



September 26, 2016

Alaska Oil and Gas Conservation Commission  
333 West 7<sup>th</sup> Avenue  
Anchorage, AK 99501

via E-mail

**RE: September 2016 Rulemaking**

To Whom It May Concern,

Environmental Defense Fund (EDF) respectfully submits these written comments on the proposed rule revisions to the Alaska Administrative Code. EDF is a national organization representing over one million members nationwide and over 16,000 in Alaska, many of whom care deeply about the environmental impacts associated with oil and gas development, public health and clean water.

EDF commends the Commission for its ongoing dedication to continuous improvement of its regulatory program. EDF believes the proposed rules are a strong step forward by the Commission in strengthening Chapter 25, and appreciates the opportunity to submit these comments. EDF's comments will focus on revisions to 20 AAC 25.030.

- 1) The proposed rulemaking specifies in 20 AAC 25.030(d)(5)(A) and (B) remediation procedures for cement for intermediate and production casing when there is evidence of improper cementation. The existing rule already specified remediation procedures for surface casing, and adding this requirement for deeper casings is good practice that should improve the quality of remediation and reduce the likelihood of well leakage over time.
- 2) The proposed rulemaking adds a provision in 20 AAC 25.030(d)(8) requiring the submission of a Sundry Application prior to hydraulic fracturing detailing casing and cementing information that includes an evaluation of the isolation of hydrocarbon zone(s) penetrated by the well. EDF supports this provision –

it is good practice to have agency review of the well as built prior to hydraulic fracturing. In addition to an evaluation of the isolation of hydrocarbon zone(s), the AOGCC should also require a showing of isolation of other zones of concern to the Commission. This would include freshwater as specified in 20 AAC 25.030(a)(6), but might also include corrosive zones and “flow zones” capable of over-pressurizing the annulus. In Texas, for examples, these zones are required to be isolated by Texas Admin. Code Rule 3.13(a)(4)(D). Requiring a showing of isolation of these zones would reduce the risk of damage to the well, uncontrolled gas migration, and contamination of water resources.

- 3) The proposed rulemaking provides detailed guidance for casing pressure tests required under 20 AAC 25.030(e). The Commission is wise to provide pass/fail criteria, and the ten percent in thirty minute threshold proposed here is a standard practice. However, in order to ensure that the casing is tested to appropriate thresholds, EDF recommends adding a minimum testing pressure of 1,000 psi or at a pressure that will determine if the casing integrity is adequate to meet the well design and construction objectives. The operator should be required to test at whichever is greatest of those two options and the currently proposed requirement of 50 percent of casing internal yield pressure.
- 4) The proposed rulemaking revises in 20 ACC 25.030(g) the criteria that AOGCC will use to determine when to grant a variance. EDF commends the Commission on this revision, which provides more clear guidance to operators on how variances will be evaluated and tightens the relationship between variances and environmental protection. Other oil and gas agencies would do well to examine the criteria articulated in this proposal.

Thank you for your time in considering these recommendations. EDF appreciates this opportunity to comment and looks forward to continuing work with the Commission on regulatory advances such as these.

Respectfully submitted,

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