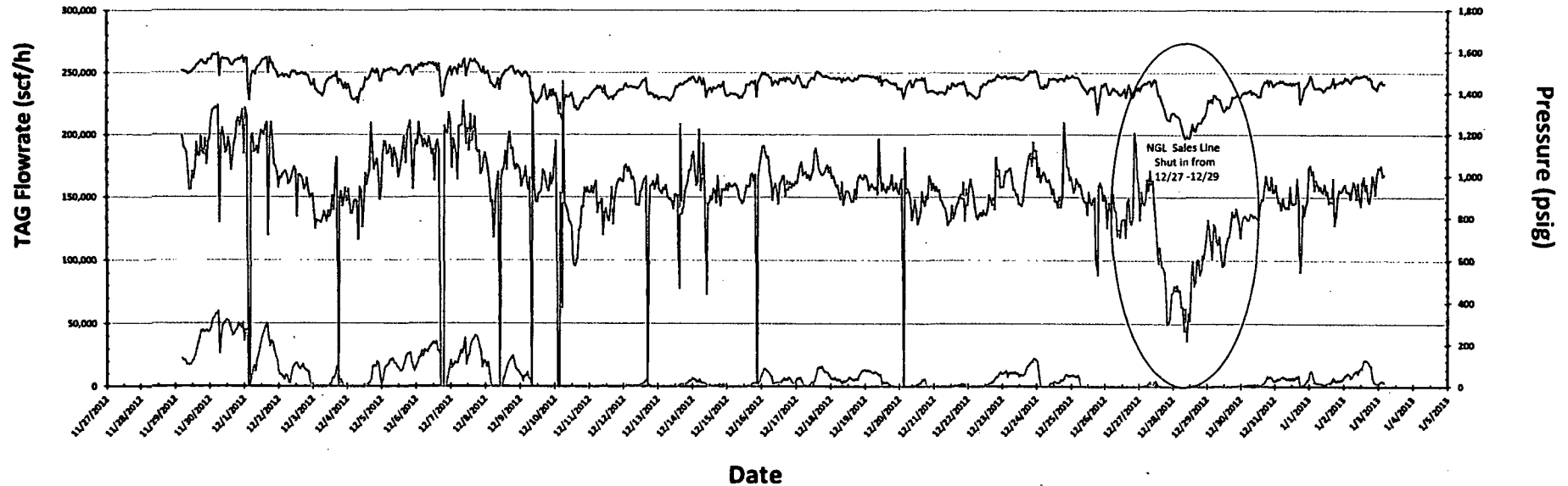
2-7-2013

Conditions of Approval (if any):

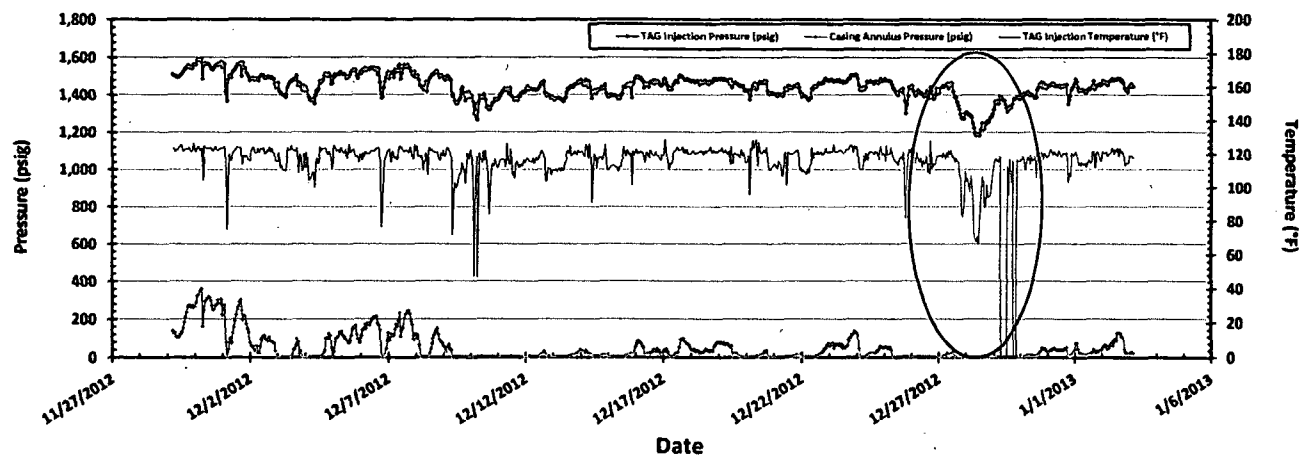
Linam AGI #1 Injection and Casing Annulus Pressure and TAG Injection Flowrate 11/29/2012 to 1/3/2013

