

STATE OF ALASKA

SARAH PALIN, GOVERNOR

ALASKA OIL AND GAS CONSERVATION COMMISSION

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ADMINISTRATIVE APPROVAL 2B.018

Ms. MJ Loveland
Problem Well Supervisor
ConocoPhillips Alaska, Inc.
P.O. Box 100360
Anchorage, AK 99510-0360

RE: KRU 1F-16A (PTD 2012090) Request for Administrative Approval

Dear Ms. Loveland:

In accordance with Rule 9 of Area Injection Order ("AIO") 02B.000, the Alaska Oil and Gas Conservation Commission ("AOGCC" or "Commission") hereby grants ConocoPhillips Alaska Inc. ("CPAI")'s request for administrative approval to continue water injection in the subject well.

Kuparuk River Unit ("KRU") 1F-16A exhibits tubing by inner annulus communication. All positive pressure tests performed on the well's tubing, inner annulus and outer annulus have passed since communication was first identified and reported in April 2007. A drawdown test of the inner annulus failed but was unable to determine the actual point of communication. The Commission finds that CPAI does not intend to perform repairs at this time, deferring until location of the communication can be determined. The Commission further finds, based upon reported results of CPAI's diagnostic procedures and wellhead pressure trend plots, that KRU 1F-16A exhibits at least two competent barriers to the release of well pressure. Accordingly, the Commission believes that the well's condition does not compromise overall well integrity so as to threaten human safety or the environment.

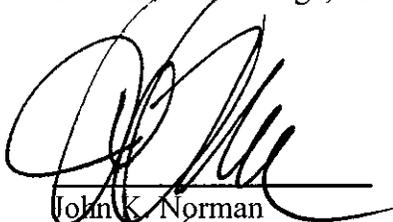
AOGCC's administrative approval to continue water injection in KRU 1F-16A is conditioned upon the following:

1. CPAI shall record wellhead pressures and injection rate daily;
2. CPAI shall submit to the AOGCC a monthly report of well pressures, injection rates, and pressure bleeds for all annuli;
3. CPAI shall perform an MIT-IA every 2 years to 1.2 times the maximum anticipated injection pressure;
4. CPAI shall limit the well's IA pressure to 1,500 psi;

5. CPAI shall immediately shut in the well and notify the AOGCC if there is any change in the well's mechanical condition;
6. After well shut in due to a change in the well's mechanical condition, AOGCC approval shall be required to restart injection, and
7. The MIT anniversary date is May 23, 2007.

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.

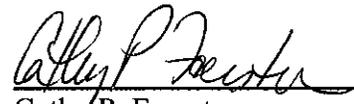
DONE at Anchorage, Alaska and dated October 17, 2007.



John K. Norman
Chairman



Daniel T. Seamont, Jr.
Commissioner



Cathy P. Foerster
Commissioner

