

STATE OF ALASKA
ALASKA OIL AND GAS CONSERVATION COMMISSION
333 West 7th Avenue, Suite 100
Anchorage, Alaska 99501

Re: **THE APPLICATION OF**) Area Injection Order No. 21A.002
CONOCOPHILLIPS ALASKA,)
INC. for Administrative Approval) Kuparuk River Unit
allowing producing well 2P-431 (PTD) Kuparuk River Field
2020530) to have increased annular) Meltwater Oil Pool
pressure limits during annular flow)
monitoring.) November 1, 2013
)

By letter dated October 17, 2013, ConocoPhillips Alaska, Inc. (CPAI) requested administrative approval to increase the annular pressure limit in the 2P-431 (2P-431) well in the Meltwater Oil Pool (MOP) of the Kuparuk River Unit (KRU).

In accordance with Rule 10 of Area Injection Order (AIO) 021A.000, the Alaska Oil and Gas Conservation Commission (AOGCC) hereby **GRANTS** CPAI's request for administrative approval to increase the outer annular pressure limit specified in Rule 3 from 1000 psi to a maximum of 1800 psi in the subject well.

CPAI proposes an Outer Annulus (OA) extended bleed project designed to determine if the pressure source is trapped and if the area below the surface casing shoe can be de-pressured. The plan will also investigate reservoir and injection responses for the Meltwater oil pool. A key component of the plan is to allow the OA pressure in 2P-431 to increase to equilibrium pressure which is in excess of the 1000 psi limit currently required.

The well exhibits at least two competent barriers to the release of well pressure. Accordingly, the well's condition does not compromise overall well integrity so as to threaten human safety or the environment.

AOGCC's approval to increase the OA pressure limit from 1000 psi to 1800 psi in producer 2P-431 is conditioned upon the following:

1. CPAI shall record wellhead pressures and production from the OA daily;
2. CPAI shall limit the well's OA operating pressure to 1800 psi;
3. CPAI shall immediately shut in the well and notify the AOGCC if there is any change in the well's mechanical condition; and
4. This approval shall expire 12 months after approval date as shown below.



DONE at Anchorage, Alaska and dated November 1, 2013.

Handwritten signature of Cathy P. Foerster in blue ink.

Cathy P. Foerster
Chair, Commissioner

Handwritten signature of Daniel T. Seamount, Jr. in blue ink.

Daniel T. Seamount, Jr.
Commissioner

Handwritten signature of John K. Norman in blue ink.

John K. Norman
Commissioner

RECONSIDERATION AND APPEAL NOTICE

As provided in AS 31.05.080(a), within **20** days after written notice of the entry of this order or decision, or such further time as the AOGCC grants for good cause shown, a person affected by it may file with the AOGCC an application for reconsideration of the matter determined by it. If the notice was mailed, then the period of time shall be **23** days. An application for reconsideration must set out the respect in which the order or decision is believed to be erroneous.

The AOGCC shall grant or refuse the application for reconsideration in whole or in part within 10 days after it is filed. Failure to act on it within 10-days is a denial of reconsideration. If the AOGCC denies reconsideration, upon denial, this order or decision and the denial of reconsideration are **FINAL** and may be appealed to superior court. The appeal **MUST** be filed within **33** days after the date on which the AOGCC mails, **OR 30** days if the AOGCC otherwise distributes, the order or decision denying reconsideration, **UNLESS** the denial is by inaction, in which case the appeal **MUST** be filed within **40** days after the date on which the application for reconsideration was filed.

If the AOGCC grants an application for reconsideration, this order or decision does not become final. Rather, the order or decision on reconsideration will be the **FINAL** order or decision of the AOGCC, and it may be appealed to superior court. That appeal **MUST** be filed within **33** days after the date on which the AOGCC mails, **OR 30** days if the AOGCC otherwise distributes, the order or decision on reconsideration. As provided in AS 31.05.080(b), "[t]he questions reviewed on appeal are limited to the questions presented to the AOGCC by the application for reconsideration."

In computing a period of time above, the date of the event or default after which the designated period begins to run is not included in the period; the last day of the period is included, unless it falls on a weekend or state holiday, in which event the period runs until 5:00 p.m. on the next day that does not fall on a weekend or state holiday.