

## **ADMINISTRATIVE APPROVAL AIO 2B.011**

Mr. Jerry Dethlefs  
Problem Well Supervisor  
ConocoPhillips Alaska, Inc.  
P.O. Box 100360  
Anchorage, AK 99510-0360

RE: Kuparuk River Unit 1A-04A (200-194)  
Request for Administrative Approval

Dear Mr. Dethlefs:

On May 28, 2006 ConocoPhillips Alaska, Inc ("CPAI") requested an administrative approval under Rule 9 of Area Injection Order ("AIO") 2B to allow continued water injection in Kuparuk River Unit ("KRU") well 1A-04A (PTD 200-194). The Alaska Oil and Gas Conservation Commission ("Commission") GRANTS CPAI's request for WATER ONLY service, as detailed below.

1A-04A is a redrill of 1A-04. The new bottom-hole location was accessed by plugging the original well and exiting the production casing at about 6494' measured depth ("md") and drilling new hole to 9160' md. A 4-1/2" liner was set from total depth to 6345' md. The liner was cemented to provide required formation isolation. The well is equipped with a 4-1/2" tubing string that is stung into the liner top with a packer set at 6288' md. The shallowest perforation is at 8848' md. As constructed, 1A-04A does not meet the requirements of 20 AAC 25.412 (b) for an injection well which is required to be equipped with a packer set not more than 200' measured depth above the top of the perforations. The purpose of this requirement is to ensure that the injection string can be monitored throughout its length for possible leakage. As constructed, over 2500' of this wellbore cannot be monitored. Where fresh water is not affected, 20 AAC 25.450 gives the Commission authority to approve less stringent well construction and integrity requirements. For wells similarly constructed, the Commission has exercised this discretionary authority and approved injection operations with the fluid limited to water only.

CPAI has provided pressure test information using water that demonstrates that the injection string (combination of tubing and liner) and the production casing (the 7" casing above the packer) do have integrity. Accordingly, the Commission believes that the well's condition will not result in an increased risk of movement of fluids outside the injection zone.

Per Rule 9 of Area Injection Order 2B, the Commission hereby grants CPAI's May 28, 2006 request to continue injection in KRU 1A-04A on the following conditions:

1. Injection is limited to WATER ONLY;
2. CPAI shall perform a mechanical integrity test of the tubing/liner string ("MIT-T") every 2 years by employing the nipple profile at 8533' md to demonstrate continued integrity of the injection string;
3. CPAI shall perform a mechanical integrity test of the inner annulus ("MIT-IA") every 2 years to demonstrate continued integrity of production casing;
4. CPAI shall immediately shut in the well and notify the Commission if there is any change in the well's mechanical condition; and
5. After well shut in due to a change in the well's mechanical condition, Commission approval shall be required to restart injection;
6. Monthly reporting of daily rate and pressures is not required since this well does have a separate production casing string and does not demonstrate integrity loss.

As provided in AS 31.05.080, within 20 days after written notice of this decision, or such further time as the Commission grants for good cause shown, a person affected by it may file with the Commission an application for rehearing. A request for rehearing is considered timely if it is received by 4:30 PM on the 23rd day following the date of this letter, or the next working day if the 23rd day falls on a holiday or weekend. A person may not appeal a Commission decision to Superior Court unless rehearing has been requested.

**DONE** at Anchorage, Alaska and dated June 27, 2006.

---

John K. Norman  
Chairman

---

Daniel T. Seamount, Jr.  
Commissioner

---

Cathy P. Foerster  
Commissioner