State of New Mexico
Energy, Minerals and Natural Resources

HOBBS OCD

OIL CONSERVATION DIVISION

JAN 17 2018

1220 South St. Francis Dr.
Santa Fe, NM 87505

RECEIVED

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.) 1. Type of Well: Oil Well ☐ Gas Well ☐ Other: Acid Gas Injection Well ☒	7. Lease Name or Unit Agreement Name Zia AGI 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 October 1 through December 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 for Q4 2017. AGI D#2 is the primary well for this facility with the Zia AGI#1 to be used only as a redundant and backup well. In August the static TAG in the inactive AGI#1 was displaced into the reservoir with methanol to reduce corrosion potential. Based on data for surface injection/annular pressure and their current MITs both wells continue to show excellent integrity. The downhole pressure decline observed in the AGI#1 well is due to the lack of use of the well during the period, and the fall off in the reservoir is slow due to the relatively low permeability of the Delaware zone. For the fourth 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 values presented below are averages for the static conditions in the AGI #1 since the well was not in operation for the entire reporting period. This results in the negative pressure differential in AGI#1 as shown and explained in Figure 10. Only AGI D#2 was operated during this quarter and its average values represent the operational condition of the well.

AGI#1 Surface Measurements (inactive): Average TAG Line Pressure: 2 psig, Average Annular Pressure: 191 psig, Average Pressure Differential: -189 psig, Average Tag Line Temperature: 66°F, Average TAG injection rate: 0.00 MMSCFD (not in use this quarter).
AGI#1 Downhole Measurements (inactive): Average bottom hole pressure 3481 psig, Average annular bottom hole pressure: 2267 psig, Average bottom hole TAG Temperature: 98°F, Average Downhole Pressure Differential -189 psig.

AGI D#2 Surface Measurements: Average TAG Injection Pressure: 1448 psig, Average Annular Pressure: 170 psig, Average Pressure Differential: 1278 psig, Average Tag Temperature: 104°F, Average TAG injection rate: 3.8 MMSCFD.
AGI D#2 Downhole Measurements: Average bottom hole pressure 6093 psig, Average bottom hole TAG Temperature: 166°F.

Only AGI D#2 was operated during this reporting period. The data gathered throughout the fourth 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 either well or wellhead have been made since the last quarterly report. Well AGI D#2 displays excellent reservoir characteristics easily accommodating the required volumes of TAG from the facility. This well will be used as the primary disposal well for the facility with the AGI #1 well being operated as needed to confirm functionality and to allow for any required future maintenance on the AGI D#2 well.

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 1/15/2018

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

For State Use Only

APPROVED BY: **Accepted for Record Only** TITLE _____ DATE _____

Conditions of Approval (if any):

