

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

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

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

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

<p>NOTICE OF INTENTION TO:</p> <p>PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/></p>		<p>SUBSEQUENT REPORT OF:</p> <p>REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/></p>	
<p>OTHER: <input type="checkbox"/></p>		<p>OTHER: Monthly Report pursuant to Workover C-103 <input checked="" type="checkbox"/></p>	


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 May 31, 2013 (5/1/13-5/31/13) Pursuant to Workover C-103 for Linam AGI #1

This is the thirteenth 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: 1516 psig, Annulus Pressure: 515 psig, TAG Temperature: 116 °F, and Pressure Differential: 1001 psig.

The data clearly show the effect of the changing temperature and pressure in the annulus and continue to demonstrate clearly that the workover successfully eliminated all connection between the tubing and the annular space. There was a planned shut-down of the plant for maintenance from May 6 through May 10. A definite spike in injection pressure was noted at startup on May 10th due to hydrate formation during unstable low temperatures at startup. Methanol added during startup resolved this issue. At several other times during the month of May the plant experienced mechanical issues as well as some very high winds on May 25th and 26th which cause brief shutdowns and corresponding variations in temperature and pressure. See attached graphs containing explanation of observed trends and excel spreadsheet for raw data. All the data continue to confirm the integrity of the tubing which was replaced last year and the well continues to serve as a safe, effective and environmentally-friendly system to dispose of Class II wastes consisting of H₂S and CO₂.

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 6/9/2013

Type or print name Alberto A. Gutierrez, RG
For State Use Only

E-mail address: aag@geolex.com

PHONE: 505-842-8000

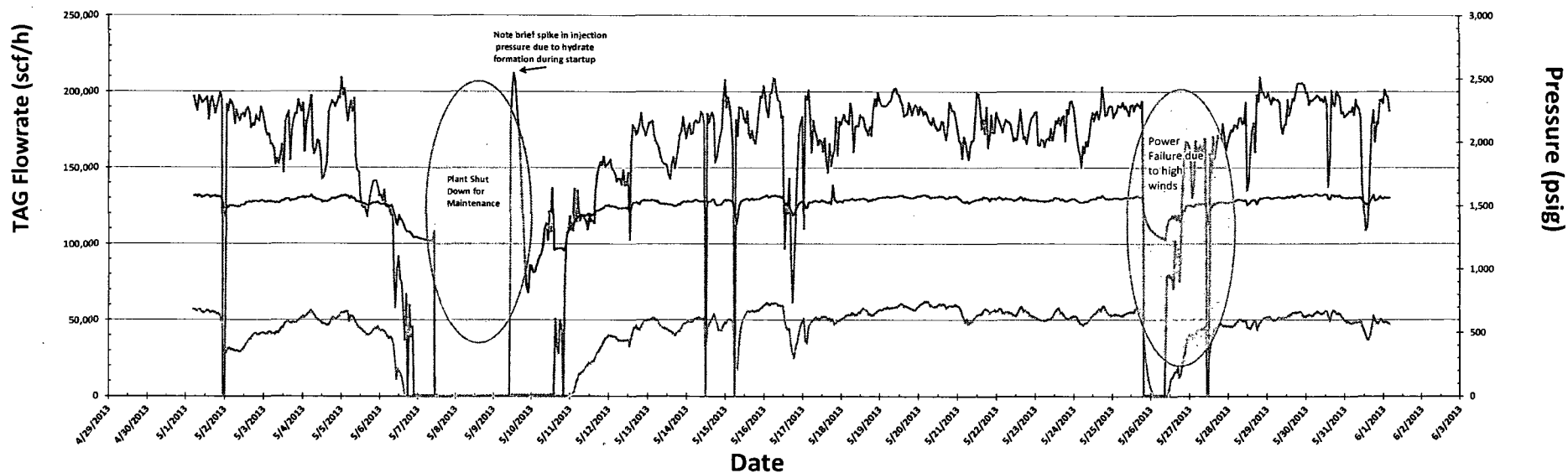
APPROVED BY  TITLE Dist. mgr DATE 6-11-2013
Conditions of Approval (if any):

