

STATE OF ALASKA  
ALASKA OIL AND GAS CONSERVATION COMMISSION  
3001 Porcupine Drive  
Anchorage, Alaska 99501-3192

Re: THE APPLICATION OF CONOCO ) Conservation Order No. 205  
INC. requesting an order )  
approving a waterflood ) Kuparuk River Field  
project for the Milne Point ) Kuparuk River Oil Pool  
Unit in the Kuparuk River )  
Oil Pool and Field. ) October 9, 1984

IT APPEARING THAT:

1. Conoco Inc., by letter and documents dated August 15, 1984, and September 18, 1984, requested the Alaska Oil and Gas Conservation Commission to approve the implementation of a waterflood project for the Kuparuk River Oil Pool within the Milne Point Unit, a part of the Kuparuk River Field.
2. Notice of the application was published in the Anchorage Times on September 27, 1984.
3. There were no protests to the application.

FINDINGS:

1. A waterflood project for the Kuparuk River Unit in the Kuparuk River Oil Pool and Field was approved on June 14, 1984.
2. The Kuparuk River Oil Pool and Field has been defined to include the area of the Milne Point Unit.
3. The application for additional recovery pertaining to the Milne Point Unit waterflood project filed by Conoco Inc. for the Kuparuk River Oil Pool contains all of the necessary data required by 20 AAC 25.400.
4. Primary recovery from the Milne Point Unit portion of the Kuparuk River Oil Pool is estimated to be 10 percent of the original oil-in-place.
5. Primary plus secondary oil recovery is expected to be 27 percent of the original oil-in-place or 53 million barrels of stock tank oil.

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6. Rule 3 of Conservation Order No. 173 provides for one well per governmental quarter section. Increased well density may be required to recover the maximum amount of oil in areas of the Kuparuk River Oil Pool.
7. Areas of the Kuparuk River Oil Pool may require a production/injection well density of one well per 40 acres to provide the flexibility needed for a effective waterflood project.
8. Correlative rights will be protected and there will be no waste in a 40 acre spacing pattern for the Milne Point Unit.
9. The Alaska Oil and Gas Conservation Commission should have administrative power to approve modifications to the Milne Point Unit waterflood project.

CONCLUSION:

The planned Milne Point Unit waterflood project will result in the recovery of significantly more oil, correlative rights will be protected and there will be no waste of hydrocarbons.

NOW, THEREFORE, IT IS ORDERED THAT the Milne Point Unit waterflood project is approved for the area described as follows:

T13N, R10E, U.M.      S $\frac{1}{2}$  Section 1, Sections 2, 3, 4, 9, 10, 11, 12, 13, 14, 15, N $\frac{1}{2}$ , SE $\frac{1}{4}$  and E $\frac{1}{2}$  SW $\frac{1}{4}$  Section 23, Sections 24 and 25, and E $\frac{1}{2}$  NE $\frac{1}{4}$  Section 26.

T13N, R11E, U.M.      S $\frac{1}{2}$  S $\frac{1}{2}$  Section 6, Section 7, SW $\frac{1}{2}$  and S $\frac{1}{2}$  NW $\frac{1}{4}$  Section 8, SW $\frac{1}{4}$ , S $\frac{1}{2}$  SE $\frac{1}{4}$ , SW $\frac{1}{4}$  NW $\frac{1}{4}$ , N $\frac{1}{2}$  NW $\frac{1}{4}$  and NW $\frac{1}{4}$  NE $\frac{1}{4}$  Section 18, Section 19, and NW $\frac{1}{4}$  NW $\frac{1}{4}$ , S $\frac{1}{2}$  NW $\frac{1}{4}$ , SW $\frac{1}{4}$ , W $\frac{1}{2}$  SE $\frac{1}{4}$  and SE $\frac{1}{4}$  SE $\frac{1}{4}$  Section 20.

Rule 1. Well Spacing.

Rule 3 of Conservation Order No. 173 is hereby amended by adding the following sentence:

However, in the area described in Conservation Order No. 205, except for those governmental quarter sections adjacent to the Milne Point Unit boundary, four wells may be drilled per governmental quarter section.

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Rule 2. Administrative Action.

The Alaska Oil and Gas Conservation Commission may, by administrative action, make changes and approve operations that will enhance the efficiency of the Milne Point Unit waterflood project.

Rule 3. Milne Point Unit Waterflood Surveillance Program.

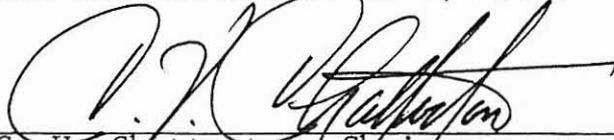
The Unit Operator will submit an annual report to the Commission on the Milne Point Unit waterflood. The report will be submitted by April 1 of each year for the period ending December 31 and will contain the following information:

- (a) A tabulation of all pertinent reservoir pressure and injection pressure data on wells in the waterflood permits.
- (b) A tabulation of all production logs, injection well surveys, and injection well performance data.
- (c) Produced fluid volumes (oil, gas, and water) and water injection volumes reported by month and on a cumulative basis.

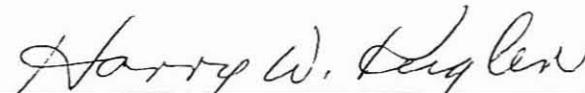
Rule 4. Injectivity Profiles.

An injection profile survey will be obtained on each injection well during the first nine months of sustained injection using a quantitative method. Follow-up surveys will be performed on a rotating basis such that one-third of the total number of injection wells are surveyed during each calendar year. The completed injection surveys will be filed with the Commission within 90 days after performing the survey.

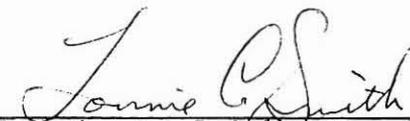
DONE at Anchorage, Alaska and dated October 9, 1984.



C. V. Chatterton, Chairman  
Alaska Oil and Gas Conservation Commission



Harry W. Kugler, Commissioner  
Alaska Oil and Gas Conservation Commission



Lonnie C. Smith, Commissioner  
Alaska Oil and Gas Conservation Commission