

HOBBS OCD

MAY 03 2018

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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

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.)		WELL API NO. Zia AGI #1 30-025-42208 ✓ Zia AGI D#2 30-025-42207 ✓
1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input type="checkbox"/> Other: Acid Gas Injection Well <input checked="" type="checkbox"/>		5. Indicate Type of Lease BLM STATE <input type="checkbox"/> FEE <input type="checkbox"/>
2. Name of Operator DCP Midstream LP		6. State Oil & Gas Lease No. NMLC065863
3. Address of Operator 370 17 th Street, Suite 2500, Denver, CO 80202		7. Lease Name or Unit Agreement Name Zia AGI
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		8. Well Number #1 and D#2
		9. OGRID Number 36785
		10. Pool name or Wildcat #1 AGI: Cherry Canyon/Brushy Canyon ✓ D#2 AGI: Devonian/Fusselman/Montoya ✓
		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 <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"/>			
CLOSED-LOOP SYSTEM <input type="checkbox"/>			
OTHER: <input type="checkbox"/>		OTHER: Quarterly Injection Data Reports <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. **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, 2018 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 spike in AGI #1 surface injection pressure which began on 1-24-18 is due to a malfunction of that pressure sensor. Trapped TAG was removed from the line on 3-27-18, but the sensor malfunction continues. DCP will be evaluating and trying to repair that sensor during Q2 of 2018. For the first quarter 2018, 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. 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: 834 psig (sensor is malfunctioning so readings are not accurate), Average Annular Pressure: 135 psig, Average Pressure Differential: 699 psig (this reading also affected by surface pressure sensor malfunction), Average Tag Line Temperature: 65°F, Average TAG injection rate: 0.00 MMSCFD (not in use this quarter).

AGI#1 Downhole Measurements (inactive): Average bottom hole pressure 3402 psig, Average annular bottom hole pressure: 2249 psig, Average bottom hole TAG Temperature: 98°F.

AGI D#2 Surface Measurements: Average TAG Injection Pressure: 1478 psig, Average Annular Pressure: 353 psig, Average Pressure Differential: 1126 psig, Average Tag Temperature: 104°F, Average TAG injection rate: 4.46 MMSCFD.

Cont. pg 2

AGI D#2 Downhole Measurements: Average bottom hole pressure 6118 psig, Average bottom hole TAG Temperature: 165°F.
Only AGI D#2 was operated during this reporting period.

The data gathered throughout the first quarter of 2018 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. Surface injection pressure sensor for AGI #1 is malfunctioning, and DCP is evaluating and working on repairing that sensor.

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 4/9/2018

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

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

Conditions of Approval (if any):

