HOBBS OCD

APR 18 2017

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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 July 18, 2013

WELL API NO.
Zia AGI #1 30-025-42208
Zia AGI D#2 30-025-42207

5. Indicate Type of Lease BLM ✓ STATE ☐ FEE ☐

6. State Oil & Gas Lease No. NMLC065863

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: Zia AGI

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

8. Well Number #1 and D#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
#1 AGI: Cherry Canyon/Brushy Canyon
D#2 AGI: Devonian/Fusselman/Montoya

4. Well Location Surface

Zia AGI#1 Unit Letter L : 2,100 feet from the SOUTH line and 950 feet from the WEST line

Zia AGI D#2 Unit Letter L : 1893 feet from the SOUTH line and 950 feet from the WEST line

Section 19 Township 19S Range 32E NMPM County Lea

11. Elevation *(Show whether DR, RKB, RT, GR, etc.)*
3,550 (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	☐						
CLOSED-LOOP SYSTEM	☐						
OTHER:	☐			OTHER: Quarterly Injection Data Reports	☒		

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. **Well bore Diagrams attached.**

Zia AGI#1 MAOP 2233 psig NMOCC Order R-13809 / Zia AGI D#2 MAOP 5208psig NMOCC Order R-14207

Quarterly Report for the period from January 1 through March 31, 2017 Pursuant to NMOCC Orders 13809 and 14207 for Zia AGI #1 and AGI D#2, respectively.

This report includes the data and analysis of surface injection pressure, TAG temperature, casing annular pressure as well as downhole injection pressure, temperature and annular pressure for the Zia AGI#1 and for the Zia AGI D#2 (which was brought online in February 2017. This will be the primary well for this facility with the Zia AGI#1 to be used only as a redundant and backup well. The Zia AGI #1 well is operated normally until AGI D#2 was commissioned and flow directed to it on February 7, 2017. Based on surface injection/annular pressure and their current MITs both wells show excellent integrity. Since the original installation and continuing through this quarter the well experienced several data transmission losses and downhole sensor communication issues occurred in the #1 well. The D#2 well has a different style and manufacturer down hole gauge set up which appears more reliable than the #1 well. For the first quarter 2017, the values for injection parameters are generally stable and yielded the following results which are graphed in detail in attached Figures 1 through 10. All of the average values presented below are averages when the well was in operation.

:

AGI#1 Surface Measurements: Average TAG Injection Pressure: 2154 psig, Average Annular Pressure: 132 psig, Average Pressure Differential: 2127 psig, Average Tag Temperature: 91°F, Average TAG injection rate: 2.52 MMSCFD.

AGI#1 Downhole Measurements: Average bottom hole pressure 4025 psig, Average annular bottom hole pressure: 1960 psig, Average bottom hole TAG Temperature: 98°F, Average Downhole Pressure Differential 2065 psig.

AGI D#2 Surface Measurements: Average TAG Injection Pressure: 1337 psig, Average Annular Pressure: 204 psig, Average Pressure Differential: 2127 psig, Average Tag Temperature: 99°F, Average TAG injection rate: 2.49 MMSCFD.

AGI D#2 Downhole Measurements: Average bottom hole pressure 6051 psig, Average bottom hole TAG Temperature: 171°F, Average Downhole Pressure Differential 1132 psig.

The data gathered throughout the first quarter of normal operations in 2017 demonstrate the correlative behavior of the annular pressure with the flowrate, injection pressure and temperature and also show the sensitive and correlative response of the annular pressure confirming that both wells have good integrity and are functioning appropriately within the requirements of their respective NMOCC orders. No mechanical changes to the AGI#1 well or wellhead have been made since the last quarterly report. This quarterly report is the first one to include the AGI D#2 which was brought into service on February 7, 2017 as the primary AGI well for the Zia Plant. Immediate notification parameters and the initial MIT for this well were approved in January 2017 after the well was tested and completed. Testing, completion and immediate notification parameters were approved by NMOCD and testing and completion were also approved by the BLM.

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 LP DATE 4/20/2017

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

For State Use Only

APPROVED BY: Maley G Brown TITLE AO / II DATE 4/20/2017

Conditions of Approval (if any):

