

STATE OF ALASKA

SARAH PALIN, GOVERNOR

ALASKA OIL AND GAS CONSERVATION COMMISSION

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ADMINISTRATIVE APPROVAL NO. AIO 18B.003

Mr. Perry Klein
Problem Well Supervisor
ConocoPhillips Alaska, Inc.
P.O. Box 100360
Anchorage, AK 99510-0360

RE: CRU CD2-48 (PTD 202-108) Request for Administrative Approval
AIO18B.003

Dear Mr. Klein:

Per Rule 11 of Area Injection Order ("AIO") 018.B, the Alaska Oil and Gas Conservation Commission ("AOGCC" or "Commission") hereby grants ConocoPhillips Alaska, Inc. ("CPAI")'s request for administrative approval to continue water injection in the subject well.

AOGCC finds that CPAI has performed diagnostic testing on CD2-48 and confirmed pressure communication from the tubing to inner annulus. CPAI has determined that a workover is necessary to eliminate the pressure communication. At this time, the workover has not been scheduled. The Commission further finds that, based upon reported results of CPAI's diagnostic procedures, CD2-48 exhibits two competent barriers to release of well pressure. Accordingly, the Commission believes that the well's condition does not compromise overall well integrity so as to threaten the environment or human safety.

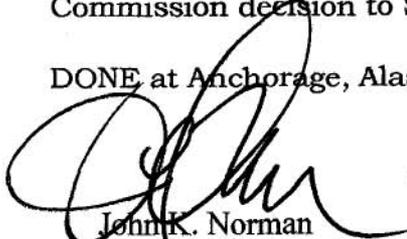
AOGCC's administrative approval to continue water injection in CRU CD2-48 is conditioned upon the following:

1. Injection is limited to WATER ONLY;
2. CPAI shall monitor and record wellhead pressures (T/I/O) and injection rate daily;
3. CPAI shall submit to the AOGCC a monthly report of well pressures and injection rates;
4. CPAI shall demonstrate continued tubular integrity by performing an MIT-T and MIT-IA every two years to 3000 psi;

5. CPAI shall immediately shut in the well and notify the AOGCC upon any measurable change in well outer annulus pressure; and
6. After well shut in, AOGCC approval shall be required to restart injection.

As provided in AS 31.05.080, within 20 days after written notice of this 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 rehearing. A request for rehearing is considered timely if it is received by 4:30 PM on the 23rd day following the date of this letter, or the next working day if the 23rd day falls on a holiday or weekend. A person may not appeal a Commission decision to Superior Court unless rehearing has been requested.

DONE at Anchorage, Alaska and dated February 12, 2007.



John K. Norman
Chairman



Daniel T. Seamont, Jr.
Commissioner



Cathy P. Foerster
Commissioner