MS Brown 5/3/2018

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

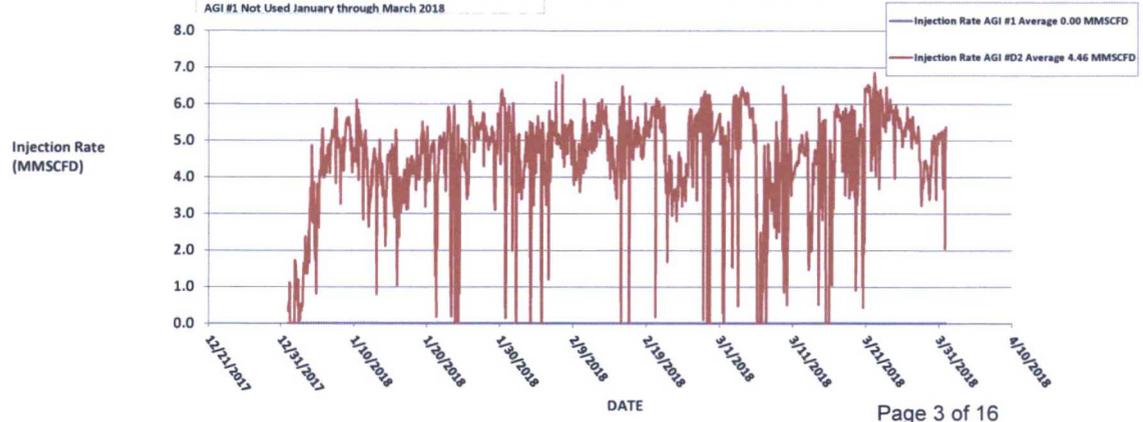


FIGURE 2: ZIA AGI #1 SURFACE INJECTION PRESSURE, ANNULAR PRESSURE AND INJECTION RATE

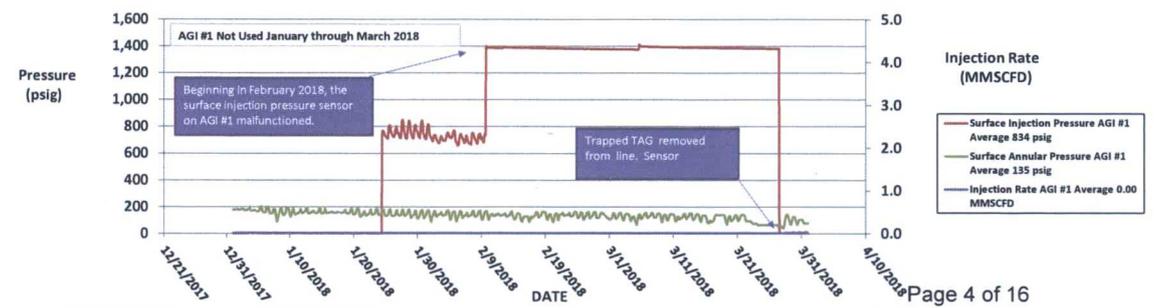


FIGURE 3: ZIA AGI #1 SURFACE INJECTION PRESSURE, ANNULAR PRESSURE AND INJECTION TEMPERATURE

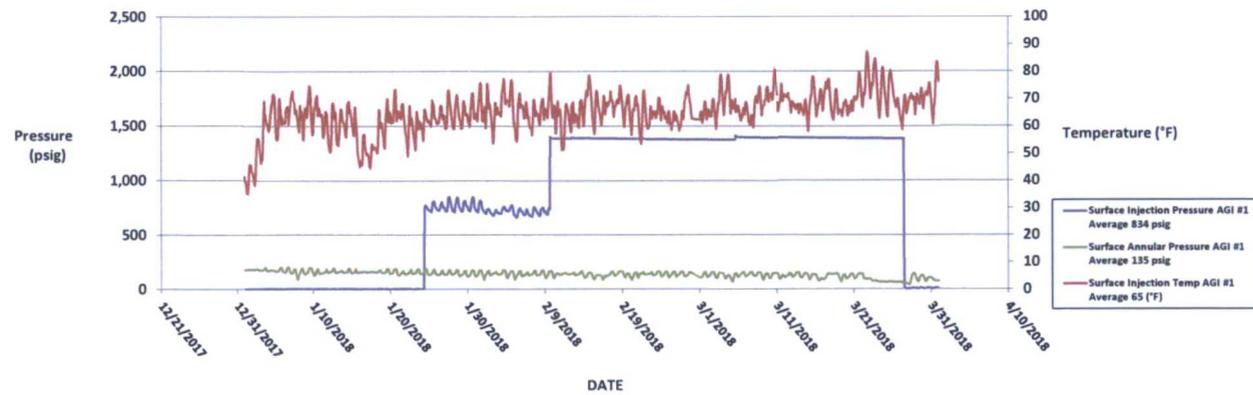


