

Submit 1 Copy To Appropriate District Office

State of New Mexico

Form C-103

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

HOBS Energy, Minerals and Natural Resources
SEP 19 2013
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

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

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 August 31, 2013 (8/1/13-9/1/13) Pursuant to Workover C-103 for Linam AGI #1

This is the sixteenth 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 due to power failures from lightning. DCP continues to implement modified operational procedures to better maintain the pressure and temperature conditions in the well in order to minimize the opportunity for corrosion in the tubing. Average temperatures and pressures for the report period are as follows: TAG Injection Pressure: 1565 psig, Annulus Pressure: 94 psig, TAG Temperature: 121°F, and Pressure Differential: 1472 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. At several times during the month of August the AGI facility had some power outages due to lightning which caused 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 9/9/2013

Type or print name Alberto A. Gutierrez, RG E-mail address: aag@geolex.com PHONE: 505-842-8000
For State Use Only

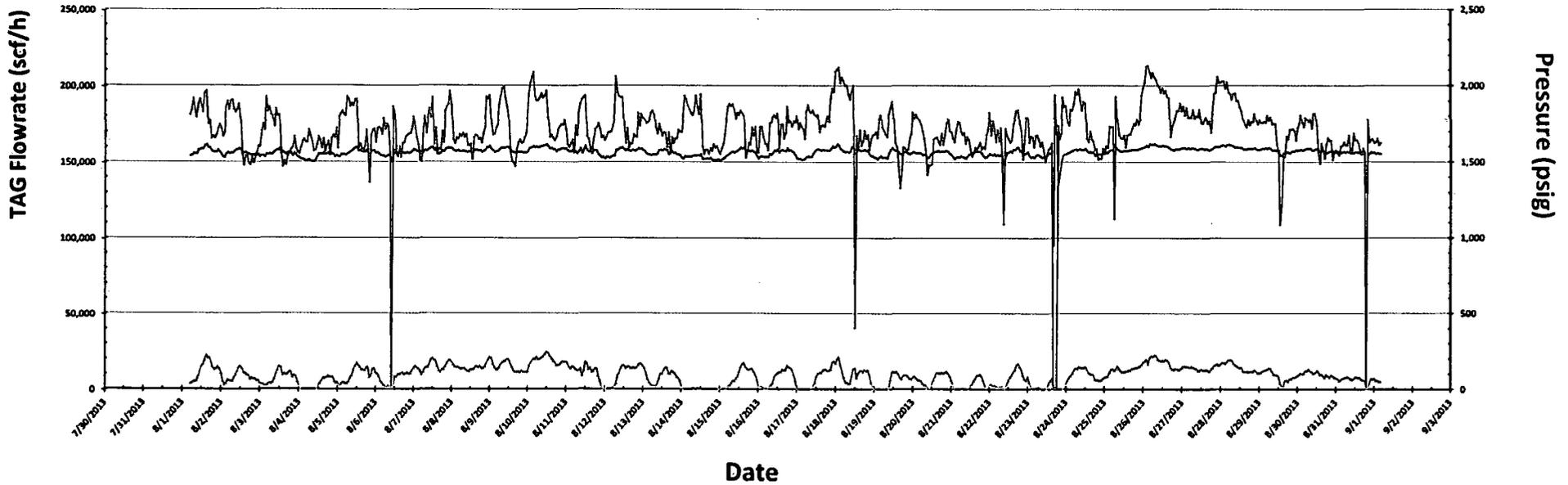
APPROVED BY: TITLE Dist. Mgr DATE 9-25-2013
Conditions of Approval (if any):