MBrown 1/18/2018

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

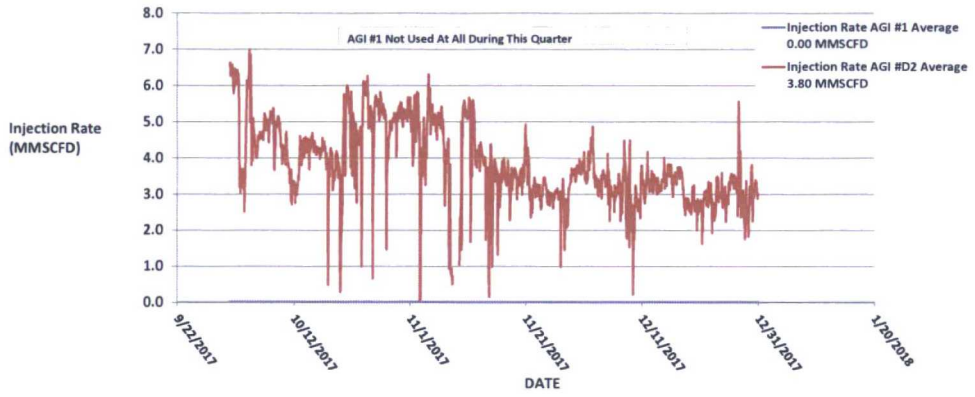


FIGURE 2: ZIA AGI #1 SURFACE INJECTION PRESSURE, ANNULAR PRESSURE AND INJECTION RATE

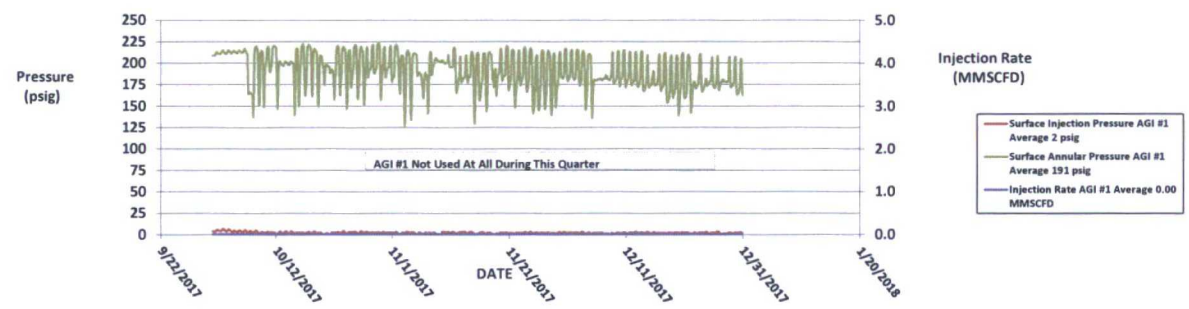


FIGURE 3: ZIA AGI #1 SURFACE INJECTION PRESSURE, ANNULAR PRESSURE AND INJECTION TEMPERATURE

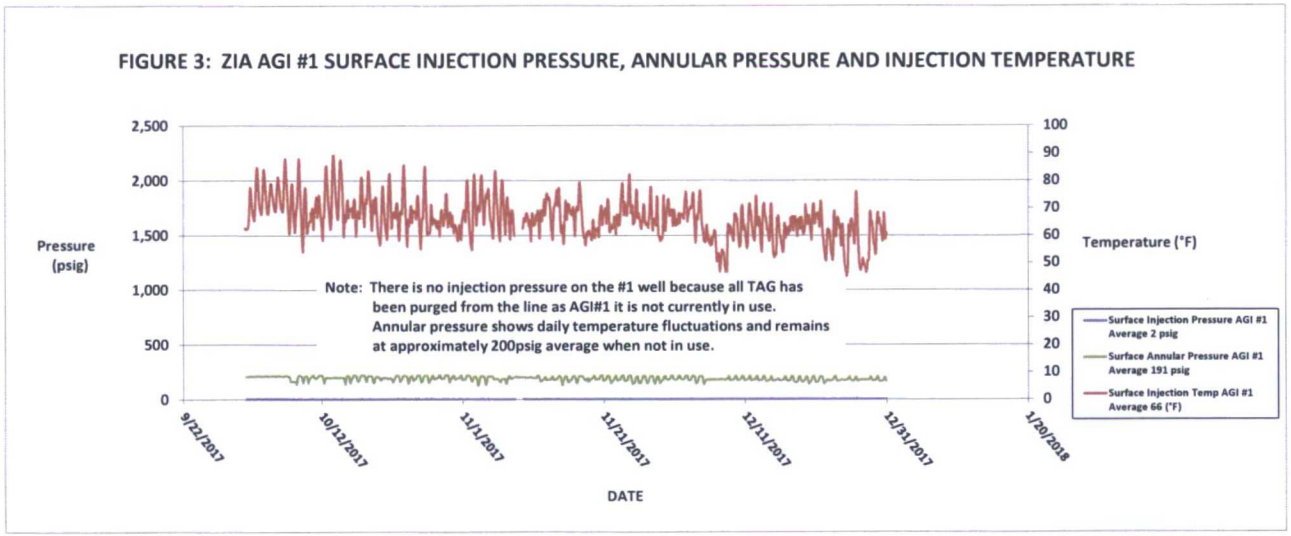


