

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

Form C-103
 Revised July 18, 2013

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

HOBBS OGD
 RECEIVED
 JUL 20 2020

WELL API NO.	30-025-42628
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input type="checkbox"/> FEDERAL <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No.	NMLC029509A
7. Lease Name or Unit Agreement Name	Maljamar AGI
8. Well Number	#2
9. OGRID Number	221115
10. Pool name or Wildcat AGI: Wolfcamp	
11. Elevation (Show whether DR, RKB, RT, GR, etc.)	4,019 (GR)

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

2. Name of Operator
Durango Midstream

3. Address of Operator
2002 Timberloch, Suite 110, Woodlands, TX 79096

4. Well Location
Unit Letter O: 400 feet from the SOUTH line and 2,100 feet from the EAST line
Section 21 Township 17S Range 32E NMPM County Lea

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

NOTICE OF INTENTION TO: PERFORM REMEDIAL WORK <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> CHANGE PLANS <input type="checkbox"/> PULL OR ALTER CASING <input type="checkbox"/> MULTIPLE COMPL <input type="checkbox"/> DOWNHOLE COMMINGLE <input type="checkbox"/> CLOSED-LOOP SYSTEM <input type="checkbox"/> OTHER: <input type="checkbox"/>		SUBSEQUENT REPORT OF: REMEDIAL WORK <input type="checkbox"/> ALTERING CASING <input type="checkbox"/> COMMENCE DRILLING OPNS. <input type="checkbox"/> P AND A <input type="checkbox"/> CASING/CEMENT JOB <input type="checkbox"/> OTHER: Mechanical Integrity Test <input checked="" type="checkbox"/>	
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13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work).

The MIT was conducted on Tuesday, July 14, 2020. No NMOCD representatives were on site due to State Covid-19 guidelines. A Bradenhead Test was performed by Geolex. Below is a step-by-step summary with results:

- The annular space pressure between casing and tubing was 527 psi; approximately 71% of the total TAG stream was being injected in AGI #2 at 2,174 psi, based on readings in the control room.
- The annular space pressure was closed to the well while attaching the diesel pump and calibrated chart recorder.
- At 12:05 am diesel was added to the line from the pump truck while opening the valve to the well.
- At 12:06 am the annulus pressure reached 605 psi, the chart recorder and well were then isolated from the truck.
- The chart recorded the annular pressure until 12:38 am (32 minutes).
- The annular pressure dropped from 605 to 585 psi; a loss of 20 psi (3.3% decrease) by the end of the test.
- Diesel was then bled from the well annulus to the truck. At 350 psi (final annulus pressure) the valve to the well was shut and the remaining pressure was bled to the truck prior to disconnection from the well and chart.

In addition to the MIT, a Bradenhead test was conducted by monitoring the gauges from the annular spaces between the surface/intermediate #1 casings (37 psi), intermediate #1/#2 casings (62 psi), and intermediate #2/production casings (0 psi).

Please see the attached MIT pressure chart, calibration sheet, and Bradenhead test documentation.

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

SIGNATURE Dale T Littlejohn TITLE Consultant to Durango Midstream DATE 7/15/20

Type or print name Dale T Littlejohn E-mail address: dale@geolex.com PHONE: 505-842-8000

For State Use Only
 APPROVED BY: Kerry Jute TITLE COA DATE 7-21-20
 Conditions of Approval (if any)

HOBBS OCD
 JUL 20 2020
RECEIVED

State of New Mexico
 Energy, Minerals and Natural Resources Department
 Oil Conservation Division Hobbs District Office

BRADENHEAD TEST REPORT

Operator Name DCP MIDSTREAM LP		API Number 30-025-42628
Property Name Maljamar AGI		Well No. 002

Surface Location

UL - Lot O	Section 21	Township 17-S	Range 32-E	Feet from 400	N/S Line S	Feet From 2100	E/W Line E	County LEA
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Well Status

TA'D WEL. YES	<input checked="" type="radio"/> NO	SHUT-IN YES	<input checked="" type="radio"/> NO	INJECTOR <input checked="" type="radio"/> INJ	SWD	OIL PRODUCER OIL	GAS	DATE 7-14-20
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OBSERVED DATA

	(A)Surface	(B)Interm(1)	(C)Interm(2)	(D)Prod Csng	(E)Tubing
Pressure	37	62	0	527	2174
Flow Characteristics					
Puff	Y / N	Y / N	Y / N	Y / N	CO2 ___
Steady Flow	Y / N	Y / N	Y / N	Y / N	WTR ___
Surges	Y / N	Y / N	Y / N	Y / N	GAS ___
Down to nothing	Y / N	Y / N	Y / N	Y / N	Type of Fluid
Gas or Oil	Y / N	Y / N	Y / N	Y / N	Injected for
Water	Y / N	Y / N	Y / N	Y / N	Waterflood if
					applies.

Remarks - Please state for each string (A,B,C,D,E) pertinent information regarding bleed down or continuous build up if applies.

AGI MIT/BHT
(JR) Maclasky
ser # 07333
Gal 7-8-20

Signature: <i>Dale T Littlejohn</i>	OIL CONSERVATION DIVISION
Printed name: Dale T Littlejohn	Entered into RBDMS
Title: Consultant To Durango	Re-test
E-mail Address: dale@geolox.com	<i>77</i>
Date: 7-14-20	
Phone: 505-842-8000	
Witness: Jr - Maclasky	

INSTRUCTIONS ON BACK OF THIS FORM

MACLASKEY OILFIELD SERVICES

5900 WEST LOVINGTON BLVD. TUCSON, AZ 85740

HOJES © CD
1/10/2020

THIS IS TO CERTIFY THAT

M. K. ... HAS BEEN TESTED BY THE COMPANY AND FOUND TO BE
INSUFFICIENT

DATE: 1/10/2020

TESTED BY: *[Signature]*

TESTED AT THESE POINTS:

PRESSURE: *300*
TEST AS POINT (CORRECT)

PRESSURE: *1000*
TEST AS POINT (CORRECT)

Running Horse Production Company, LLC

Aka Energy / Frontier Field Services / RWPC

Maljamar AGI #2
 SHL: 400' FSL & 2100' FEL
 BHL: 350' FSL & 650' FWL
 Section 21 - T17S - R32E
 Lea County, New Mexico

Wellbore - Completion Plan

This is a directional well - all depths are TVD unless otherwise noted.