Fluctuations in annular pressure observed during the month of December 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 150,000 scf/h and the injection pressure drops to below 1800 psig. At these times the annular pressure drops to zero or near zero as can be seen from 12/10-12/20 when injection rates were reduced. Flow rate dropped off dramatically on 12/27-12/29 to below 100,000 when the NGL sales line was shut in. This resulted in decreased flowrate and temperature drops which were corrected by 12/29 when the NGL line came back on and some problems with the regen heater were resolved. The net effect of this on the system 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. The effect of the drop in injection pressure correspondingly reduced the pressure differential during this time because annular pressure was already at 0 psig. See highlighted portions of graphs.

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

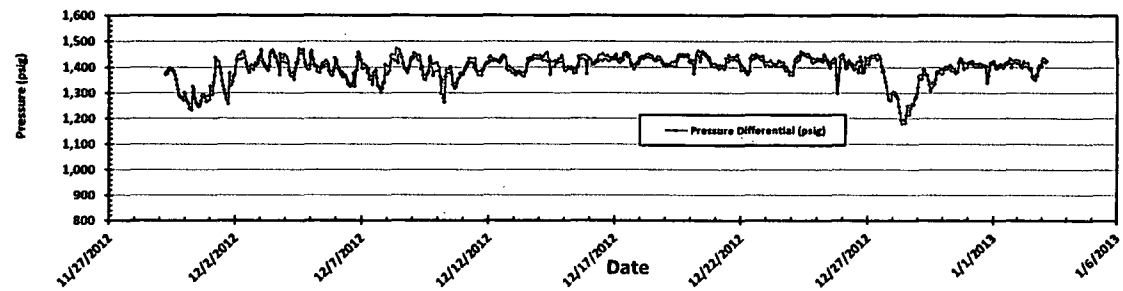


Linam AGI #1 TAG Injection Pressure, Casing Annulus Pressure and TAG Injection Temperature 11/29/2012 to 1/3/2013



Linam AGI #1 TAG Injection Pressure and Casing Annular Pressure Differential (psig) 11/29/2012 to 1/3/2013

Reductions in differential occurred on 12/27-12/29 when injection rate was significantly reduced due to a shut in of the NGL sales line and annular pressure was already at 0 psig when injection pressure and temperature were reduced (shown in yellow highlighted circle).





DCP Midstream
1625 West Marland St
Ofc. (575) 397-5552
Fax (575) 397-5598

Electronic MAIL:

December 26, 2012

Mr. Elidio Gonzales
District Supervisor
New Mexico Oil Conservation Division
Hobbs Office – District 1
1625 North French Dr.
Hobbs, NM 88240

HOBBS OCD

FEB 06 2013

RECEIVED

Re: December C-103 monthly report, Linam AGI #1

Dear Mr. Gonzales:

This letter serves as DCP Midstream, LP's (DCPM) response to file a monthly C-103 report with the OCD. DCPM will continue to operate as per our original approved injection order as modified by the C-103 approved on 5/3/2012 which requires monthly reporting and MIT every 6 months.

If you have any questions about the information included in this submittal, please feel free to contact me at 575-397-5505 or via email at SJHarless@dcpmidstream.com.

Sincerely,

A handwritten signature in black ink, appearing to read "S Harless", written in a cursive style.

Steve Harless
General Manager of Operations, SENM

SH;de

cc: Will Jones, New Mexico OCD
Steve Boatenhamer, DCPM – Hobbs
Russ Ortega, DCPM – Hobbs
Quiten Mendenhall, DCPM – Midland
Paul Tourangeau, DCPM – Denver
Jonas Figueroa, DCPM – Midland
Chris Root, DCPM – Denver
Alberto Gutierrez, Geolex – Albuquerque