

# STATE OF ALASKA

SARAH PALIN, GOVERNOR

## ALASKA OIL AND GAS CONSERVATION COMMISSION

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### ADMINISTRATIVE APPROVAL 2B.023

Ms. MJ Loveland  
Problem Well Supervisor  
ConocoPhillips Alaska, Inc.  
P.O. Box 100360  
Anchorage, AK 99510-0360

RE: KRU 3O-14 (PTD 1880390) Request for Administrative Approval

Dear Ms. Loveland:

In accordance with Rule 9 of Area Injection Order ("AIO") 02B.000, 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.

Kuparuk River Unit ("KRU") 3O-14 exhibits tubing by inner annulus communication. Despite passing all positive pressure diagnostic tests and a drawdown test, the well exhibits inner annulus re-pressurization several days following pressure bleeds. The Commission finds that CPAI does not intend to perform repairs at this time, deferring until location of the communication can be determined. Reported results of CPAI's diagnostic procedures and wellhead pressure trend plots indicate that KRU 3O-14 exhibits at least two competent barriers to the release of well pressure.

The recent pressure history provided by CPAI shows that the inner annulus pressure equalizes with the injection pressure. CPAI requests the Commission approve inner annulus pressure equalized up to an injection pressure of 3000 psi, which is approximately 60 percent of the production casing's minimum internal yield pressure rating. Should the well develop communication to the outer annulus, the 3000 psi injection pressure would represent 85 percent of the surface casing's minimum internal yield pressure rating.

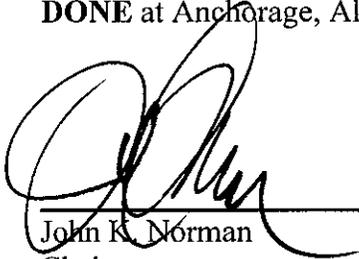
Outer annulus pressures must be monitored and engineering controls must be installed to assure ongoing integrity of the surface casing. With such in place, the Commission believes that the well's condition would not compromise overall well integrity so as to threaten human safety or the environment.

AOGCC's administrative approval to continue water injection only in KRU 30-14 is conditioned upon the following:

1. CPAI shall record wellhead pressures and injection rate daily;
2. CPAI shall submit to the AOGCC a monthly report of well pressures, injection rates, and pressure bleeds for all annuli;
3. CPAI shall perform an MIT-IA every 2 years to the maximum anticipated injection pressure;
4. Within 30 days of the effective date of this approval, CPAI shall install, maintain and operate automatic well shut-in equipment on the well's outer annulus. The actuation pressure shall not exceed 1,000 psi. Testing of the shut-in equipment shall be performed in conjunction with production well pilots and safety valves;
5. CPAI shall immediately shut in the well and notify the AOGCC if there is any change in the well's mechanical condition;
6. After well shut in due to a change in the well's mechanical condition, AOGCC approval shall be required to restart injection; and
7. The MIT anniversary date is October 21, 2007.

As provided in AS 31.05.080(a), 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 reconsideration. A request for reconsideration 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 reconsideration has been requested.

**DONE** at Anchorage, Alaska and dated December 5, 2007.

  
John K. Norman  
Chairman

  
Daniel T. Seamont, Jr.  
Commissioner

  
Cathy P. Foerster  
Commissioner