FIGURE 4: ZIA AGI #1 SURFACE INJECTION PRESSURE AND BOTTOM HOLE PRESSURE

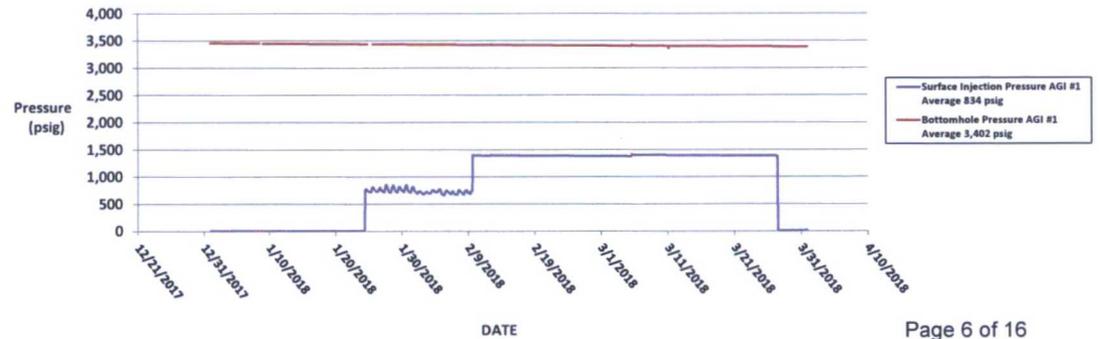


FIGURE 5: ZIA AGI #D2 SURFACE INJECTION PRESSURE, ANNULAR PRESSURE AND INJECTION RATE

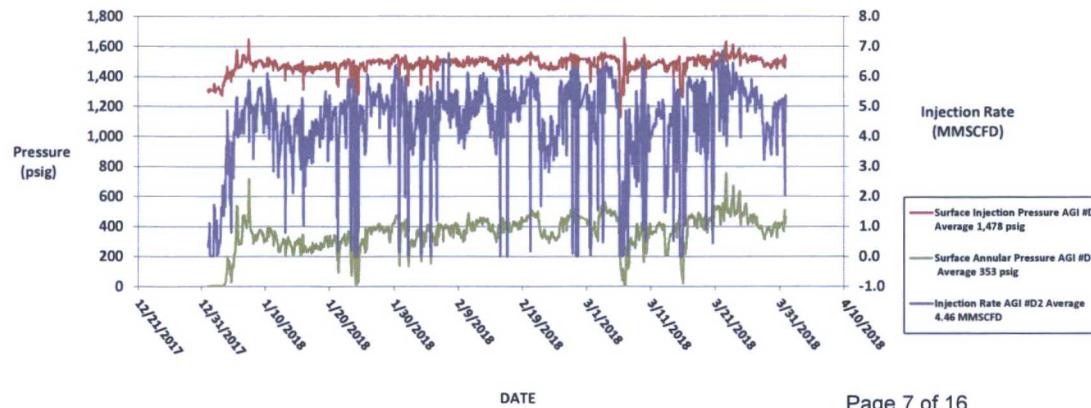


FIGURE 6: ZIA AGI #D2 SURFACE INJECTION PRESSURE, ANNULAR PRESSURE AND INJECTION TEMPERATURE

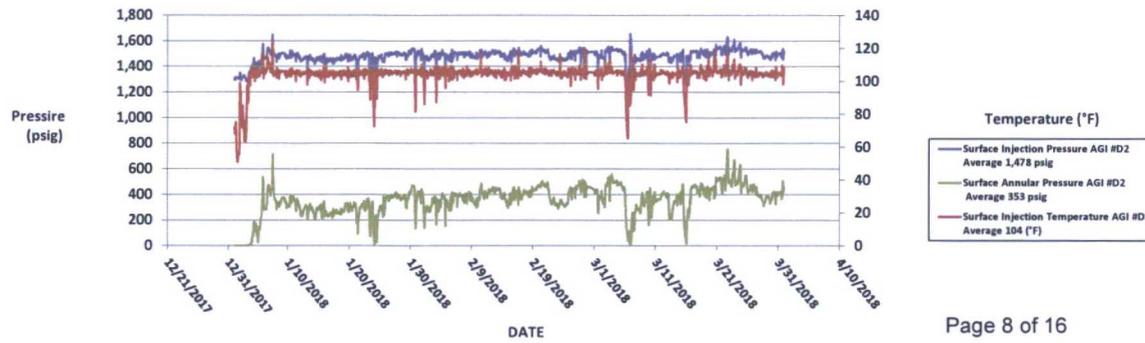