Accepted for Record Only

FIGURE 1: ZIA AGI #1 AND AGI #D2 INJECTION RATES WHILE OPERATING

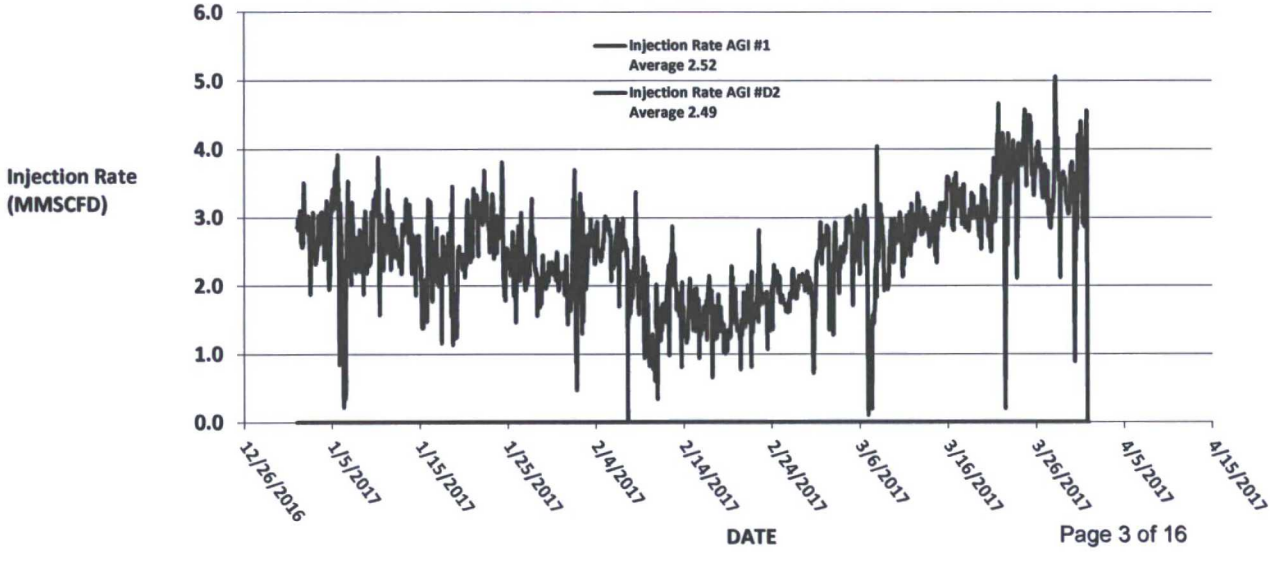


FIGURE 2: ZIA AGI #1 SURFACE INJECTION PRESSURE, ANNULAR PRESSURE AND INJECTION RATE

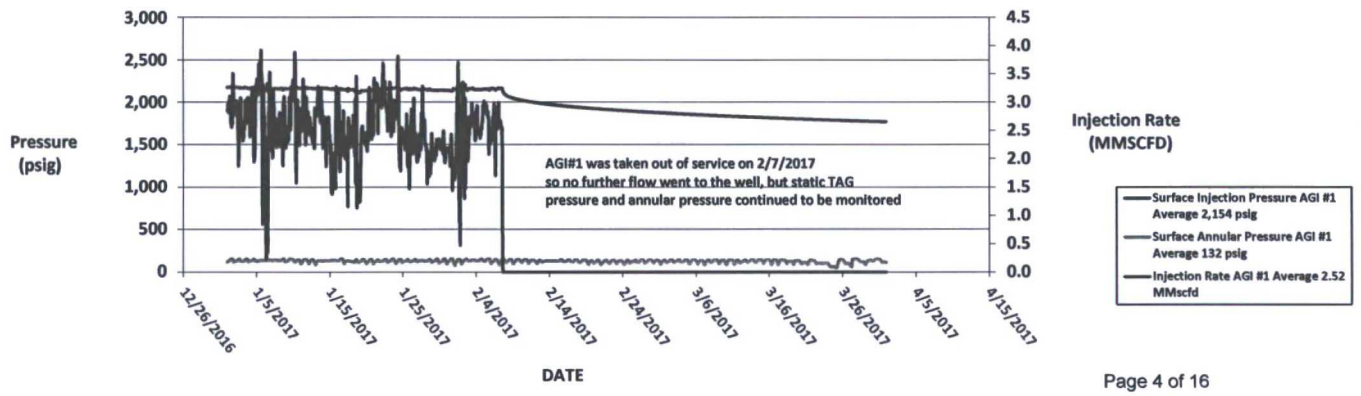


FIGURE 3: ZIA AGI #1 SURFACE INJECTION PRESSURE, ANNULAR PRESSURE AND INJECTION TEMPERATURE

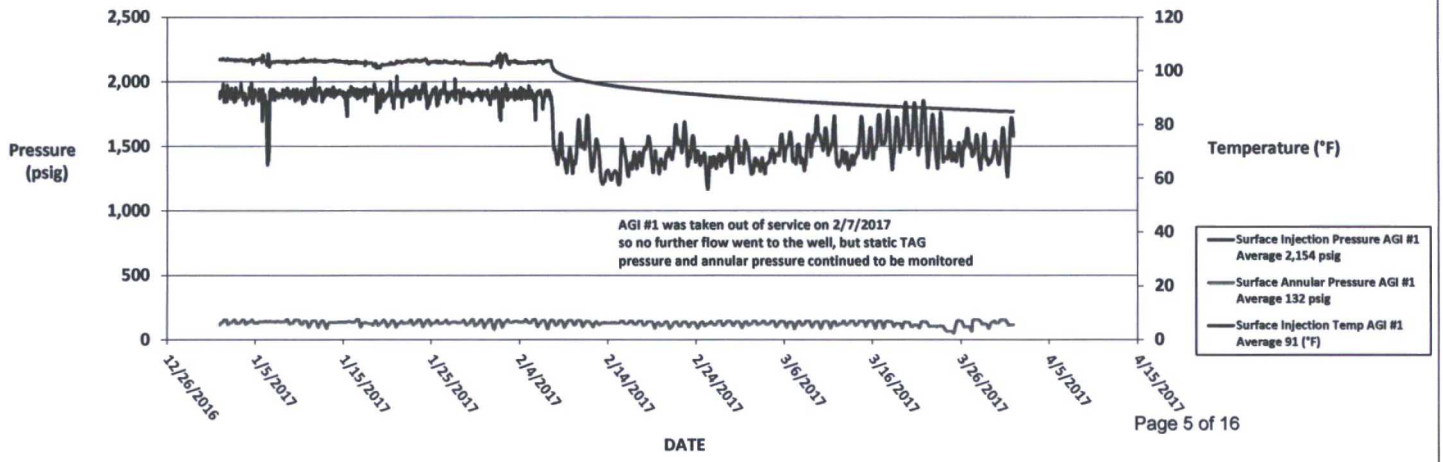


FIGURE 4: ZIA AGI #1 SURFACE INJECTION PRESSURE AND BOTTOM HOLE PRESSURE

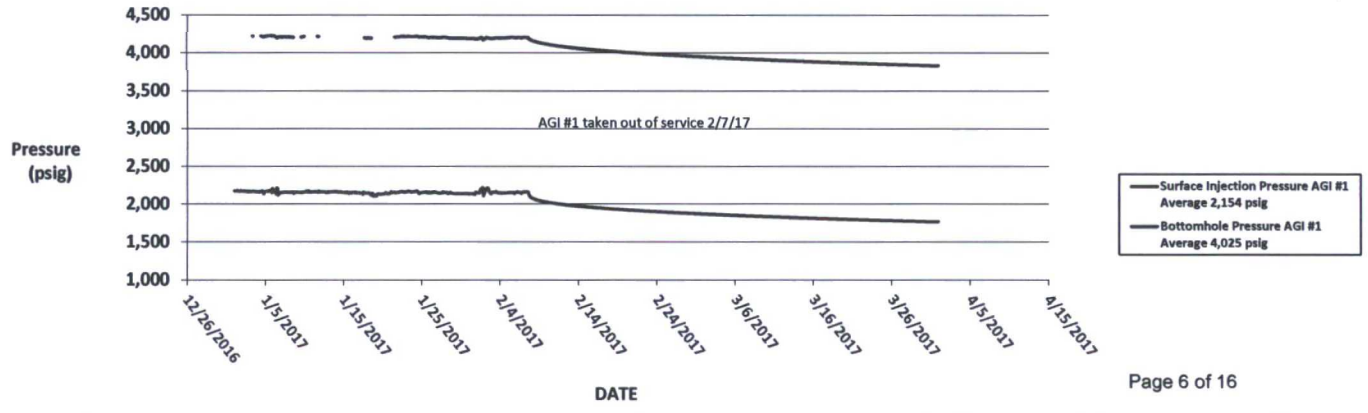


FIGURE 5: ZIA AGI #D2 SURFACE INJECTION PRESSURE, ANNULAR PRESSURE AND INJECTION RATE

