

**STATE OF ALASKA**  
**ALASKA OIL AND GAS CONSERVATION COMMISSION**  
**333 West Seventh Avenue, Suite 100**  
**Anchorage Alaska 99501-3539**

Re: Regulatory Cost Charges for Fiscal )  
Year 2011. )

Other No. 65  
December 6, 2010

**ORDER ESTABLISHING FISCAL YEAR 2011**  
**REGULATORY COST CHARGES**

**IT APPEARING THAT:**

1. On August 31, 2010, pursuant to 20 AAC 25.615 the Alaska Oil and Gas Conservation Commission (Commission) gave written notice of proposed fiscal year 2011 regulatory cost charges under AS 31.05.093 to operators subject to those charges.
2. Notice of public hearing on the proposed fiscal year 2011 regulatory cost charges was published in the Anchorage Daily News on November 2, 2010.
3. A public hearing was held at the Commission's offices on December 6, 2010.

**FINDINGS:**

1. The appropriation made for the operating costs of the Commission for this fiscal year is \$5,690,900.00.
2. Federal receipts of \$130,000 are provided by the Federal Government for oversight of Class II wells under the Safe Drinking Water Act Underground Injection Control Program and reduces the regulatory cost charges for this fiscal year.
3. The lapsed amount of the fiscal year 2010 appropriation that is included to reduce the regulatory cost charges in this fiscal year's appropriation under AS 31.05.093(d) is \$676,692.67.
4. The amounts constituting V<sub>OP</sub> under 20 AAC 25.605(a) for the operators subject to a fiscal year 2011 regulatory cost charge are as follows:

V <sub>OP</sub> for Aurora Gas LLC	=	267,558	Bbl
V <sub>OP</sub> for BP Exploration (Alaska) Inc.	=	1,911,760,579	Bbl
V <sub>OP</sub> for ConocoPhillips Inc.	=	421,063,917	Bbl
V <sub>OP</sub> for Marathon Oil Company	=	9,723,699	Bbl
V <sub>OP</sub> for North Slope Borough	=	274,960	Bbl
V <sub>OP</sub> for Cook Inlet Energy, LLC.	=	703,307	Bbl
V <sub>OP</sub> for Eni US Operating	=	42,652	Bbl
V <sub>OP</sub> for Pioneer Natural Resources	=	6,261,425	Bbl
V <sub>OP</sub> for Teck Cominco	=	298	Bbl
V <sub>OP</sub> for UNOCAL	=	31,789,415	Bbl
V <sub>OP</sub> for XTO Energy, Inc.	=	3,395,163	Bbl

**Total** **2,385,282,973 Bbl**

**CONCLUSIONS:**

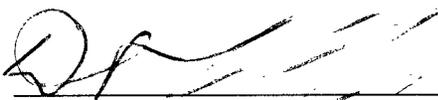
Using the formula set out in 20 AAC 25.605, the fiscal year 2011 regulatory cost charges for the operators subject to those charges are as follows:

Aurora Gas LLC	\$547.86
BP Exploration (Alaska) Inc.	\$3,914,602.64
ConocoPhillips Inc.	\$862,188.47
Cook Inlet Energy, LLC	\$1,440.13
Eni Us Operating	\$87.34
Marathon Oil Company	\$19,910.66
North Slope Borough	\$563.02
Pioneer Natural Resources	\$12,821.16
Teck Cominco	\$0.61
UNOCAL	\$65,093.36
XTO Energy, Inc.	\$6,952.08

2. Appropriate payment dates under 20 AAC 25.620 are January 31, 2011, March 31, 2011 and April 29, 2011.

**NOW THEREFORE IT IS ORDERED** that the operators listed in the Conclusion of this Order shall pay their respective regulatory cost charges as required by this Order.

**DONE at Anchorage, Alaska** and dated December 6, 2010.



Daniel T. Seamount, Jr., Commissioner, Chair  
Alaska Oil and Gas Conservation Commission



Cathy P. Foerster, Commissioner  
Alaska Oil and Gas Conservation Commission



**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 Commission grants for good cause shown, a person affected by it may file with the Commission 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 Commission 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 Commission 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 Commission mails, **OR 30** days if the Commission 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 Commission 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 Commission, and it may be appealed to superior court. That appeal **MUST** be filed within **33** days after the date on which the Commission mails, **OR 30** days if the Commission 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 Commission 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.