FIGURE 7: ZIA AGI #D2 SURFACE INJECTION PRESSURE AND BOTTOM HOLE PRESSURE

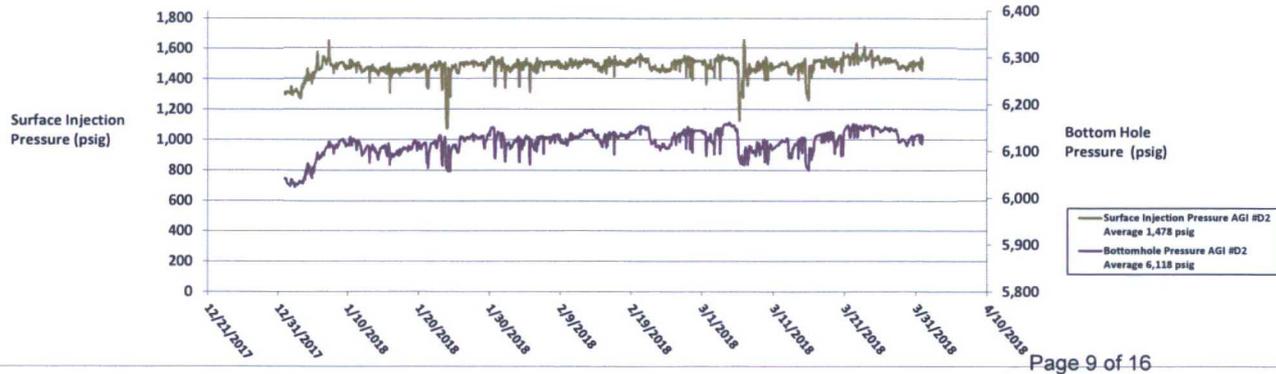


FIGURE 8: ZIA AGI #1 BOTTOM HOLE PRESSURE AND TEMPERATURE

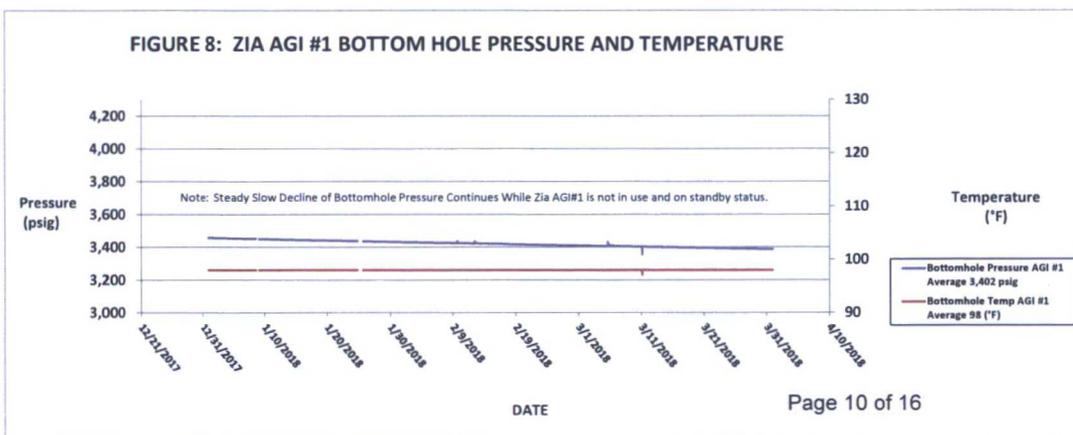


FIGURE 9: ZIA AGI #D2 BOTTOM HOLE PRESSURE AND TEMPERATURE

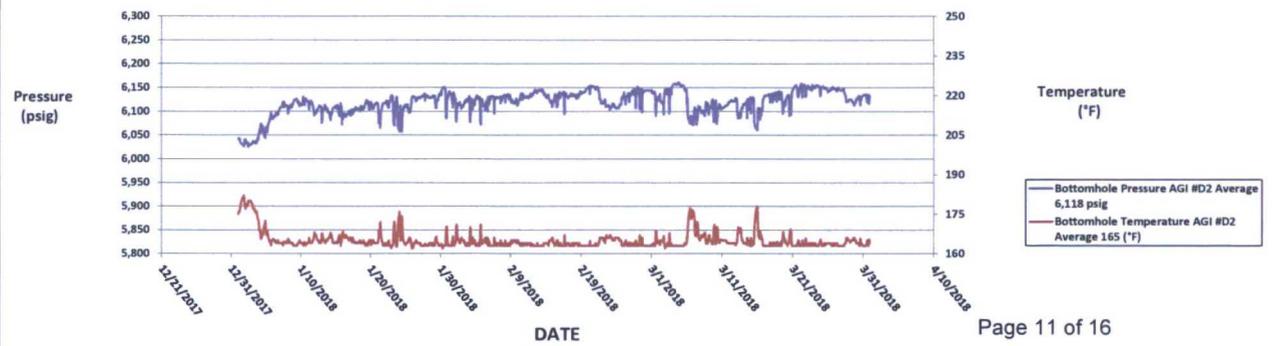
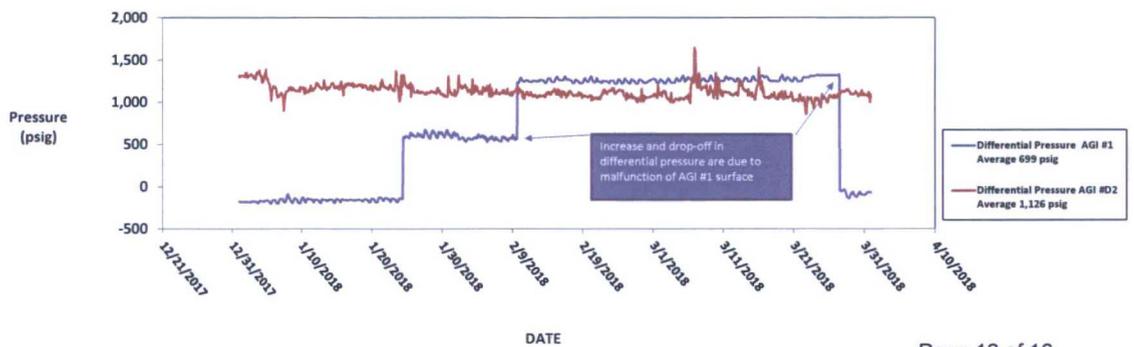