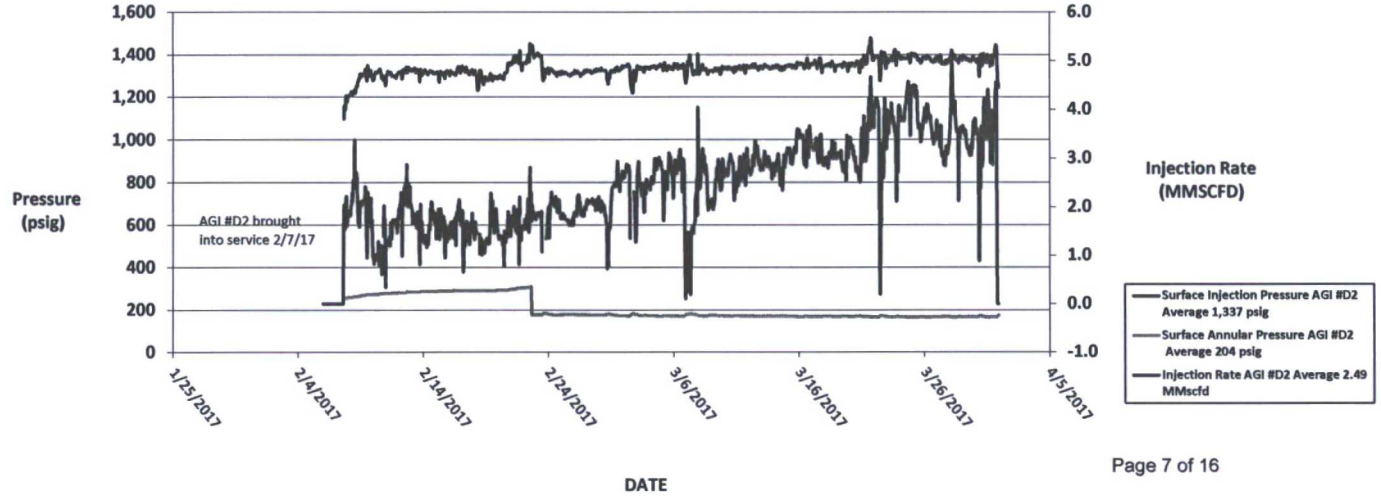


FIGURE 6: ZIA AGI #D2 SURFACE INJECTION PRESSURE, ANNULAR PRESSURE AND INJECTION TEMPERATURE

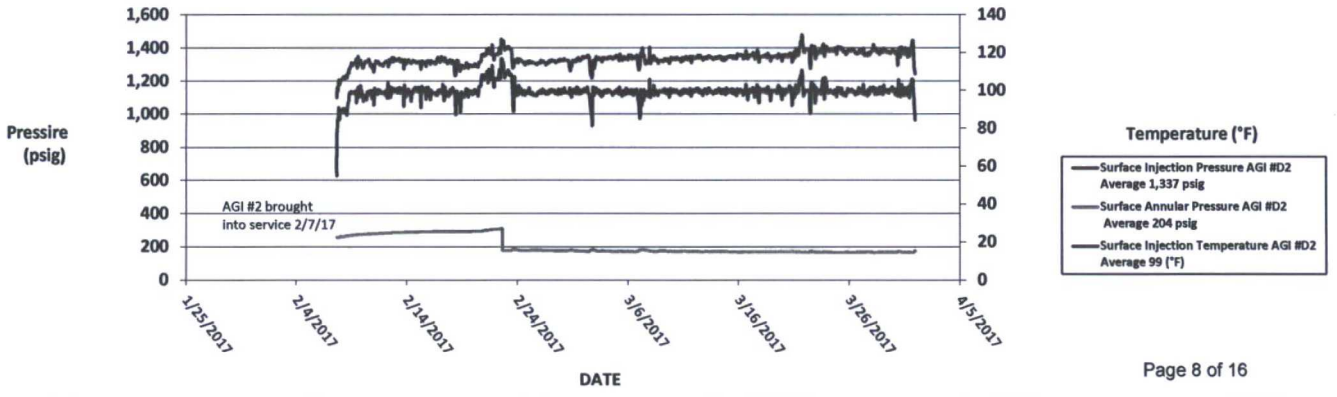


FIGURE 7: ZIA AGI #D2 SURFACE INJECTION PRESSURE AND BOTTOM HOLE PRESSURE

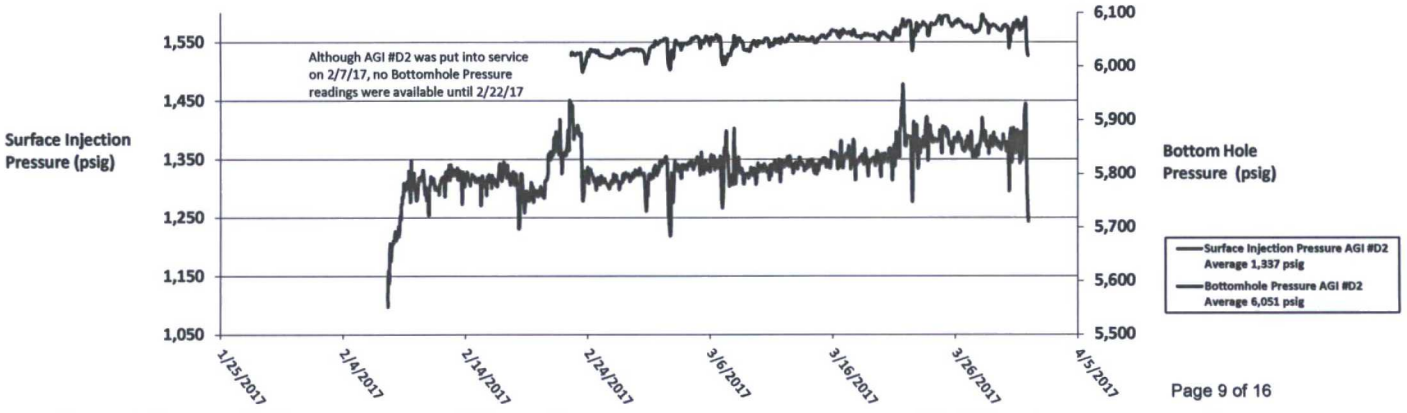


FIGURE 8: ZIA AGI #1 BOTTOM HOLE PRESSURE AND TEMPERATURE

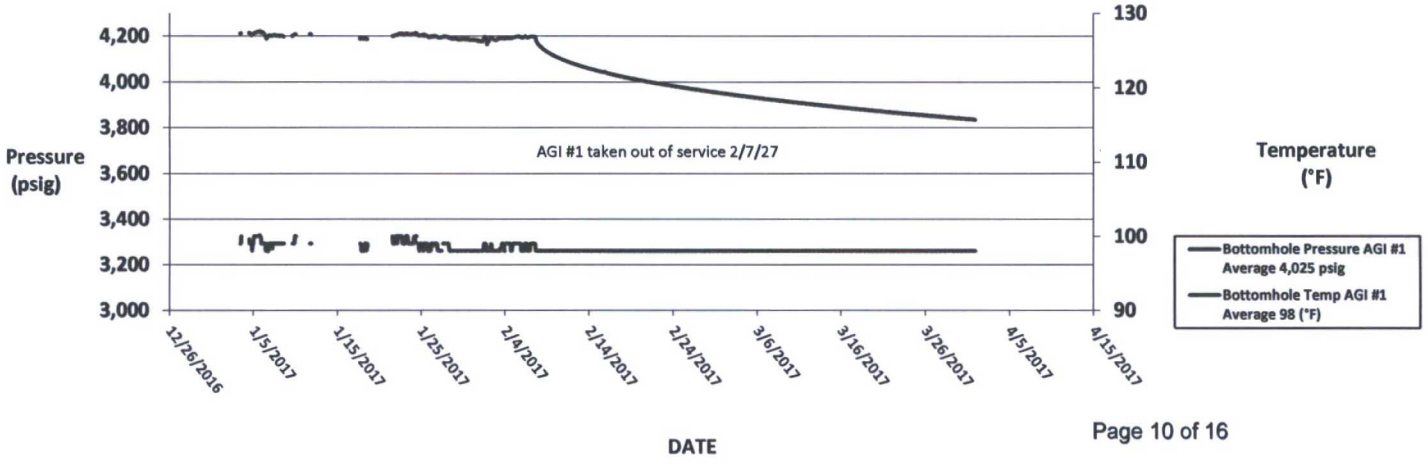


FIGURE 9: ZIA AGI #2D BOTTOM HOLE PRESSURE AND TEMPERATURE

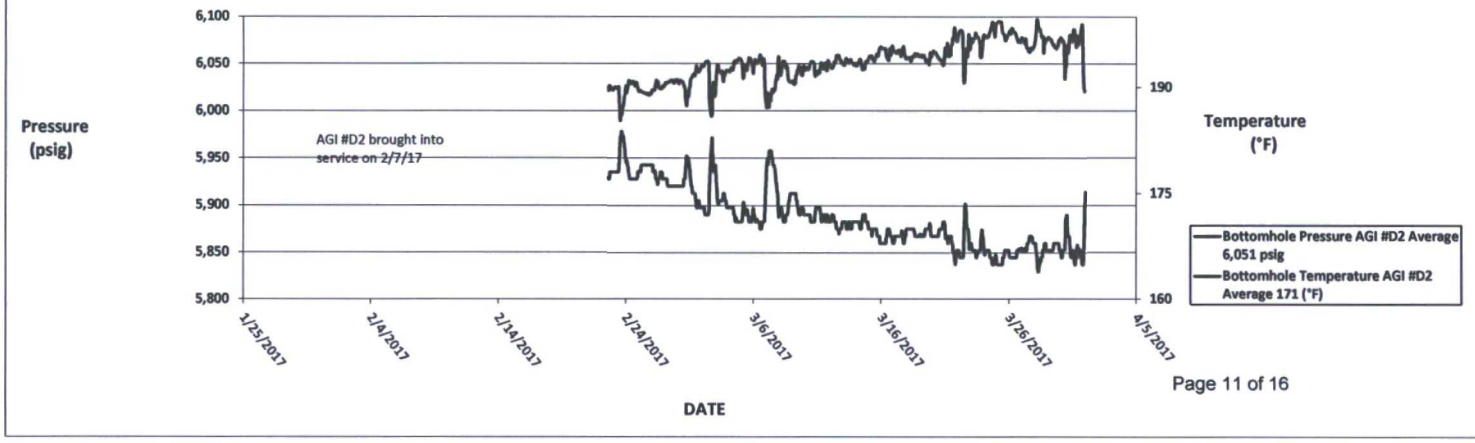
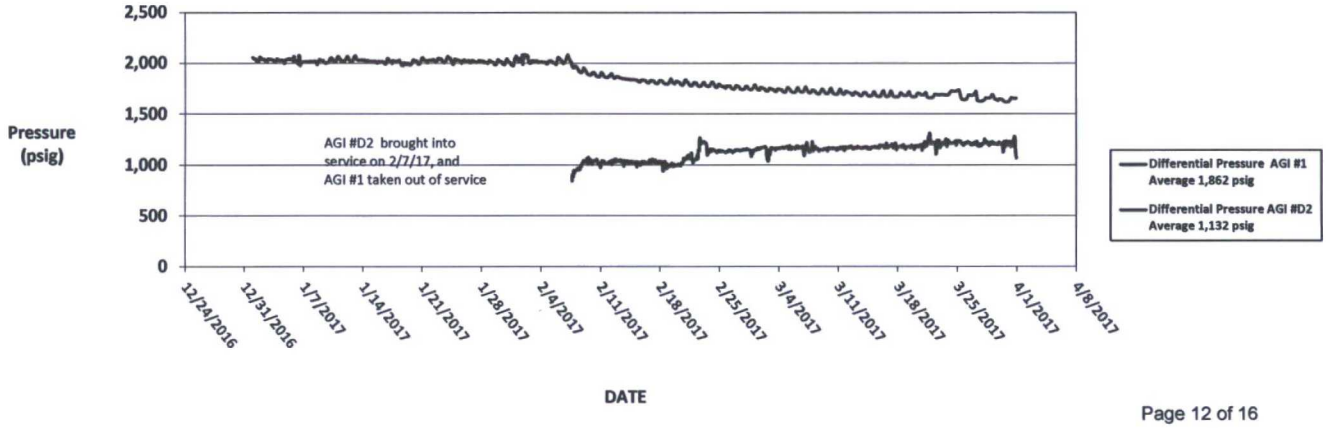


FIGURE 10: ZIA AGI #1 AND #2D DIFFERENTIAL PRESSURE



