Submit 1 Copy To Appropriate District Office
District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Ave., Artesia, NM 88210
District III
1000 Rio Brazos Rd., Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

HOBBS OCD
JAN 29 2015
RECEIVED

State of New Mexico
Minerals and Natural Resources

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

Form C-103
October 13, 2009

WELL API NO. 30-025-42139	
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.)	7. Lease Name or Unit Agreement Name Linam AGI
1. Type of Well: Oil Well ☐ Gas Well ☐ Other Acid Gas Injection ☒	8. Well Number #2
2. Name of Operator DCP Midstream LP	9. OGRID Number 36785
3. Address of Operator 370 17th Street, Suite 2500, Denver, CO 80202	10. Pool name or Wildcat AGI;Wolfcamp (BONE SPRING)
4. Well Location Unit Letter K : ~~2120~~ 1600 feet from the South line and ~~2120~~ 1750 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. ☒ Step Rate Test Report	

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.

On January 15, 2015 a step rate test was successfully performed at the Linam AGI #2 well. The NMOCD District 1 Hobbs office was notified prior to the test and Mr. Bill Sonnamaker of NMOCD witnessed the first 3 stages of the 7-stage test. A total of 747 barrels of brine were injected during the test.

A maximum surface pressure of 4,319 psig was observed in the seventh stage at a rate of 5 barrels per minute. The calculated surface parting pressure was 3,318 psig, well above the NMOCD-approved MAOP of 2,644 psig.

This step rate test fulfills the requirement of NMOCC order R-12546K and demonstrates the Linam AGI#2 well can be safely operated at pressures well above the currently approved MAOP. DCP is not requesting a MAOP increase at this time for this well.

A report is attached providing all of the test data and supporting exhibits for the parting pressure calculations.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

JAN ~~28~~ 29 2015

SIGNATURE  TITLE: Consultant to DCP Midstream LP DATE: 01/27/2015

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

For State Use Only

APPROVED BY: Accepted for Record Only TITLE

Conditions of Approval (if any): MBrown 1/27/2015

PROVIDE S.R.T. RESULTS TO SANTA FE FOR APPROVAL

DCP Midstream Linam AGI #2 (3002542139) Step Rate Test

Conducted on January 15, 2015

PB Energy and Geolex, Inc. conducted a step rate test (SRT) on Linam AGI #2 beginning at 13:26 on January 15, 2015. Bill Sonnamaker with the NMOCD arrived an hour before the test was started to witness the test, and he remained on location until the 3rd step. The testing procedure was provided in the field to Mr. Sonnamaker and he was satisfied with the testing procedure.

The test design pumping rates were 1.0, 2.0, 3.0, 3.5, 4.0, 4.5 and 5.0 barrels/minute. The total injection fluid of this test was 747 barrels The test was started at 1.0 bpm but the well remained on vacuum for 9 minutes when it was decided to increase the pumping rate to load the tubing with fluid allowing the tubing to pressure up. Then the rate was backed off until a low positive pressure (not zero) was established. This changed the 1st step rate from 1.0 bpm to 1.2 bpm to prevent the well from going on vacuum and required approximately an hour to stabilize at the low rate. The raw data are attached in Appendix A, and Figure 1 summarizes the data.

