

**Monthly Summary**  
**Alaska Oil and Gas Conservation Commission**  
**June 1 to June 30, 2010**

**Commission Business**

1. The Commission acting pursuant to AS 31.05.030, published a Notice of Inquiry concerning whether changes or additions may be needed to Commission regulations governing drilling, rig workover and well control in offshore and ultra-extended reach wells drilled in areas of the State of Alaska under the Commission's jurisdiction.
2. The Commissioners and commission staff continue to receive and respond to calls from various media about the Gulf of Mexico oil spill and its relevance to Alaska oil and gas operations.
3. Commissioners have been contacted by Platts to answer questions about the qualifications of the members of the President's BP Deepwater Horizon Oil Spill and Offshore Drilling Commission.
4. Commission Chair Seamount was interviewed by the Anchorage Daily News about BPX's Liberty project.
5. Commission Chair Seamount was interviewed by CNN about the BPXA Liberty project.
6. Commission Chair Seamount was interviewed by NPR concerning an article published by the Anchorage Daily News about BOPE tests.
7. Commission staff attended a teleconference regarding the ACEP Pilgrim Springs Geothermal proposal.
8. Commissioner Foerster provided information to Legislative Auditors investigating potential overlap of various state agencies regulatory authority over ANGDA.
9. Commissioner Foerster participated in the Governor's Sub-Cabinet on Natural Resource Development as they looked at the State's preparedness for a major drilling incident such as that now occurring off Louisiana, OCS, Gulf of Mexico.
10. The Commission approved its first Geothermal Well permit.
11. The Commission has cancelled the "Annular Disposal" hearing scheduled for July 8, 2010. It will be rescheduled at a later date.
12. The Commission held a hearing on the 29<sup>th</sup> of June regarding proposed regulations governing geothermal resources development. Testimony was heard from Commission technical staff and by representatives of the City of Akutan.
13. Commissioner Foerster met with representatives of the Joint In-State Gas Line Development Team to discuss the role of the AOGCC in gas sales from North Slope oil fields.
14. Commission Chair Seamount and Commissioner Foerster met with representatives of Buccaneer Resources, who discussed their plans to encourage drilling in the Cook Inlet.
15. Representatives of the Commission were interviewed by the press about certain alleged violations of Commission.

## **Regulatory Activities Completed / Continuing**

1. A review of Commission regulations is underway to determine the applicability to Geothermal exploration – continuing.
2. Amendments to AS Title 31 are being reviewed.
3. 20 AAC 25: Regulations concerning Multiphase Metering, Geothermal well operations, well safety valve system, and annular disposal are being developed/revised - continuing.
4. An Administrative Approval is being evaluated for Swanson River Unit.
5. Annular Disposal Regulations have been finalized
6. A notice of violation was issued for a well in the Kuparuk River Unit.
7. A request from ADEC for updates on SRPS status for several North Slope and Cook Inlet wells is being reviewed.
8. A review of safety assessment of BOPE in Alaska is underway.
9. A request for diverter waiver for Oliktok Point development drilling is being reviewed.
10. A request for the Minke well GOR waiver is being reviewed
11. The Commission held its third hearing on proposed Safety Valve System regulations. Commission staff and representatives of AOGA and CPA offered testimony.
12. The Commission issued Administrative Approval AIO 2B.050 granting Conoco Phillips request to continue water injection into KRU 2A-03 (PTD 184-051-0).
13. The Commission issued Administrative Approval AIO 2B.049 granting Conoco Phillips request to continue water injection into KRU 1A-12 (PTD 181-178-0).
14. The Commission issued Administrative Approval AIO 2B.051 granting Conoco Phillips request to continue water injection into KRU 1Y-09 (PTD 183-052-0).
15. The PSIO Risk Ranking Survey has been completed.
16. Senior staff attended a meeting with the DNR concerning CO2 sequestration
17. The Gulf of Mexico blowout is being studied to ascertain if Alaska regulations regarding well construction and well control need to be strengthened.
18. Senior staff attended GPMA review presented by BPX.
19. The AOGCC have revised its regulations dealing with commingling of production and injection practices requirements in 20 AAC 25.215. The amended regulation accounts for commingling injected well fluids.

## **Projects Completed / Continuing**

1. Senior staff are continuing a geology review as to the hydrocarbon potential of the Mt Spurr area.
2. Commission staff continues work on the Annual Report.
3. Ten Well histories and 4894 digital well logging/data files released to the public.
4. Two requests for the public archive of digital log/test data was loaded on to requestor supplied hard drives. Total of 700 GigaBytes of data was delivered.

## **Permitting and Rig Activity**

1. Drilling Permit Approvals (June) – 11
2. Rig count – 18; North Slope – 14; Cook Inlet – 3; 1 Naknek (Geothermal well); (Increase of three from last month)
3. Total Documents to date: 401's = 99; 403's = 199; 404's = 316; 407's = 135; Total 749.
4. 2009 Drilling Permit applications (401's) to date - 78