WELL SCHEMATICS

Zia AGI#1 **API# 30-025-42208**

Zia AGI D#2 **API# 30-025-42207**

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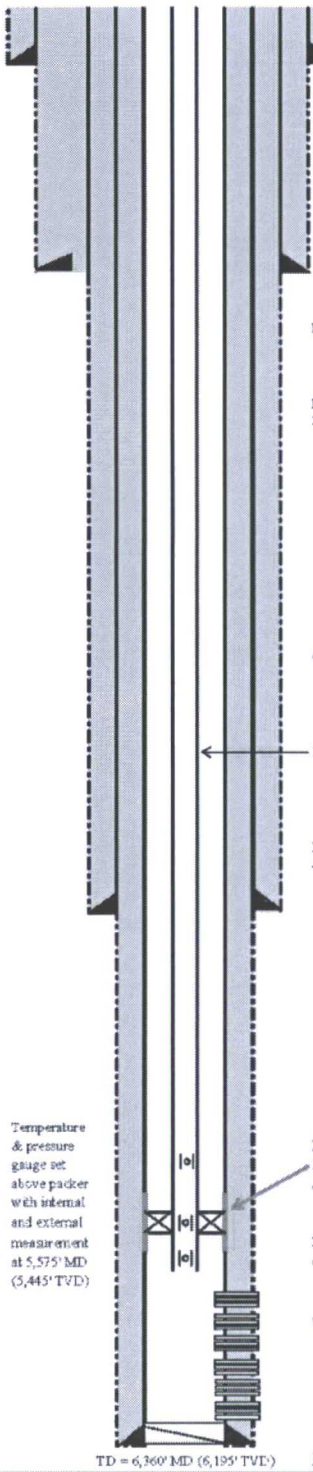
Figure 3: ZIA AGI #1 AS-BUILT WELL SCHEMATIC

dcp Midstream

Location:	DCP Zia AGI #1 (API 30-025-42208)
STR	Section 19(L), T19S-R32E (2100' FSL & 950' FWL)
County, St.:	LEA COUNTY, NEW MEXICO

16.2 DEGREE SLANT



CONDUCTOR CASING
20" Conductor at 120' (cement to surface)

SURFACE CASING
13 3/8", 68.0#/ft, J55, BTC at 842' (cement to surface)

ANNULAR FLUID:
Diesel Fuel from top of packer to surface

INTERMEDIATE CASING:
9 5/8", 40.0 #/ft, J55, LT&C at 4,921' (4,830 Ft TVD) cement to surface

PRODUCTION CASING:
7 5/8", 29.7 #/ft, HCL-80 LT&C, Surf. To 319' (MTD)
7", 26 #/ft, HCL-80 LT&C, 319' to 5,306' (MTD)
7", 26 #/ft, 28Cr VAM TOP, 5,306' to 5,615' (MTD)
7", 26 #/ft, HCL-80 LT&C, 5,615' to 6,344' (MTD) cement to surface

TUBING:
Subsurface Safety Valve at 242' MD (242' TVD)
3 1/2", 9.3#/ft, L-80 Fiberglass Lined Tubing surf. to 5,443' MD, ID=2.684", Drift=2.559"
3 1/2", 9.3#/ft, SM2550 from 5,443' to 5,575' MD
All tubing to include premium threads utilizing metal to metal sealing in collars