FIGURE 4: ZIA AGI #1 SURFACE INJECTION PRESSURE AND BOTTOM HOLE PRESSURE

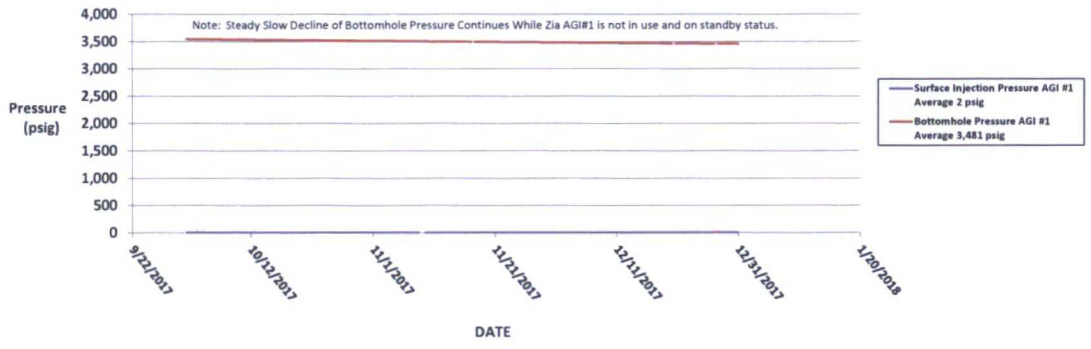


FIGURE 5: ZIA AGI #D2 SURFACE INJECTION PRESSURE, ANNULAR PRESSURE AND INJECTION RATE

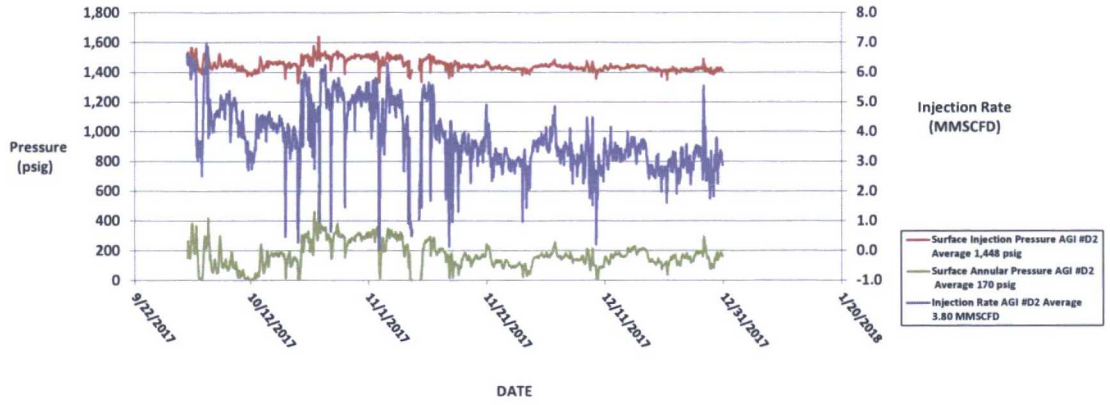


FIGURE 6: ZIA AGI #D2 SURFACE INJECTION PRESSURE, ANNULAR PRESSURE AND INJECTION TEMPERATURE

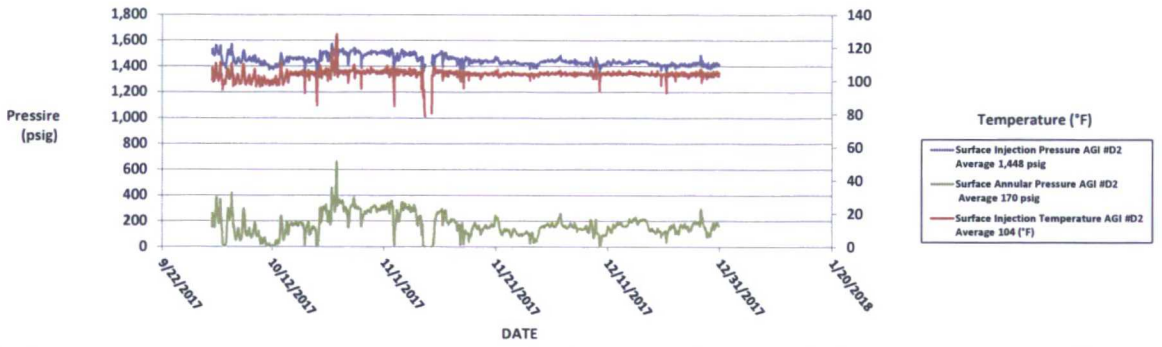