SEP 25 2013

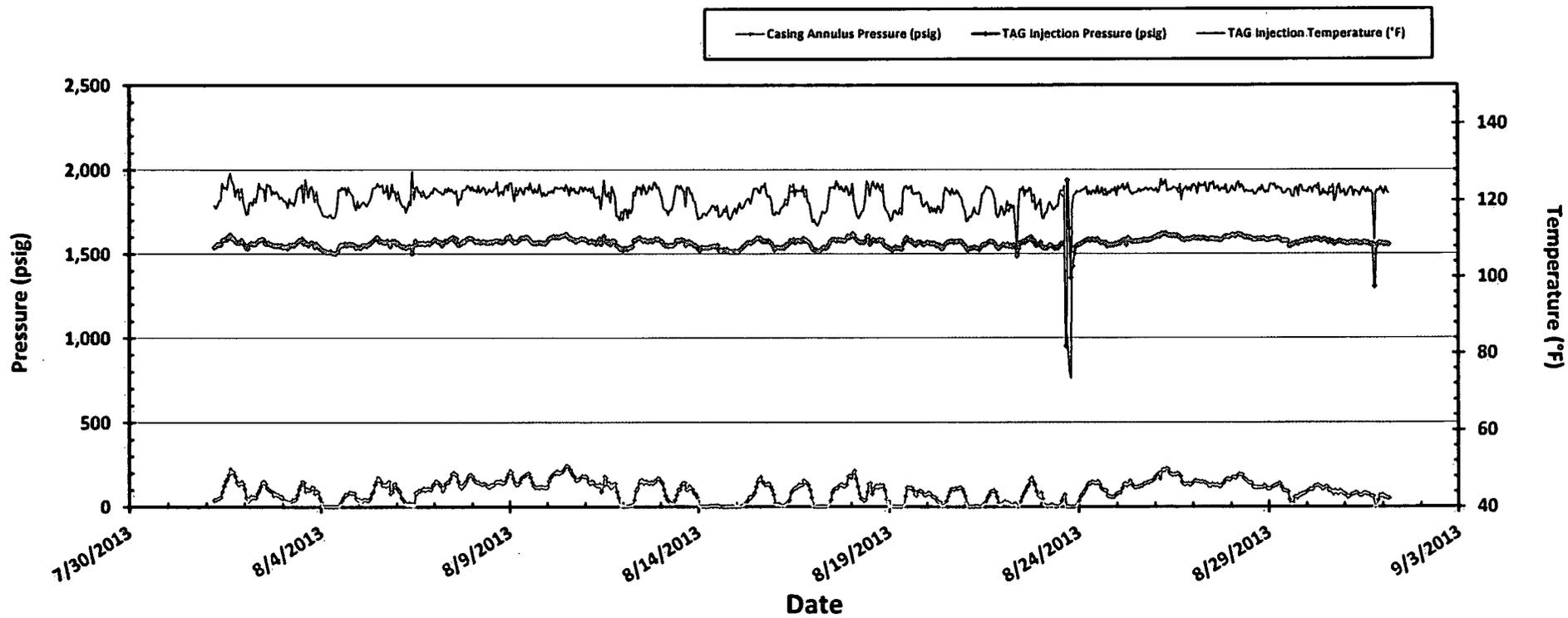
Linam AGI #1 Injection and Casing Annulus Pressure and TAG Injection Flowrate 8/1/2013 to 9/1/2013

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

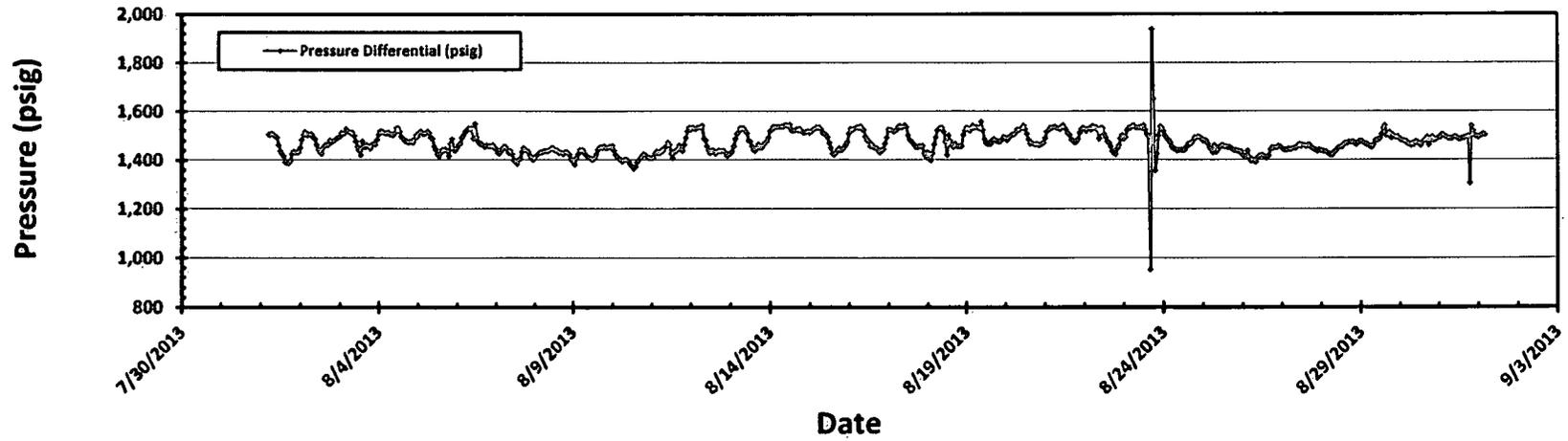
Fluctuations in annular pressure observed during the month of August 2013 primarily represent the correlative behavior of the annular pressure with the flowrate and injection pressure. There were several temporary shutdowns of the plant during the month of August due to power failures at the AGI facility. These issues were generally corrected within hours. On 8/23 a lightning strike resulted in a power outage at the AGI facility which was resolved within a few hours. At these times the annular pressure drops significantly when injection rates are reduced, as can be seen on the graph. The effect is also visible on the pressure/temperature graphs during the same period as the flow drops and temperature varies. These drops are also associated with decreased annular pressure, as demonstrated on the graph. The significant spread between TAG injection pressure (inside tubing) and the annular pressure proves the continuing integrity of the well and the tubing.



Linam AGI #1 TAG Injection Pressure, Casing Annulus Pressure and TAG Injection Temperature 8/1/2013 to 9/1/2013



Linam AGI #1 TAG Injection Pressure and Casing Annular Pressure Differential (psig) 8/1/2013 to 9/1/2013





RECEIVED OCD
DCP Midstream
1625 West Marland St
Ofc. (575) 397-5552
Fax (575) 397-5598
16 P 1:50

Electronic MAIL:

September 11, 2013

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

HOBBS OCD

SEP 19 2013

RECEIVED
ELG 9-25-2013

Re: August 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