PACKER:
Permanent Production Packer @ 5,579' MD (5,450' TVD)
Adj. Choke (if needed, placed in nipple below packer)
Check valve (if needed, placed in nipple below packer)

PERFORATIONS:
MD
5,682' - 5,756' complete and inject
5,788' - 5,890' complete and inject
5,907' - 6,010' complete and inject
6,030' - 6,136' complete and inject
6,162' - 6,260' complete and inject

NOT TO SCALE

Bottom Hole Location: Section 19(O), T19S, R32E (2,099' FNL & 862' FWL)

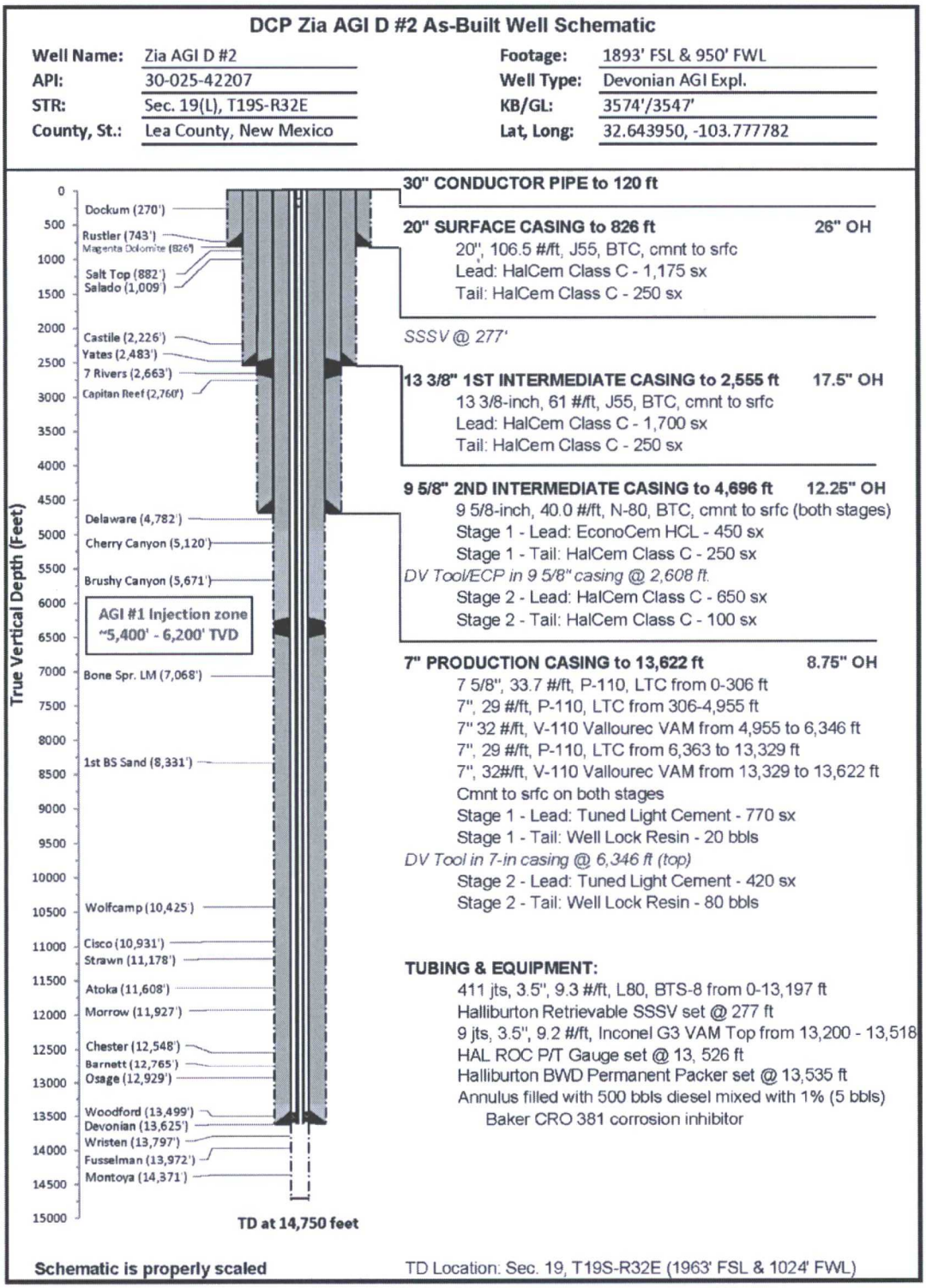


FIGURE 3: Zia AGI D #2 as-built well schematic

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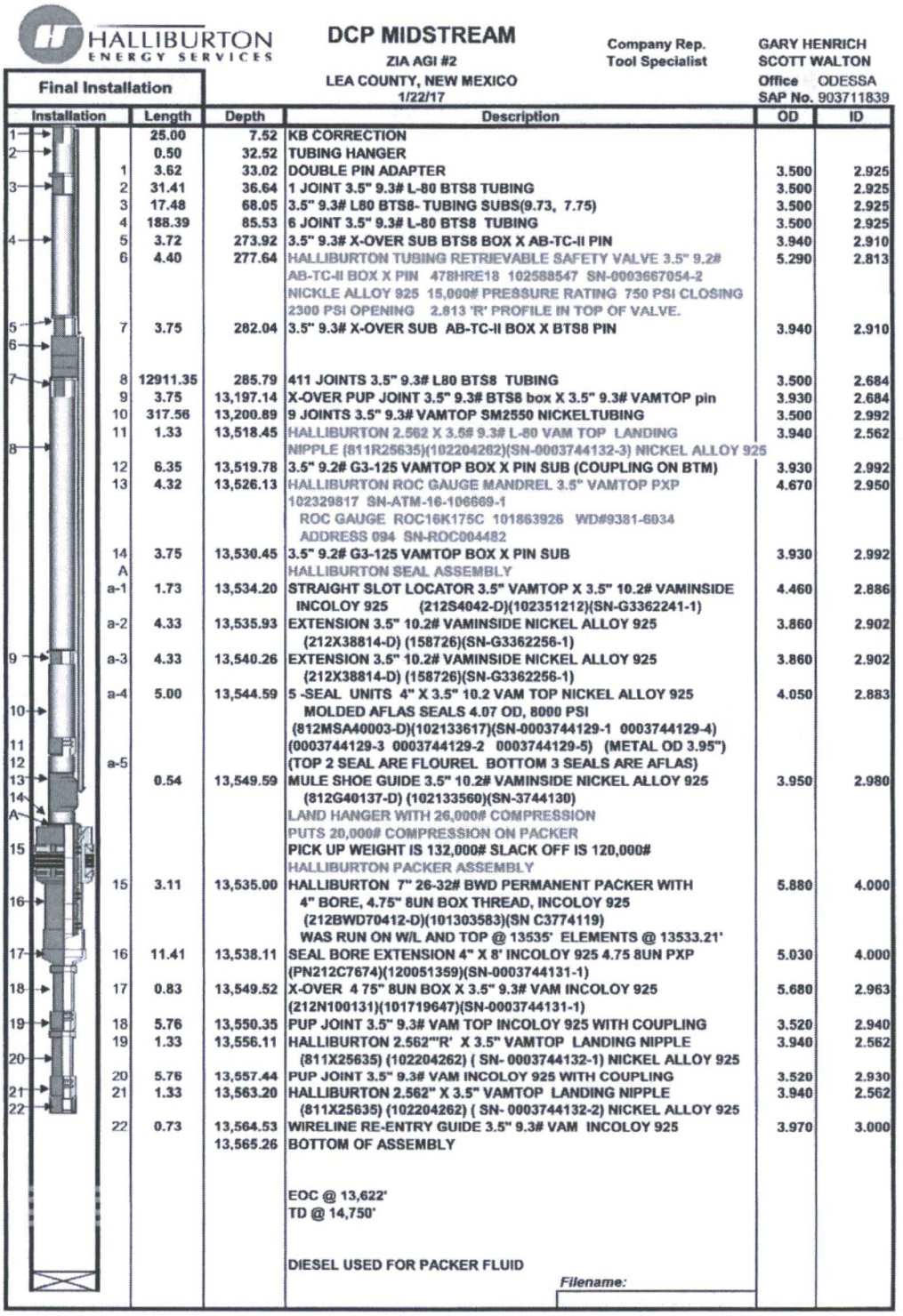

HALLIBURTON ENERGY SERVICES

DCP MIDSTREAM
ZIA AGI #2
LEA COUNTY, NEW MEXICO
1/22/17

Company Rep. GARY HENRICH
Tool Specialist SCOTT WALTON
Office ODESSA
SAP No. 903711839