FIGURE 7: ZIA AGI #D2 SURFACE INJECTION PRESSURE AND BOTTOM HOLE PRESSURE

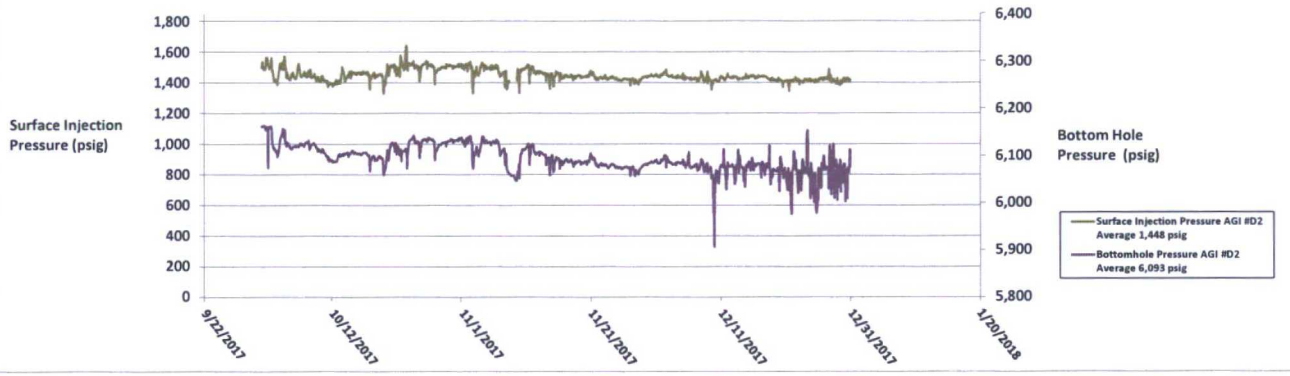


FIGURE 8: ZIA AGI #1 BOTTOM HOLE PRESSURE AND TEMPERATURE

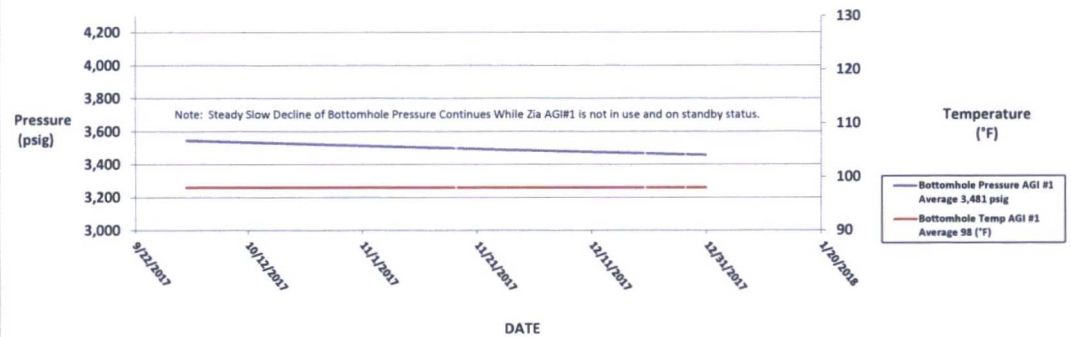


FIGURE 9: ZIA AGI #D2 BOTTOM HOLE PRESSURE AND TEMPERATURE

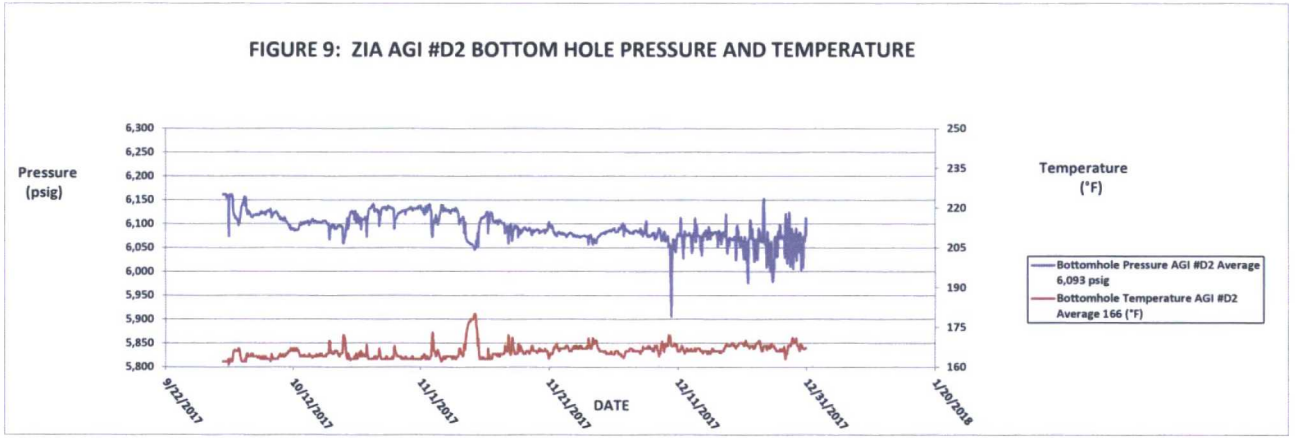
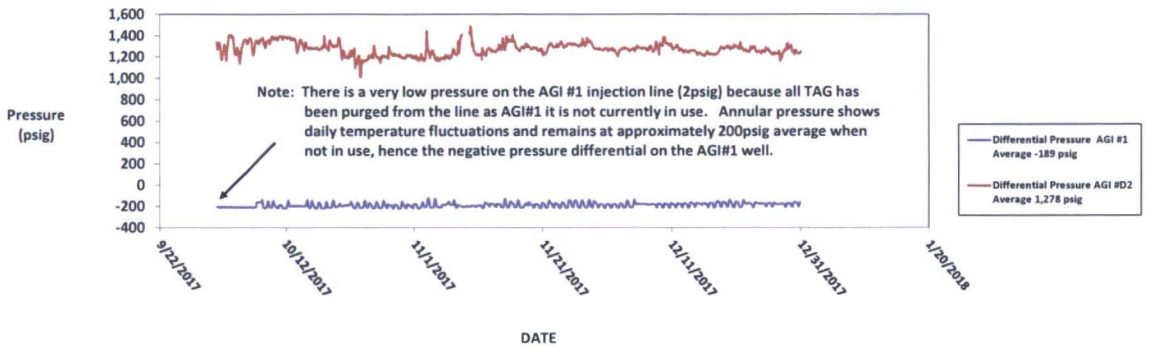


