

# STATE OF ALASKA

SEAN PARNELL, GOVERNOR

## ALASKA OIL AND GAS CONSERVATION COMMISSION

333 W. 7th AVENUE, SUITE 100  
ANCHORAGE, ALASKA 99501-3539  
PHONE (907) 279-1433  
FAX (907) 276-7542

### ADMINISTRATIVE APPROVAL AREA INJECTION ORDER 2B.065 AMENDED

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

RE: Kuparuk River Unit 1E-08A (210-181)  
Request for Administrative Approval Revision

Dear Ms. Lyons:

As requested in your electronic message of December 9, 2011, the Alaska Oil and Gas Conservation Commission (AOGCC) **GRANTS** ConocoPhillips Alaska, Inc's (CPAI) request to modify the MIT procedure.

On October 5, 2011 The AOGCC granted CPAI's request for an administrative approval under Rule 9 of Area Injection Order (AIO) 2B to allow continued water injection only in Kuparuk River Unit (KRU) well 1E-08A (PTD 210-181). It was not possible to accomplish the required Mechanical Integrity Test (MIT) with a plug set in the nipple profile at 7266' md. Using a Wireline Retrievable Plug (WRP) set immediately above the nipple profile (~7260' md), CPAI has proven the mechanical integrity of the tubing.

1E-08A is a redrill of 1E-08. The new bottom-hole location was accessed by plugging the original well and exiting the production casing at about 5712' measured depth (md) and drilling new hole to 9160' md. The 5-1/2" liner got stuck off bottom while running and was set from 5491' – 7880' md. It was not possible to conventionally cement the liner and the well was completed with 2 packers in the liner to isolate squeeze perforations. The liner does have required formation isolation as evidenced by the bond log and the well passed a witnessed MIT-IA on August 30, 2011. However since the upper packer is set at ~6257', some 1260' above the top perforation, 1E-08A 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, 1260' of this wellbore cannot be monitored. Where fresh water is not affected, 20 AAC 25.450 gives the AOGCC authority to approve less stringent well construction and integrity requirements. For wells similarly constructed, the AOGCC 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 tubing string and the production casing/liner combination do have integrity. The latest pressure test

CPAI has provided pressure test information using water that demonstrates that the tubing string and the production casing/liner combination do have integrity. The latest pressure test information employing the WRP showed a calculated pressure decline of only 1%. Accordingly, the AOGCC 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 AOGCC hereby grants CPAI's December 9, 2011 request to continue injection in KRU 1E-08A employing a modified MIT procedure on the following conditions:

1. Injection is limited to WATER ONLY. CPAI may apply by Form 10-403 to perform diagnostic testing to qualify the well for MI;
2. CPAI shall perform a mechanical integrity test of the tubing/liner string ("MIT-T") every 2 years by employing the nipple profile at 7266' md **or a wireline retrievable plug (WRP)** set proximate to the nipple profile 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 AOGCC 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, AOGCC 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.
7. The MIT anniversary date remains August 30, 2011.

**DONE at Anchorage, Alaska and dated January 10, 2012.**

  
Daniel T. Seamount, Jr.  
Chair, Commissioner

  
Cathy P. Foerster  
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.