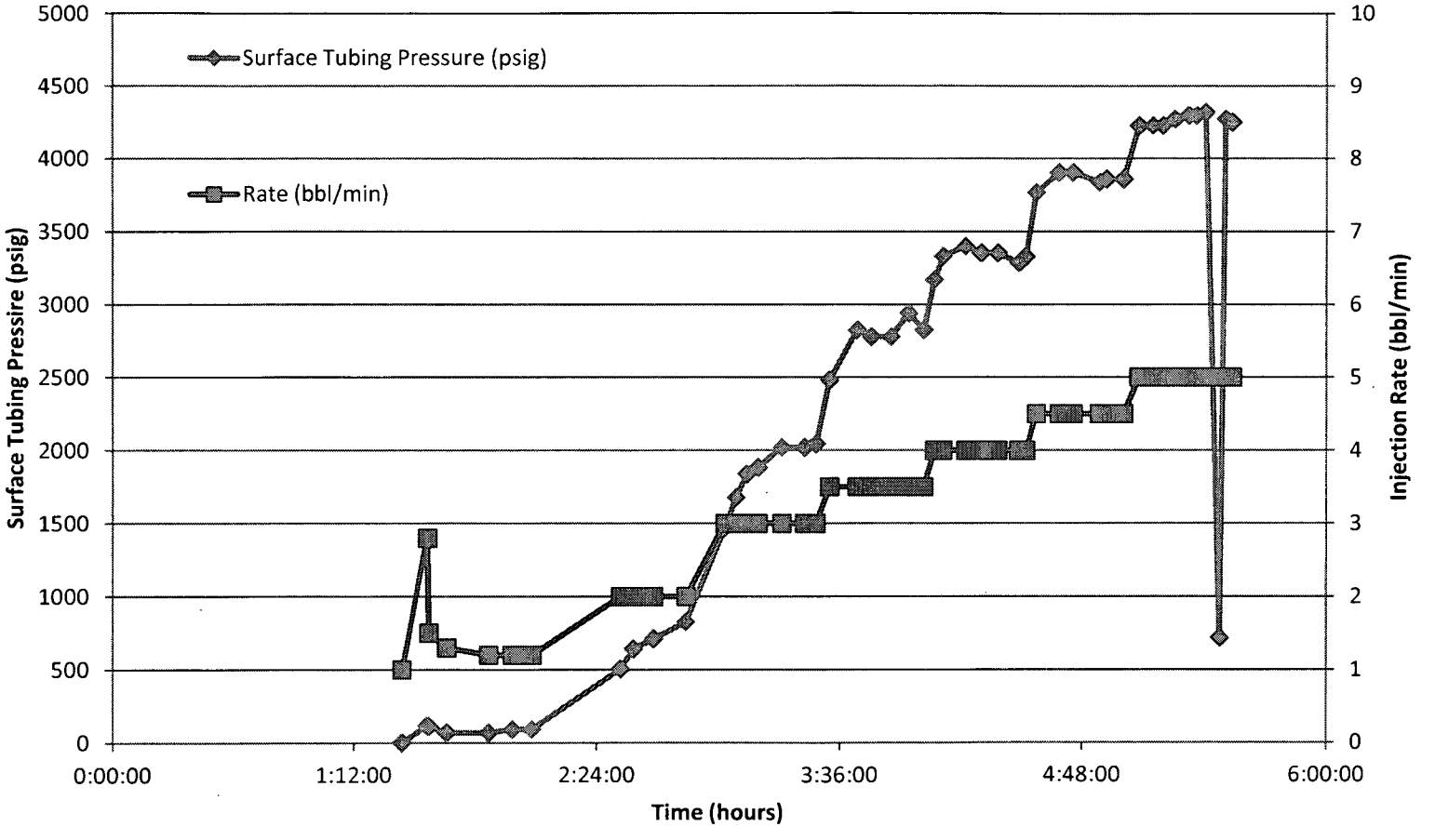
The following table summarizes rate, volume, maximum step pressure and duration for each step.

Step #	Rate (bbls/min)	Volume (bbls)	Max Step Pressure (psi)	Duration (min)	Cummulative Volume (bbls)
1	1.2	81	92	65	81
2	2.0	63	827	31	144
3	3.0	92	2044	31	236
4	3.5	108	3014	31	344
5	4.0	122	3400	30	466
6	4.5	135	3905	30	601
7	5.0	164	4319	30	747

A maximum surface pressure was recorded at 4,319 psig at an injection rate of 5 barrels per minute, and the well head pressure fell to zero within 2 minutes after injection ceased. The calculated formation fracture pressure is 3,318, as shown in Figure 2. This pressure is well above the well's MAOP of 2,644 psig approved in NMOCD Order R-12546-K.

This step rate test verifies that the Linam AGI #2 can be safely operated at the approved MAOP.