FIGURE 10: ZIA AGI #1 AND #D2 DIFFERENTIAL PRESSURE



Generated on 1/17/2018 at 7:12 AM

Acid Gas Injection Well Report

Zia 2

Source : DCS
All values are hourly averages.

	October through December 2017									October through December 2017							
	Zia AGI #1 (API# 30-025-42208)									Zia AGI D#2 (API# 30-025-42207)							
	Surface				Downhole					Surface				Downhole			
	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	Different Surface Differential Pressure AGI #1
Averages	Average 0.00	Average 2	Average 66	Average 191	Average 2,267	Average 98	Average 3,481	Average 98		Average 3.80	Average 1,448	Average 104	Average 170	Average 6,093	Average 166		Average -189
Units of Measure	MMSCFD	psig	(°F)	psig	psig	(°F)	psig	(°F)		MMSCFD	psig	(°F)	psig	psig	(°F)		psig
Sensor #	FI1680	PI1682	TI1680	PI1686	PI1688	TI1682	PI1690	TI1684		FI1681	PI1683	TI1681	PI1687	PI1691	TI1685		
10/1/17 12 AM	0.000	4	62.80	209.00	2,288	98	3,546	98	AGI #1 Not Used During This Quarter	6.521	1,495	100.73	152.51	6,161	162		-205
10/1/17 1 AM	0.000	4	62.50	209.00	2,288	98	3,546	98		6.628	1,498	100.48	158.49	6,162	162		-205
10/1/17 2 AM	0.000	4	62.28	209.00					2:00 AM and PM readings deleted	6.257	1,529	107.96	201.09	6,161	162		-205
10/1/17 3 AM	0.000	4	62.29	209.00	2,288	98	3,546	98	due to programming inconsistency	6.536	1,535	104.85	262.58	6,162	162		-205
10/1/17 4 AM	0.000	4	62.34	209.00	2,288	98	3,546	98		6.459	1,512	101.82	238.69	6,161	162		-205

