

# STATE OF ALASKA

## ALASKA OIL AND GAS CONSERVATION COMMISSION

SEAN PARNELL, GOVERNOR

333 W. 7th AVENUE, SUITE 100  
ANCHORAGE, ALASKA 99501-3539  
PHONE (907) 279-1433  
FAX (907) 276-7542

### ADMINISTRATIVE APPROVAL AREA INJECTION ORDER 33.003

Mr. J. Patrick Foley  
Pioneer Natural Resources Alaska  
700 G Street, Suite 600  
Anchorage, AK 99501

RE: Application to Amend Rule 3 of Area Injection Order No. 33  
Oooguruk-Kuparuk Oil Pool, Oooguruk Unit

Dear Mr. Foley:

In accordance with Rule 10 of Area Injection Order No. 33 (AIO 33) for the Oooguruk-Kuparuk Oil Pool, the Alaska Oil and Gas Conservation Commission (Commission) GRANTS the request of Pioneer Natural Resources Alaska (Pioneer) for administrative approval to employ injection of glycol and water mixtures for enhanced recovery purposes.

By application dated April 23, 2010, Pioneer requests authority to inject glycol and water mixtures for enhanced recovery purposes in the Oooguruk-Kuparuk Oil Pool of the Oooguruk Unit. Pioneer's request also notified the Commission of the unauthorized injection of glycol and water volumes in the Oooguruk-Kuparuk Oil Pool of the Oooguruk Unit during the second quarter of 2009 during commissioning of the Oooguruk injection water pipeline. That unauthorized injection is not addressed in this order.

Non-hazardous fluids are authorized for injection at Oooguruk for enhanced oil recovery and reservoir pressure maintenance. AIO 33 provides for approval of other fluids by administrative action. Pioneer employed glycol and water mixtures during pressure testing and for freeze protection in pipelines that connect Oooguruk Island to shore. However, because of the layout of the facilities, all of the glycol and water mixtures cannot be removed from the pipelines. As a result, upon commencement of authorized injection operations, residual glycol and water mixture will be injected into the wells. Glycol and water mixtures have been authorized for injection for enhanced recovery purposes in other North Slope fields to maintain reservoir pressure and as a beneficial reuse of fluids as a sensible waste management practice.

Pioneer's comparative well performance information demonstrates that injecting glycol and water mixtures has not had a detrimental impact on injectivity on well ODSK-38 which indicates the fluid is compatible with the formation.

The Commission has determined that the proposed action does not require notice and public hearing, will not promote waste or jeopardize correlative rights, is based on sound engineering and geoscience principles, and will not result in an increased risk of fluid movement into freshwater. Therefore, in accordance with Rule 10 of AIO 33 the Commission administratively amends Rule 3 of AIO 33 to allow the injection of glycol and water mixtures for enhanced recovery purposes by adding the following.

- i. non-hazardous glycol and water mixtures

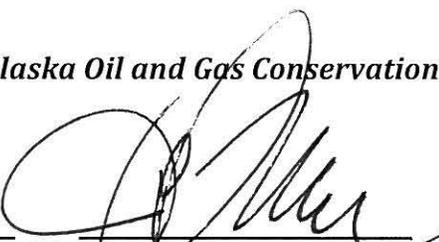
This administrative approval does not exempt you from obtaining additional permits or approvals required by law from other governmental agencies.

**DONE at Anchorage, Alaska and dated May 17, 2010.**



*The Alaska Oil and Gas Conservation Commission*

  
Daniel T. Seamount, Jr.  
Commissioner, Chair

  
John R. Norman  
Commissioner

  
Cathy P. Foerster  
Commissioner

**RECONSIDERATION AND APPEAL NOTICE**

As provided in AS 31.05.080(a), within 20 days after written notice of the entry of this order or 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 of the matter determined by it. If the notice was mailed, then the period of time shall be 23 days. An application for reconsideration must set out the respect in which the order or decision is believed to be erroneous.

The Commission shall grant or refuse the application for reconsideration in whole or in part within 10 days after it is filed. Failure to act on it within 10-days is a denial of reconsideration. If the Commission denies reconsideration, upon denial, this order or decision and the denial of reconsideration are FINAL and may be appealed to superior court. The appeal MUST be filed within 33 days after the date on which the Commission mails, OR 30 days if the Commission otherwise distributes, the order or decision denying reconsideration, UNLESS the denial is by inaction, in which case the appeal MUST be filed within 40 days after the date on which the application for reconsideration was filed.

If the Commission grants an application for reconsideration, this order or decision does not become final. Rather, the order or decision on reconsideration will be the FINAL order or decision of the Commission, and it may be appealed to superior court. That appeal MUST be filed within 33 days after the date on which the Commission mails, OR 30 days if the Commission otherwise distributes, the order or decision on reconsideration. As provided in AS 31.05.080(b), "[t]he questions reviewed on appeal are limited to the questions presented to the Commission by the application for reconsideration."

In computing a period of time above, the date of the event or default after which the designated period begins to run is not included in the period; the last day of the period is included, unless it falls on a weekend or state holiday, in which event the period runs until 5:00 p.m. on the next day that does not fall on a weekend or state holiday.