FIGURE 10: ZIA AGI #1 AND #D2 DIFFERENTIAL PRESSURE



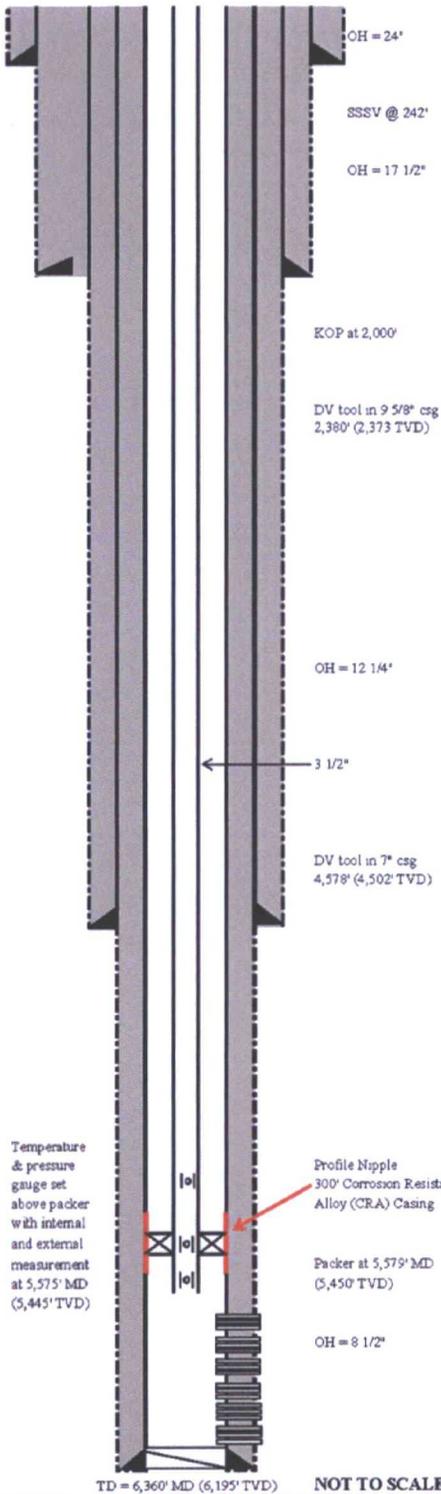
WELL SCHEMATICS

Zia AGI#1 API# 30-025-42208

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

Location: DCP Zia AGI #1 (API 30-025-42208)
STR: Section 19(L), T198-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, 29Cr 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

Temperature & pressure gauge set above packer with internal and external measurement at 5,575' MD (5,445' TVD)

Profile Nipple
300' Corrosion Resistant Alloy (CRA) Casing
Packer at 5,575' MD (5,450' TVD)

TD = 6,360' MD (6,195' TVD) **NOT TO SCALE** Bottom Hole Location: Section 19(O), T198, R32E (2,099' FNL & 862' FWL)