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

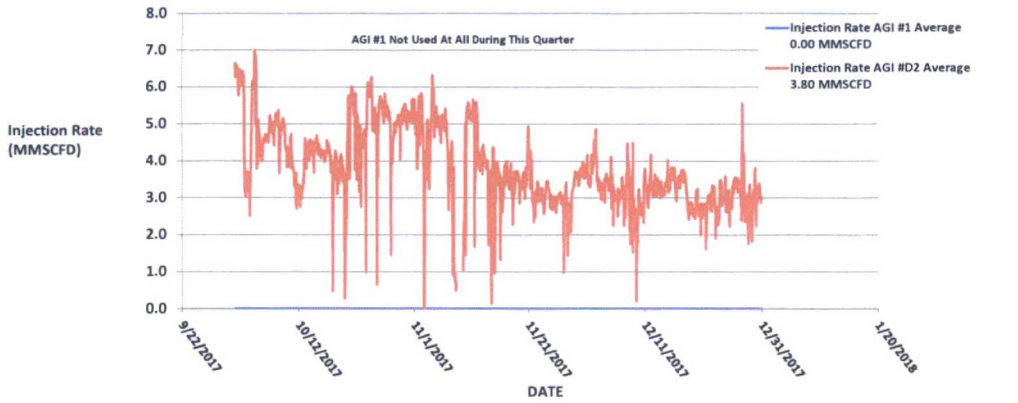


FIGURE 2: ZIA AGI #1 SURFACE INJECTION PRESSURE, ANNULAR PRESSURE AND INJECTION RATE

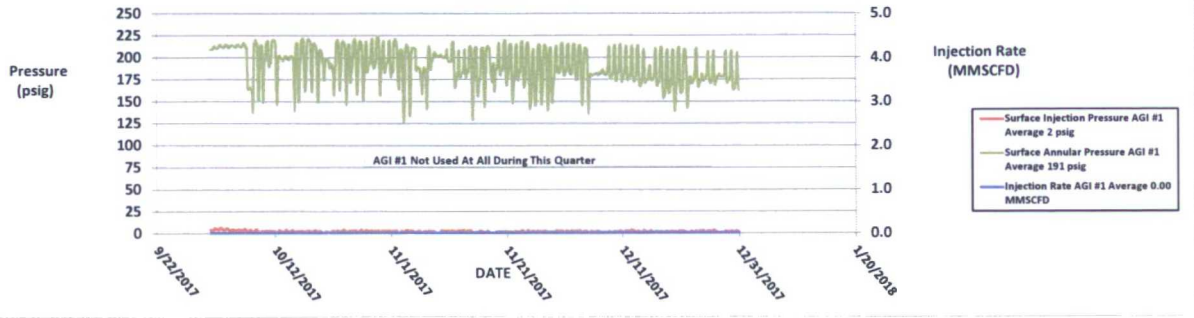
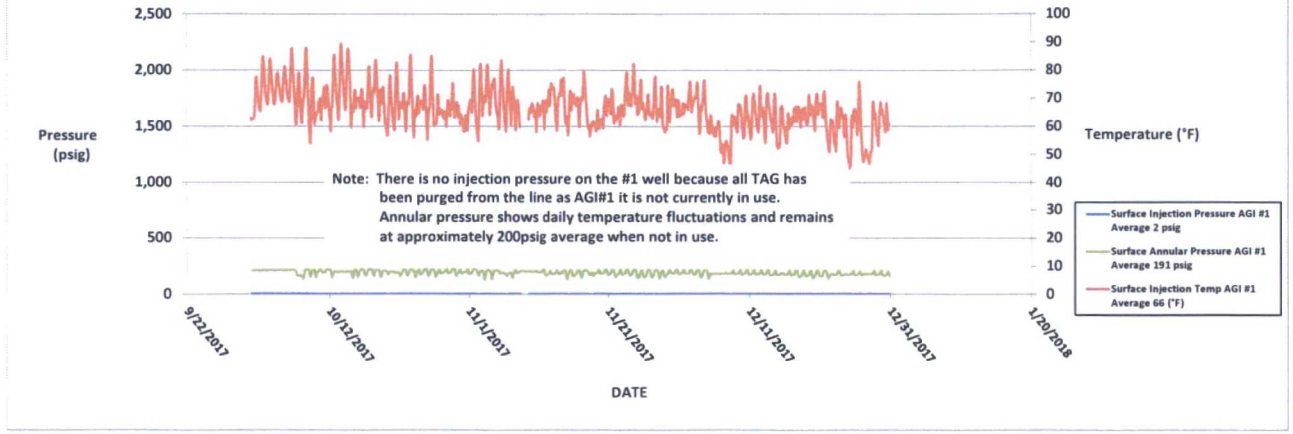


FIGURE 3: ZIA AGI #1 SURFACE INJECTION PRESSURE, ANNULAR PRESSURE AND INJECTION TEMPERATURE



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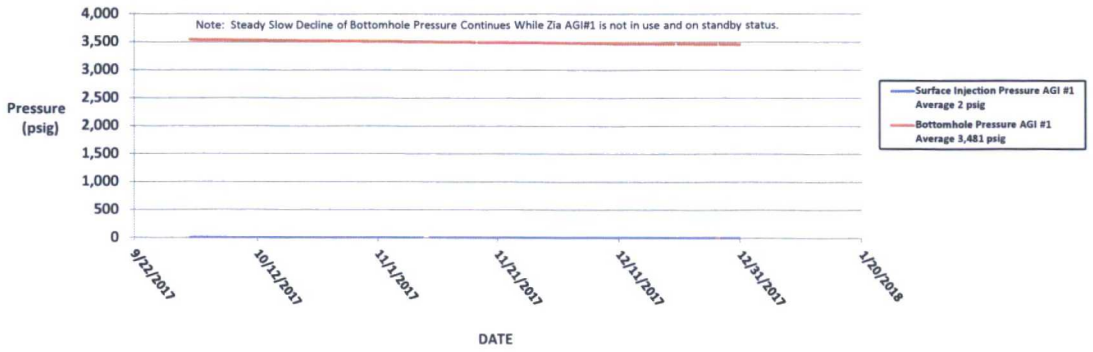


