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
1220 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 ☒ FEE ☐

6. State Oil & Gas Lease No.
V07530-0001

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.)

HOBBS OCD

7. Lease Name or Unit Agreement Name
Linam AGI

1. Type of Well: Oil Well ☐ Gas Well ☒ Other

8. Well Number 1

2. Name of Operator
DCP Midstream LP

MAR 18 2014

9. OGRID Number 36785

3. Address of Operator
370 17th Street , Suite 2500, Denver CO 80202

RECEIVED

10. Pool name or Wildcat
Wildcat AGI; WOLFCAMP

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

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

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
PERFORM REMEDIAL WORK	☐	PLUG AND ABANDON	☐	REMEDIAL WORK	☐	ALTERING CASING	☐
TEMPORARILY ABANDON	☐	CHANGE PLANS	☐	COMMENCE DRILLING OPNS.	☐	P AND A	☐
PULL OR ALTER CASING	☐	MULTIPLE COMPL	☐	CASING/CEMENT JOB	☐		
DOWNHOLE COMMINGLE	☐						
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 February 28, 2014 (2/1/14-2/28/14) Pursuant to Workover C-103 for Linam AGI #1

This is the twenty-second monthly submittal of data as agreed to between DCP and OCD relative to injection pressure, TAG temperature and casing annulus pressure. Despite the extensive work DCP has been doing to better maintain the pressure and temperature conditions, in February a significant problem developed in the variable frequency drive (VFD) of the cooler on the AGI compressor. This problem developed initially in the early morning of 2/4 and continued rising until 2/8 when injection pressure rises were detected. Initially DCP workers believed this to be a result of hydrates but the plant manager, Steve Boatenhamer, correctly identified the problem as resulting from a significant TAG temperature increase which affected the injection pressure and due to heating of the tubing, significantly increased the annular pressure. Once the problem was fully diagnosed, a mechanic worked on the VFD on the compressors and finally returned it to working service by the afternoon of 2/9 when temperatures were brought back to normal followed by a corresponding drop in injection pressure and annular pressure. After this incident, operations returned to normal and no damage was done to the well or injection system. No immediate notification parameters (1200psig on annulus or less than 100psig differential pressure) were triggered. At no time during the cooler failure was the MAOP exceeded or even approached. However, this incident has prompted an ongoing review of operational procedures and internal alarm settings to permit earlier detection of temperature and pressure variances resulting in enhanced root cause detection and repair. Average temperatures and pressures for the report period are as follows: TAG Injection Pressure: 1639 psig , Annulus Pressure: 111 psig, TAG Temperature: 126°F, and Pressure Differential: 1528 psig. These average values are shown as lines on the pressure and flow rate graph. All these data continue to confirm the integrity of the tubing which was replaced in 2012 which were further verified by the successful completion of the most recent biannual MIT test on October 30, 2013. The Linam AGI#1 continues to serve as a safe, effective and environmentally-friendly system to dispose of Class II wastes consisting of H_2S and CO_2.

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 3/11/2014
Type or print name Alberto A. Gutierrez, RG E-mail address: aag@geolex.com PHONE: 505-842-8000

For State Use Only

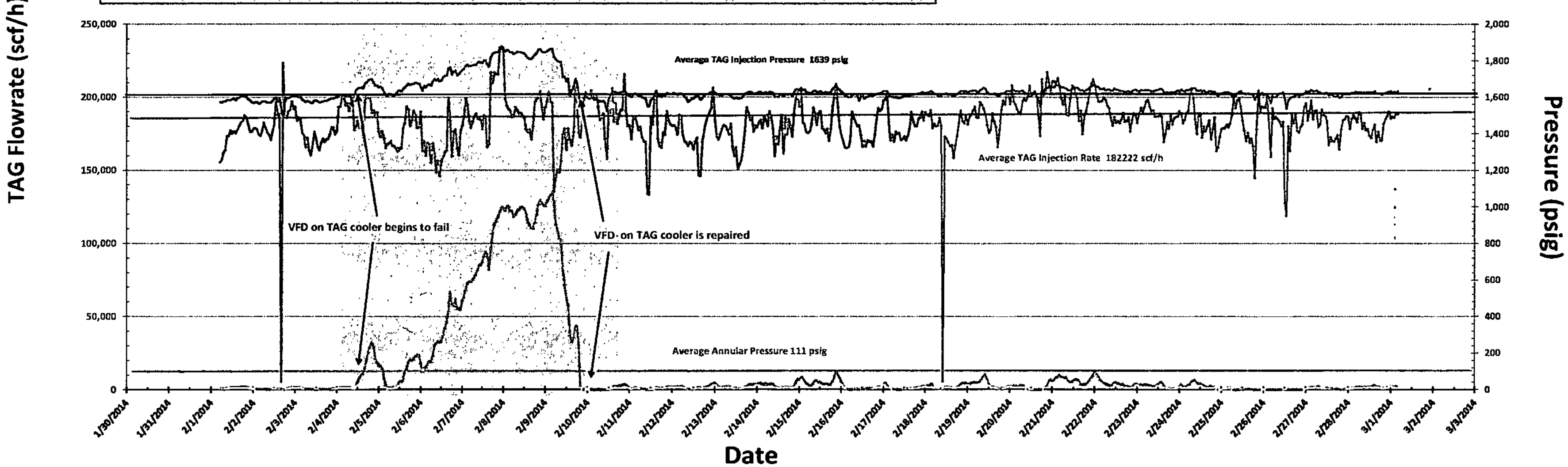
APPROVED BY: _____ TITLE Petroleum Engineer DATE MAR 18 2014
Conditions of Approval (if any):