Figure 1: Summary of Step Rate Test, Linam AGI #2, January 15, 2015



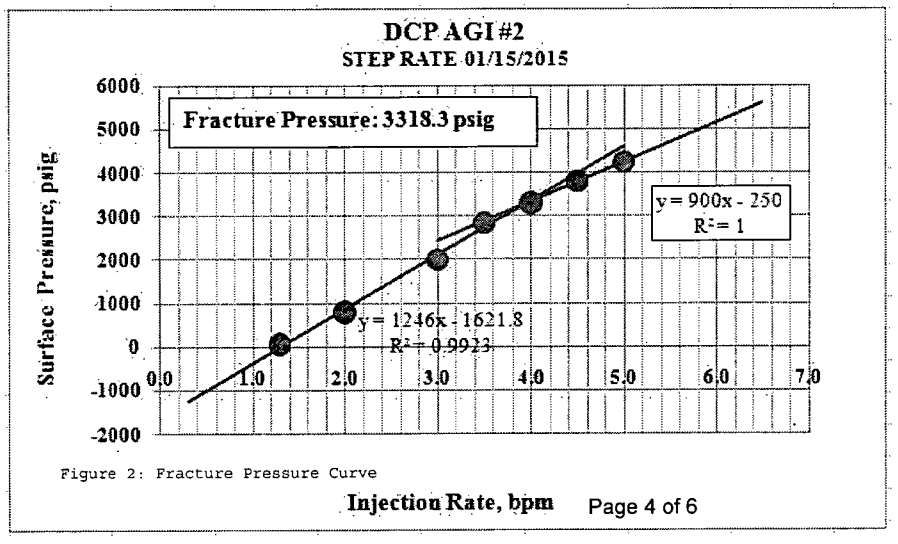


Figure 2: Fracture Pressure Curve

CPS Treatment Report

page 1

Customer:	PB ENERGY	ESO#:	BBJS9SRNUE
Well Name & No.:	LINAM RANCH AGI # 2	Formation:	WOLFCAMP
County:	LEA	Date:	January 15, 2015
State:	NM	Well type:	Injection / New / Stim.

Customer Information

Address:	16285 Park Ten Place Suite 400
City, State:	Houston Tx.
Zip Code:	77084
Customer Representative:	MICHAEL FOURIER

CUDD ENERGY SERVICES

Remarks

1470 GALS 15% HCL PUMP AWAY AND STEP RATE STAGE 1
WATCH EACH OTHERS BACK BE SAFE ALWAYS
ACID TITRATED TO 15 % 4:10 AM 1-15-2015

Arrive on Location:	6:30 AM
Depart Location:	10:30 AM
Total Hours:	4.00

	Depth	O.D	Weight	I.D		Volume	Bbls/linear ft.
Tubing 1 length ft.:	8,709	2 7/8	6.5	2.441		50.41 BBLS.	0.00579
Tubing 2 length ft.:						0.00 BBLS.	0.00000
Casing 1 length ft.:	8,765	7	26.00	6.276		2.14 BBLS.	0.03826
Casing 2 length ft.:						0.00 BBLS.	0.00000
Open Hole length ft.:		N/A	N/A			0.00 BBLS.	0.00000
Completed Depth ft.:	8,765				Annular Vol.:	BBLS.	0.03023

	Depth	Vol.				
Top Perf/Open Hole:	8,765	52.55	Maximum Pressure:	5077	ISIP:	4020
Bottom Perf/Open Hole:	9,006	61.77	Average Pressure:	4329	5 min:	919
Number of Perfs:	0		Maximum Rate:	5.1	10 min:	
Perf Size:	0.31	in.	Average Rate:	3.5	15 min:	
Packer Depth:	8,709	ft.	Fluid to Recover:	866	Proppant Total:	0