Final Installation

Installation		Length	Depth	Description	OD	ID
1		25.00	7.52	KB CORRECTION		
2		0.50	32.52	TUBING HANGER		
	1	3.62	33.02	DOUBLE PIN ADAPTER	3.500	2.925
3	2	31.41	36.64	1 JOINT 3.5" 9.3# L-80 BTS8 TUBING	3.500	2.925
	3	17.48	68.05	3.5" 9.3# L80 BTS8- TUBING SUBS(9.73, 7.75)	3.500	2.925
	4	188.39	85.53	6 JOINT 3.5" 9.3# L-80 BTS8 TUBING	3.500	2.925
4	5	3.72	273.92	3.5" 9.3# X-OVER SUB BTS8 BOX X AB-TC-II PIN	3.940	2.910
	6	4.40	277.64	HALLIBURTON TUBING RETRIEVABLE SAFETY VALVE 3.5" 9.2# AB-TC-II BOX X PIN 478HRE18 102588547 SN-0003667054-2 NICKLE ALLOY 925 15,000# PRESSURE RATING 750 PSI CLOSING 2300 PSI OPENING 2.813 'R' PROFILE IN TOP OF VALVE.	5.290	2.813
5	7	3.75	282.04	3.5" 9.3# X-OVER SUB AB-TC-II BOX X BTS8 PIN	3.940	2.910
6						
7	8	12911.35	285.79	411 JOINTS 3.5" 9.3# L80 BTS8 TUBING	3.500	2.684
	9	3.75	13,197.14	X-OVER PUP JOINT 3.5" 9.3# BTS8 box X 3.5" 9.3# VAMTOP pin	3.930	2.684
	10	317.56	13,200.89	9 JOINTS 3.5" 9.3# VAMTOP SM2550 NICKELTUBING	3.500	2.992
	11	1.33	13,518.45	HALLIBURTON 2.562 X 3.5# 9.3# L-80 VAM TOP LANDING NIPPLE (811R25635)(102204262)(SN-0003744132-3) NICKEL ALLOY 925	3.940	2.562
8	12	6.35	13,519.78	3.5" 9.2# G3-125 VAMTOP BOX X PIN SUB (COUPLING ON BTM)	3.930	2.992
	13	4.32	13,526.13	HALLIBURTON ROC GAUGE MANDREL 3.5" VAMTOP PXP 102329817 SN-ATM-16-106669-1 ROC GAUGE ROC16K175C 101863926 WD#9381-6034 ADDRESS 094 SN-ROC004482	4.670	2.950
	14	3.75	13,530.45	3.5" 9.2# G3-125 VAMTOP BOX X PIN SUB	3.930	2.992
	A			HALLIBURTON SEAL ASSEMBLY		
	a-1	1.73	13,534.20	STRAIGHT SLOT LOCATOR 3.5" VAMTOP X 3.5" 10.2# VAMINSIDE INCOLOY 925 (212S4042-D)(102351212)(SN-G3362241-1)	4.460	2.886
	a-2	4.33	13,535.93	EXTENSION 3.5" 10.2# VAMINSIDE NICKEL ALLOY 925 (212X38814-D) (158726)(SN-G3362256-1)	3.860	2.902
9	a-3	4.33	13,540.26	EXTENSION 3.5" 10.2# VAMINSIDE NICKEL ALLOY 925 (212X38814-D) (158726)(SN-G3362256-1)	3.860	2.902
	a-4	5.00	13,544.59	5 -SEAL UNITS 4" X 3.5" 10.2 VAM TOP NICKEL ALLOY 925 MOLDED AFLAS SEALS 4.07 OD, 8000 PSI (812MSA40003-D)(102133617)(SN-0003744129-1 0003744129-4) (0003744129-3 0003744129-2 0003744129-5) (METAL OD 3.95") (TOP 2 SEAL ARE FLOUREL BOTTOM 3 SEALS ARE AFLAS)	4.050	2.883
10						
11						
12	a-5					
13		0.54	13,549.59	MULE SHOE GUIDE 3.5" 10.2# VAMINSIDE NICKEL ALLOY 925 (812G40137-D) (102133560)(SN-3744130)	3.950	2.980
14						
A				LAND HANGER WITH 26,000# COMPRESSION PUTS 20,000# COMPRESSION ON PACKER PICK UP WEIGHT IS 132,000# SLACK OFF IS 120,000#		
15				HALLIBURTON PACKER ASSEMBLY		
	15	3.11	13,535.00	HALLIBURTON 7" 26-32# BWD PERMANENT PACKER WITH 4" BORE, 4.75" 8UN BOX THREAD, INCOLOY 925 (212BWD70412-D)(101303583)(SN C3774119) WAS RUN ON W/L AND TOP @ 13535' ELEMENTS @ 13533.21'	5.880	4.000
16						
17	16	11.41	13,538.11	SEAL BORE EXTENSION 4" X 8' INCOLOY 925 4.75 8UN PXP (PN212C7674)(120051359)(SN-0003744131-1)	5.030	4.000
18	17	0.83	13,549.52	X-OVER 4 75" 8UN BOX X 3.5" 9.3# VAM INCOLOY 925 (212N100131)(101719647)(SN-0003744131-1)	5.680	2.963
19	18	5.76	13,550.35	PUP JOINT 3.5" 9.3# VAM TOP INCOLOY 925 WITH COUPLING	3.520	2.940
	19	1.33	13,556.11	HALLIBURTON 2.562"'R' X 3.5" VAMTOP LANDING NIPPLE (811X25635) (102204262) (SN- 0003744132-1) NICKEL ALLOY 925	3.940	2.562
20						
	20	5.76	13,557.44	PUP JOINT 3.5" 9.3# VAM INCOLOY 925 WITH COUPLING	3.520	2.930
21	21	1.33	13,563.20	HALLIBURTON 2.562" X 3.5" VAMTOP LANDING NIPPLE (811X25635) (102204262) (SN- 0003744132-2) NICKEL ALLOY 925	3.940	2.562
22						
	22	0.73	13,564.53	WIRELINE RE-ENTRY GUIDE 3.5" 9.3# VAM INCOLOY 925	3.970	3.000
			13,565.26	BOTTOM OF ASSEMBLY		
				EOC @ 13,622' TD @ 14,750'		
				DIESEL USED FOR PACKER FLUID		

Filename:

FIGURE 4: Zia AGI D #2 as-built injection tubing and equipment schematic

GEOLEX INCORPORATED

dcp Midstream

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Acid Gas Injection Well Report

Zia 2

Source : DCS
All values are hourly averages.

	January through March 2017									January through March 2017								
	Zia AGI #1 (API# 30-025-42208)									Zia AGI D#2 (API# 30-025-42207)								
	Surface				Downhole					Surface				Downhole				Differential Pressure Surface vs Annular
	Wellhead			Annular	Annular		Injection			Wellhead			Annular	Injection				
Hour	Injection Rate AGI #1	Surface Injection Pressure AGI #1	Surface Injection Temp AGI #1	Surface Annular Pressure AGI #1	Bottomhole Annular Pressure AGI #1	Bottomhole Annular Temp AGI #1 (°F)	Bottomhole Pressure AGI #1	Bottomhole Temp AGI #1	Notes on Deviations	Injection Rate AGI #D2	Surface Injection Pressure AGI #D2	Surface Injection Temperature AGI #D2	Surface Annular Pressure AGI #D2	Bottomhole Pressure AGI #D2	Bottomhole Temperature AGI #D2	Notes on Deviations	Differential Pressure AGI #1	Differential Pressure AGI #D2
Averages	Average 2.52	Average 2,154	Average 91	Average 132	Average 1,960	Average 98	Average 4,025	Average 98		Average 2.49	Average 1,337	Average 99	Average 204	Average 6,051	Average 171		Average 1,862	Average 1,132
Units of Measure	MMscfd	psig	(°F)	psig	psig	(°F)	psig	(°F)		MMscfd	psig	(°F)	psig	psig	(°F)		psig	psig
Sensor #	FI1680	PI1682	TI1680	PI1686	PI1688	TI1682	PI1690	TI1684		FI1681	PI1683	TI1681	PI1685	PI1691	TI1685			
1/1/17 12 AM	2.854	2,171	89.79	114.89						0.000							2,056	
1/1/17 1 AM	2.849	2,174	92.28	119.97						0.000							2,054	
1/1/17 2 AM	2.863	2,174	90.42	123.89						0.000							2,050	
1/1/17 3 AM	2.964	2,173	90.90	126.78						0.000							2,046	
1/1/17 4 AM	2.835	2,172	91.24	129.02						0.000							2,043	