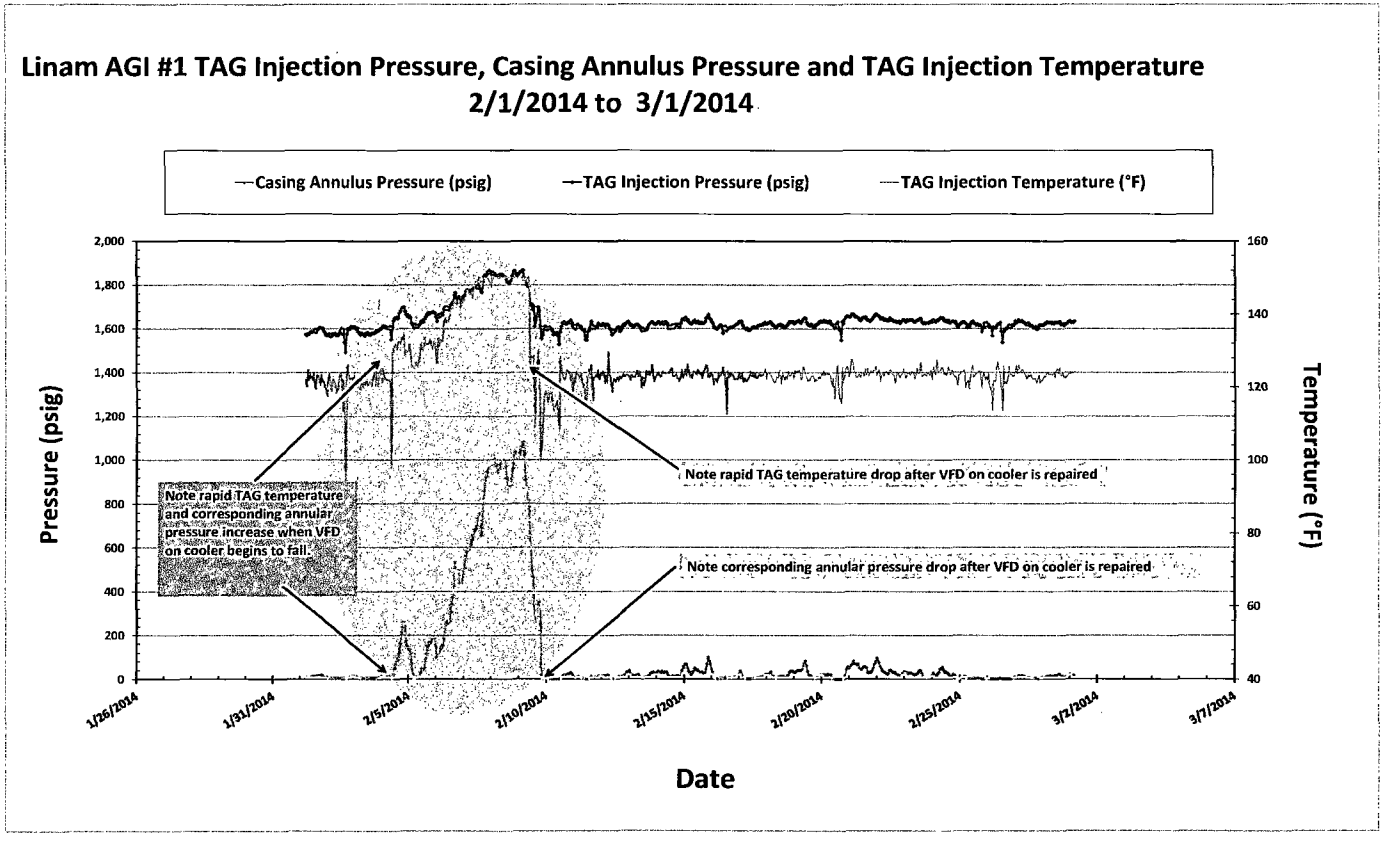
MAR 18 2014

Linam AGI #1 Injection and Casing Annulus Pressure and TAG Injection Flowrate 2/1/2014 to 3/1/2014

Fluctuations in annular pressure observed during the month of February2014 primarily represent the correlative behavior of the annular pressure with the flowrate and injection pressure and temperature. This month there was a failure in the VFD for the cooler on the AGI compressor beginning on 2/4 and finally repaired on 2/9. The highlighted area below and the arrows indicate the beginning and end of the episode as shown in both the injection pressure and annular pressure curves. The effect most clearly visible on the pressure/temperature graph during the same period as the TAG temperature increases to 150°F as a result of the equipment failure. The annular pressure increased dramatically due to the heatiing of the annular space fluid (diesel) resulting from the elevated TAG injection temperature. The significant spread between TAG injection pressure (inside tubing) and the annular pressure even during this heating episode proves the continuing integrity of the well, packer, casing and tubing.

Three lines showing the average injection pressure, injection rate and annular pressure have been added to show the overall correlation of injection rate and pressure with annular pressure. The remaining primary factor influencing annular pressure is shown on the next graph of pressure and temperature trends under operating conditions.





Linam AGI #1 TAG Injection Pressure and Casing Annular Pressure Differential (psig) 2/1/2014 to 3/1/2014