

**STATE OF ALASKA**  
**ALASKA OIL AND GAS CONSERVATION COMMISSION**  
**333 West 7<sup>th</sup> Avenue**  
**Anchorage, Alaska 99501**

Re: **THE APPLICATION OF** ) Area Injection Order No. 2B.072  
**CONOCOPHILLIPS ALASKA,** )  
**INC.** for Administrative Approval ) Kuparuk River Unit  
allowing well 3N-11A PTD 2120950 ) Kuparuk River Field  
to be online in water only injection ) Kuparuk River Oil Pool  
service with a known surface casing ) Ugnu Formation  
leak. ) West Sak Oil Pool  
 ) Tabasco Oil Pool  
 )  
 ) October 24, 2012

By letter dated October 17, 2012, ConocoPhillips Alaska, Inc. (CPA) requested administrative approval to continue water only injection in the subject well.

CPAI has performed a coil tubing sidetrack on well KRU 3N-11 (PTD 1860770) which was operating under an administrative approval AIO 2B.024. AIO 2B.024 was cancelled in September 2012 when the well was sidetracked. The new well, KRU 3N-11A (PTD 2120950), was granted verbal approval on October 8, 2012 to convert from a producer to an injector. The AOGCC finds that CPAI does not intend to perform repairs of the surface casing leak at this time. A passing mechanical integrity test performed on the Inner Annulus on October 8, 2012 indicates that KRU 3N-11A exhibits at least two competent barriers to the release of well pressure. Accordingly, the AOGCC believes that the well's condition does not compromise overall well integrity so as to threaten human safety or the environment.

AOGCC's approval to continue water injection only in KRU 3N-11A is conditioned upon the following:

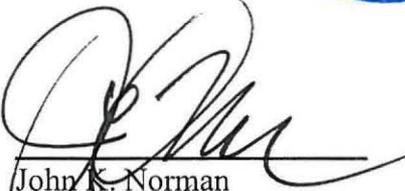
1. CPAI shall record wellhead pressures and injection rate daily;
2. CPAI shall submit to the AOGCC a monthly report of well pressures, injection rates, and pressure bleeds for all annuli. Bleeds shall be flagged on the report;
3. CPAI shall perform a mechanical integrity test of the inner annulus every 2 years to the maximum anticipated injection pressure;
4. CPAI shall immediately shut in the well and notify the AOGCC if there is any change in the well's mechanical condition;
5. After well shut in due to a change in the well's mechanical condition, AOGCC approval shall be required to restart injection; and
6. The MIT anniversary date will be set as the date of the AOGCC witnessed MITIA that is to be completed once the well is returned to injection and stabilization is achieved. The Commission must be provided the opportunity to witness the MIT for the test that will establish the new MIT Anniversary date.



**DONE** at Anchorage, Alaska and dated October 24, 2012.

  
Cathy P. Foerster  
Chair, Commissioner

  
Daniel T. Seamount, Jr.  
Commissioner

  
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.