FIGURE 5: ZIA AGI #D2 SURFACE INJECTION PRESSURE, ANNULAR PRESSURE AND INJECTION RATE

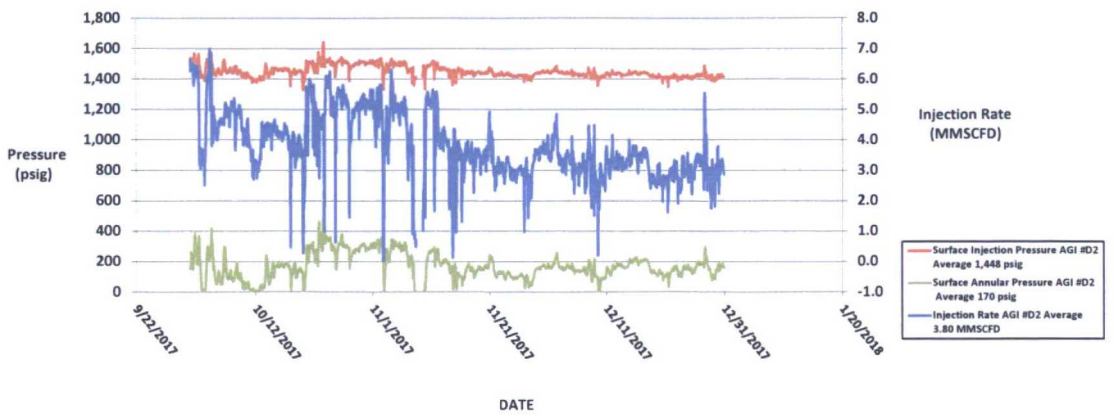


FIGURE 6: ZIA AGI #D2 SURFACE INJECTION PRESSURE, ANNULAR PRESSURE AND INJECTION TEMPERATURE

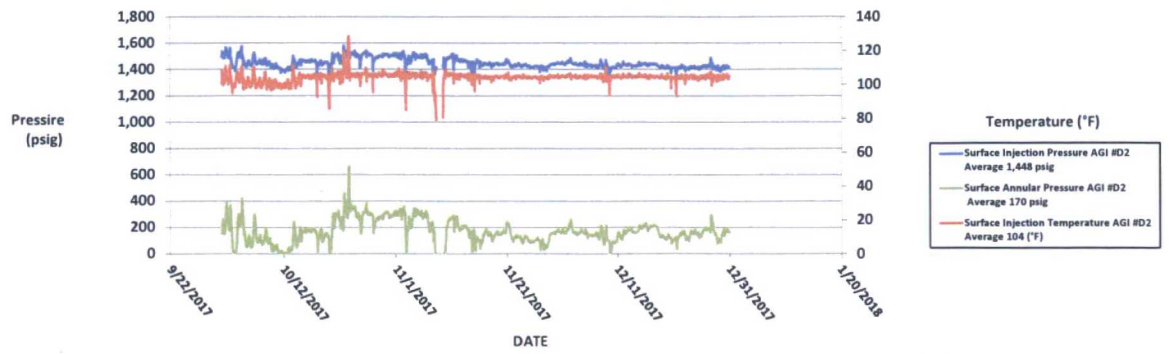


FIGURE 7: ZIA AGI #D2 SURFACE INJECTION PRESSURE AND BOTTOM HOLE PRESSURE