Time	STP	CASING	Rate		STAGE	Comments
9:18:01 AM	0					SAFETY MEETING
9:26:21 AM	8400	526.0			0.0	TEST LINES
9:33:57 AM	0	526.0	2.0		0.0	ON BRINE
9:35:42 AM	3629	732.0	2.0		2.9	LOADED UP
9:37:57 AM	3675	686.0	2.1		9.6	PSI CHECK
9:38:57 AM	3583	640.0	2.1		10.6	ON ACID
9:41:45 AM	3721	549.0	2.1		17.0	PSI CHECK
9:55:30 AM	3798	183.0	2.0		45.6	ON FLUSH
9:58:56 AM	4319	114.0	3.4		52.0	PSI CHECK
10:02:54 AM	5031	0.0	5.1		68.0	PSI CHECK
10:04:42 AM	5077	0.0	5.0		68.0	ACID HITTING FORMATION
10:07:06 AM	5008	0.0	5.0		90.0	PSI CHECK
10:08:02 AM	4962	0.0	5.0		93.0	PSI CHECK
10:08:44 AM	4824	0.0	5.1		98.0	PSI CHECK
10:09:55 AM	4456	0.0	5.1		103.0	PSI CHECK
10:11:11 AM	4020	0.0	0.0		107.8	SHUT DOWN
10:16:10 AM	919	0.0	0.0		107.8	5 MIN SHUT IN
10:21:11 AM	303	0.0	0.0		107.8	10 MIN SHUT IN
10:23:08 AM	0	0.0	0.0		107.8	ON VAC
1:08:28 PM	8132	23.0	0.0		0.0	TEST LINES
1:26:30 PM	0	549.0	1.0		0.0	ON WATER START STEP RATE TES
1:34:13 PM	115	526.0	2.8		9.7	LOADED UP
1:34:40 PM	115	480.0	1.5		11.0	RATE LINED OUT
1:39:49 PM	69	366.0	1.3		19.5	SLOW RATE
1:52:16 PM	69	137.0	1.2		35.0	PSI CHECK
1:59:09 PM	92	46.0	1.2		43.0	PSI CHECK
2:04:48 PM	92	23.0	1.2		50.0	PSI CHECK MAX PSI 92 PSI
2:31:09 PM	505	0.0	2.0		81.0	INCREASE RATE
2:34:59 PM	643	0.0	2.0		90.0	PSI CHECK
2:40:56 PM	712	0.0	2.0		102.0	PSI CHECK
2:50:27 PM	827	0.0	2.0		120.0	PSI CHECK MAX PSI 827 PSI
3:02:04 PM	1470	0.0	3.0		144.0	INCREASE RATE

Treatment Report Continuation

ESD #
BBJS9SRNUE

Time	STP		Rate	Stage	Total	Comments
3:05:19 PM	1677	0	3		154.0	PSI CHECK
3:08:32 PM	1838	0	3		164.0	PSI CHECK
3:11:54 PM	1884	0	3		174.0	PSI CHECK
3:18:56 PM	2021	0	3		195.0	PSI CHECK
3:25:36 PM	2021	0	3		215.0	PSI CHECK
3:29:04 PM	2044	0	3		225.0	PSI CHECK MAX PSI 2044 PSI
3:33:00 PM	2481	0	3.5		236.0	INCREASE RATE
3:41:07 PM	2825	0	3.5		265.0	PSI CHECK
3:45:28 PM	2779	0	3.5		280.0	PSI CHECK
3:51:17 PM	2779	0	3.5		300.0	PSI CHECK
3:56:28 PM	2942	0	3.5		318.0	PSI CHECK
4:01:00 PM	2825	0	3.5		330.0	PSI CHECK MAX PSI 3014 PSI
4:04:08 PM	3170	0	4		344.0	INCREASE RATE
4:06:43 PM	3331	0	4		355.0	PSI CHECK
4:13:25 PM	3400	0	4		380.0	PSI CHECK
4:18:00 PM	3354	0	4		400.0	PSI CHECK
4:22:57 PM	3354	0	4		420.0	PSI CHECK
4:29:10 PM	3285	0	4		445.0	PSI CHECK
4:31:23 PM	3331	0	4		454.0	PSI CHECK MAX PSI 3400 PSI
4:34:25 PM	3767	0	4.5		466.0	INCREASE RATE
4:41:11 PM	3905	0	4.5		496.0	PSI CHECK
4:45:21 PM	3905	0	4.5		515.0	PSI CHECK
4:53:06 PM	3836	0	4.5		550.0	PSI CHECK
4:55:17 PM	3859	0	4.5		560.0	PSI CHECK
5:00:12 PM	3859	0	4.5		583.0	PSI CHECK MAX PSI 3905 PSI
5:04:39 PM	4227	0	5		583.0	INCREASE RATE
5:08:41 PM	4227	0	5		622.0	PSI CHECK
5:11:39 PM	4227	0	5		638.0	PSI CHECK
5:15:12 PM	4273	0	5		655.0	PSI CHECK
5:19:20 PM	4296	0	5		675.0	PSI CHECK
5:21:38 PM	4296	0	5		690.0	PSI CHECK
5:24:14 PM	4319	0	5		700.0	PSI CHECK
5:28:25 PM	720	0	5		715.0	PSI CHECK
5:30:11 PM	4273	0	5		730.0	PSI CHECK
5:32:10 PM	4250	0	5		740.0	PSI CHECK
5:33:39 PM	4227	0	5		747.0	PSI CHECK
5:36:57 PM	3700	0	0		747.0	SHUT DOWN
5:38:24 PM	0	0	0		747.0	VAC
		0	0		747.0	10 MIN SHUT IN