

Monthly Summary
Alaska Oil and Gas Conservation Commission
October 1 to October 31, 2010

Commission Business

1. The Commission held its Monthly Public Meeting on the 6th. Revisions to AOGCC Form 10-404 were accepted. The re-adoption of Well SVS Regulations, 20 AAC 25.265, was continued until a Public Hearing scheduled for the 13th to allow interested persons to review editorial/style changes. Public comments were heard during the Public Hearing on the 13th and the Commission, subsequently, approved the re-adoption of the Regulations.
2. Commissioner Foerster attended a meeting of contributing authors for the National Petroleum Council paper on Responsible Oil and Gas Development in the 21st Century.
3. At the request of the Regulatory Commission of Alaska, Commissioner Foerster attended their monthly public meeting and provided them with a summary of the AOGCC's statutory responsibilities and specifically how the Commission regulates gas storage operations.
4. The Commission continues to review reports on causes of the Deepwater Horizon Gulf of Mexico oil spill.
5. Commission Chair Seamount and Commissioner Foerster participated in a panel of State regulators addressing responsible development of Alaska's OCS. The panel was called together by the USGS to assist in a report they are preparing for the US Department of Interior.
6. The Commission is actively engaged in supporting the DNR on the plans for the new Alaska Earth Science Center.
7. The Commission held a Public Hearing on the 19th and 20th of October to hear testimony concerning Gas Storage in the Cannery Loop Unit. Testimony was heard from the applicant (Cook Inlet Natural Gas Storage Alaska) and from a member of the public. The hearing record was left open until Oct. 28.
8. Commissioner Norman met with a group from South Sudan to explain how the Commission operates.
9. Commission senior staff traveled to Houston, Texas to observe Liberty Project (BPX, Alaska, Inc.) BOPE Shear Ram testing.
10. The Commission is working with the DNR and DEC on proposed Carbon Capture and Storage legislation. Comments developed over several work sessions have been provided to the Department of Law.
11. Commission senior staff attended a meeting of the International Regulators Forum in Vancouver, BC, Canada.
12. Commission senior staff attended a meeting of the Natural Resources Subcabinet. Work, led by the Petroleum Systems Integrity Office (PSIO), on Regulatory Gap Analysis was discussed.

Orders

1. On the request of LINC Energy Operations Inc., the Commission issued Conservation Order No.636 granting a spacing exception for the drilling of the LEA #1 gas exploration well.
2. On the request of Aurora Gas, LLC, the Commission issued Conservation Order No. 637 granting a spacing exception to provide for the re-entry, completion and regular production of the Exploratory Coho Unit #1 well.
3. The Commission issued Conservation Order No. 638 granting a well spacing exception for ENI US Operating Company's proposed Nakaitchuq Unit No. OI11-01 service injection well.
4. The Commission issued a revision to Area Injection Order 2B.054 correcting the MIT requirement in Rule 3 to an MITIA and granted the request of Conoco Phillips Alaska, Inc. (CPAI) for administrative approval to continue water injection in the KRU 1L-05 (PTD 1841230) well.
5. The Commission issued a revision to Area Injection Order 2B.055 correcting the MIT requirement in Rule 3 to an MITIA and granted the request of Conoco Phillips Alaska, Inc. (CPAI) for administrative approval to continue water injection in the KRU 2V-05 (PTD 1831760) well.
6. The Commission issued a revision to Area Injection Order 2B.056 correcting the MIT requirement in Rule 3 to an MITIA and granted the request of Conoco Phillips Alaska, Inc. (CPAI) for administrative approval to continue water injection in the KRU 1Y-08 (PTD 1830620) well.
7. The Commission issued an Administrative Approval to Area Injection Order 2B.057 granted the request of Conoco Phillips Alaska, Inc. (CPAI) to inject water in the KRU 3N-16A (PTD 2100490) well.

Regulatory Activities Completed / Continuing

1. The Commission is reviewing applications for the drilling of geothermal test wells near Mt. Spurr.
2. The LINC LEA #1 SRPS has been issued.
3. The Commission is reviewing an application for storage injection of gas in the Cannery Loop area. Work has commenced on the Storage Injection Order and Area Injection Order

Projects Completed / Continuing

1. Commission staff continues to update the web published Statistical Report.
2. Commission staff is working on the web published Statistical Report to make it ADA compliant
3. Thirty Four Well histories and 1298 digital well logging/data files were released to the public.
4. 3,821 MegaBytes of Well logging/analysis data was delivered to the public.

Permitting and Rig Activity

1. Drilling Permit Approvals (October) – 16 (Exp 3 Dev 6 Ser 7)
2. Rig count – 14; North Slope – 11; Cook Inlet – 2; Coal Core-1 Geothermal - 0; (Down Two from last month)
3. Total Permit/Sundry Applications and Sundry Reports to date:
401's = 162; 403's = 345; 404's = 588; 407's = 230; Total 1325.