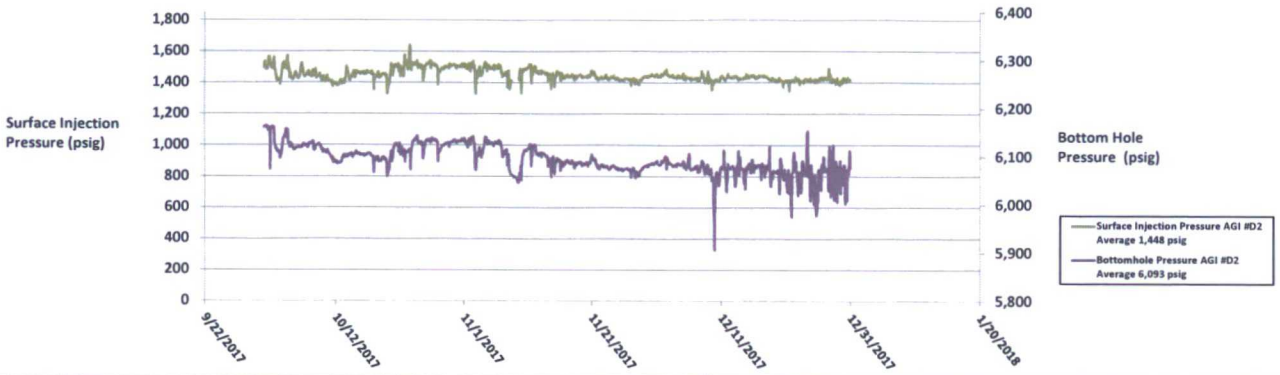


FIGURE 8: ZIA AGI #1 BOTTOM HOLE PRESSURE AND TEMPERATURE

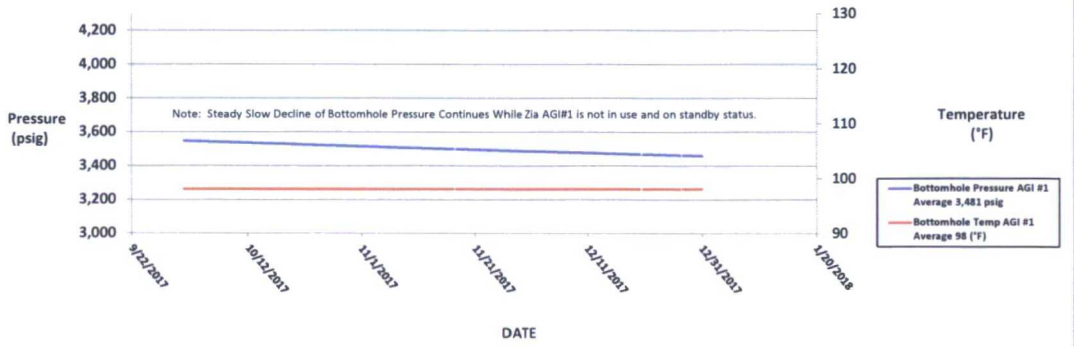
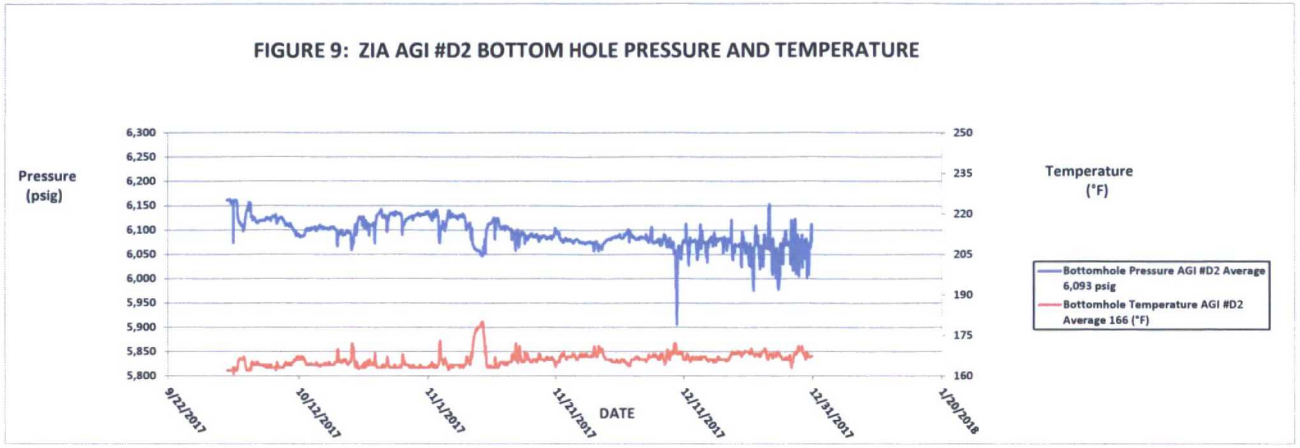


FIGURE 9: ZIA AGI #D2 BOTTOM HOLE PRESSURE AND TEMPERATURE



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