JUN 11 2013

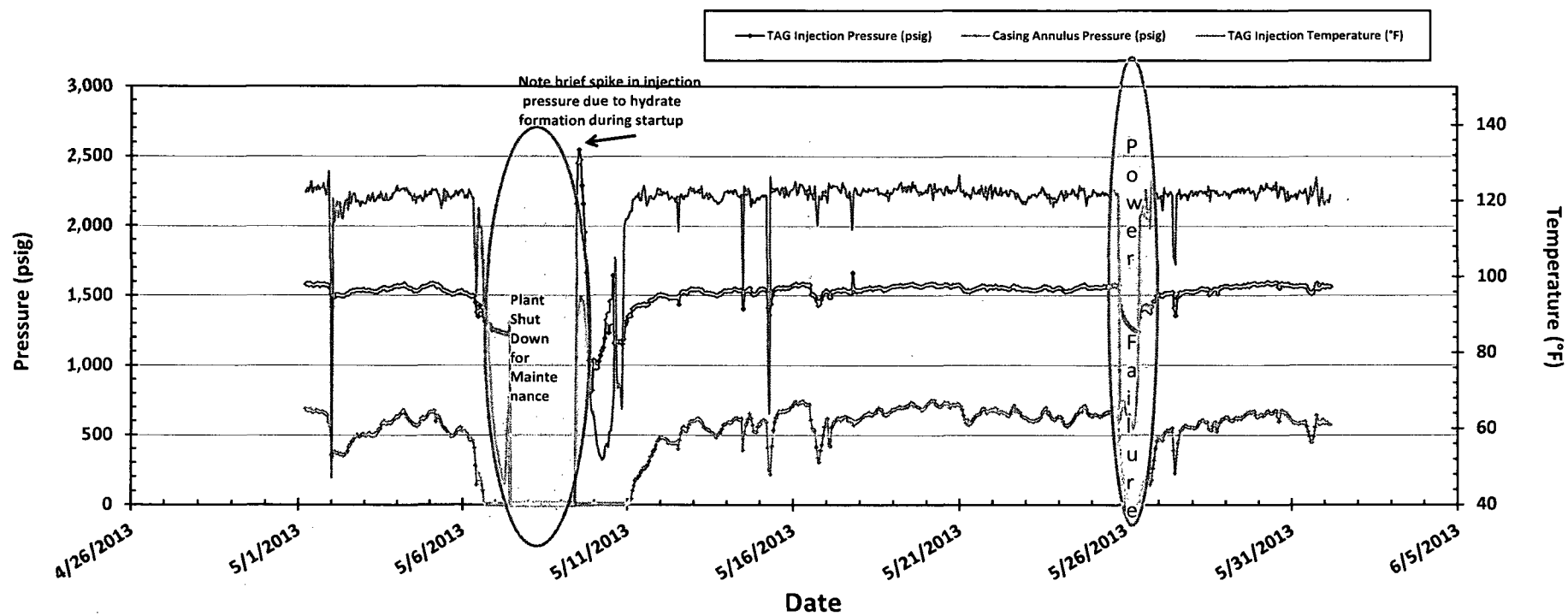
Linam AGI #1 Injection and Casing Annulus Pressure and TAG Injection Flowrate 5/1/2013 to 6/1/2013

During this reporting period, there was a planned shutdown of the plant to address maintenance issues between 5/6 and 5/10. This event is clearly reflected on the graph. A spike in TAG injection pressure was noted when the plant was restarted and as flowrate and injection temperature conditions were reestablished. This pressure spike may have also resulted from some hydrate formation in the tubing during the unstable injection condition associated with the start-up. Other fluctuations in annular pressure observed during the month of May 2013 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 around 1400 psig. The events associated with these fluctuations are due to mechanical failures, save for the period between 5/25 and 5/26 when a shutdown of the AGI system was initiated because of high winds and power failures. These fluctuations were stabilized within a few hours. There are also concurrent temperature drops visible on the pressure/temperature graphs during the same period as the flow drops. There is also a decrease in annular pressure at these times. The significant spread between TAG injection pressure (inside tubing) and the annular pressure prove the continuing integrity of the well and the tubing.

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

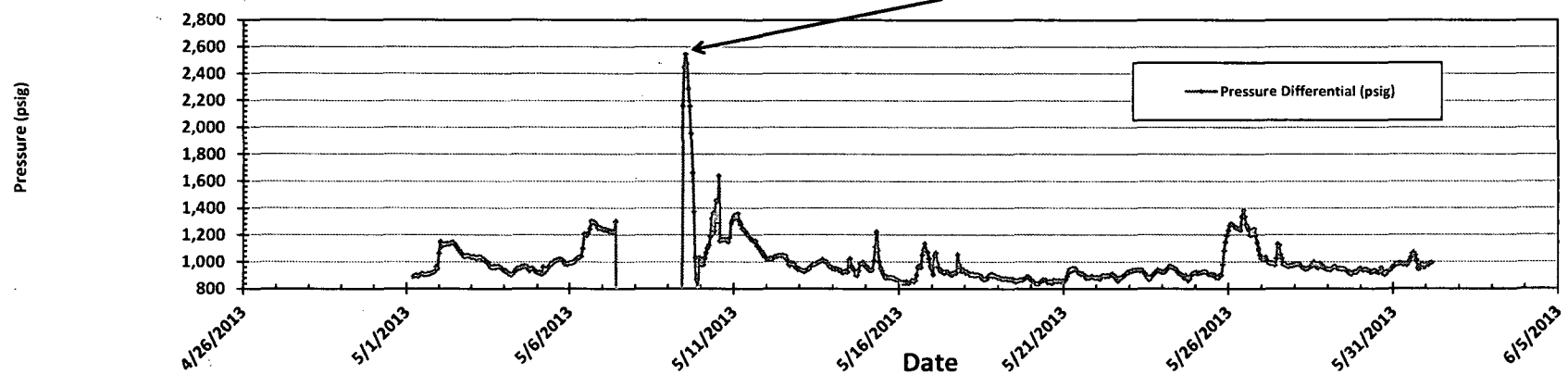


Linam AGI #1 TAG Injection Pressure, Casing Annulus Pressure and TAG Injection Temperature 5/1/2013 to 6/1/2013



Linam AGI #1 TAG Injection Pressure and Casing Annular Pressure Differential (psig) 5/1/2013 to 6/1/2013

Increase in pressure differential due to injection pressure spike during startup because of hydrate formation. The fact that no pressure increase was noted in the annular space confirms the continued integrity of the tubing in the well.





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

Electronic MAIL:

June 11, 2013

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

Re: May 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,

Steve Harless
General Manager of Operations, SENM

SH; de

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

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