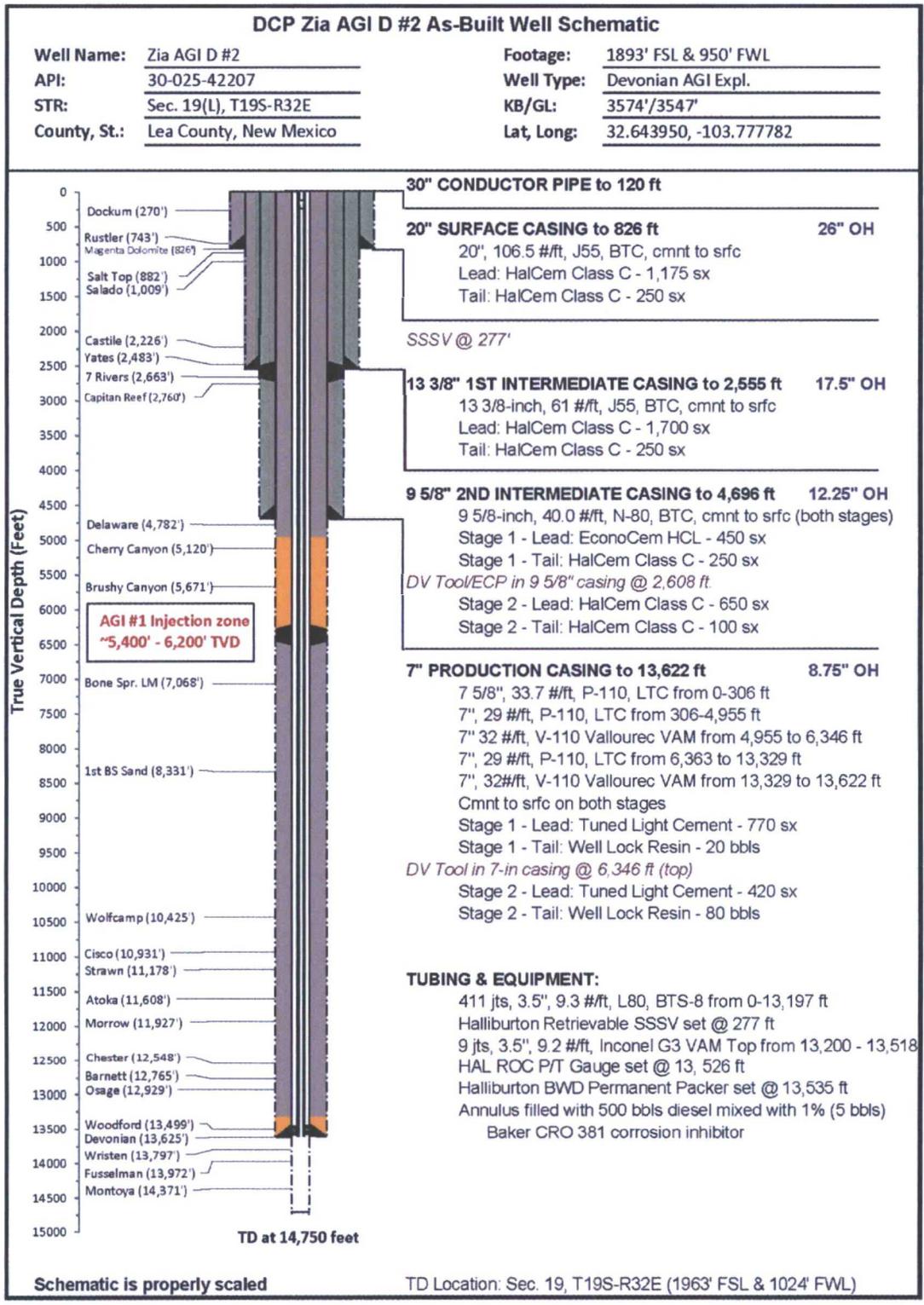


FIGURE 3: Zia AGI D #2 as-built well schematic

Final Installation		Installation	Length	Depth	Description	OD	ID
1		1	25.00	7.52	KB CORRECTION		
2		2	0.50	32.52	TUBING HANGER		
3		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		3	17.48	68.05	3.5" 9.3# L80 BTS8- TUBING SUBS(9.73, 7.75)	3.500	2.925
4		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
4		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
7		8	12911.35	285.79	411 JOINTS 3.5" 9.3# L80 BTS8 TUBING	3.500	2.684
9		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		10	317.56	13,200.89	9 JOINTS 3.5" 9.3# VAMTOP SM2550 NICKELTUBING	3.500	2.992
11		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
12		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		13	4.32	13,526.13	HALLIBURTON ROC GAUGE MANDREL 3.5" VAMTOP PXP 102329817 SN-ATM-16-106689-1 ROC GAUGE ROC16K175C 101863926 WD#9381-6034 ADDRESS 094 SN-ROC004482	4.670	2.950
14		14	3.75	13,530.45	3.5" 9.2# G3-125 VAMTOP BOX X PIN SUB	3.930	2.992
A		A			HALLIBURTON SEAL ASSEMBLY		
a-1		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		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
10		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
12		a-5	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 28,000# COMPRESSION PUTS 20,000# COMPRESSION ON PACKER PICK UP WEIGHT IS 132,000# SLACK OFF IS 120,000# HALLIBURTON PACKER ASSEMBLY		
15		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
17		17	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		18	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		19	5.76	13,550.35	PUP JOINT 3.5" 9.3# VAM TOP INCOLOY 925 WITH COUPLING	3.520	2.940
19		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