

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

Re: THE APPLICATION OF UNION ) Conservation Order No. 228  
OIL COMPANY OF CALIFORNIA )  
(Unocal) on behalf of the ) McArthur River Field  
Trading Bay Unit Working ) McArthur River Middle  
Interest Owners requesting) Kenai Gas Pool  
amendments to Conservation) Order No. 80 regarding the)  
McArthur River Middle ) April 17, 1987  
Kenai Gas Pool. )

IT APPEARING THAT:

1. Unocal, by letter dated February 16, 1987, requested amendments to Conservation Order No. 80 and the establishment of pool rules to facilitate development of the McArthur River Middle Kenai Gas Pool.
2. Notice of public hearing was published in the Anchorage Daily News on March 19, 1987.
3. No protests were filed with the Commission.

FINDINGS:

1. The Steelhead Platform has been placed on location, and is being prepared to develop the McArthur River Middle Kenai Gas Pool.
2. The proposed redefined McArthur River Middle Kenai Gas Pool consists of non-marine fluvial sands. The vertical limits of the pool may be defined in the Trading Bay Unit State G-2 well.
3. Top of the D-1 sand represents the approximate midpoint of the proposed redefined pool.
4. An empirical relationship between well spacing and ultimate recovery cannot be established due to the large vertical section and lenticular nature of the reservoir.
5. Though not quantifiable, ultimate recovery of gas will be enhanced as well density is increased.
6. A vertical differential pressure of as much as 1860 psi may be expected across the McArthur River Middle Kenai Gas Pool.

7. Gas recovery efficiency may be reduced if low pressure and high pressure intervals are in communication through a wellbore.

NOW, THEREFORE, IT IS ORDERED THAT Rule 1(b) of Conservation Order No. 80 is repealed and reenacted to read:

The McArthur River Middle Kenai Gas Pool is defined as the accumulation of gas occurring within an interval that is stratigraphically equivalent to the interval in Trading Bay Unit State G-2 between the measured depths of 2762 feet and 6515 feet.

IT IS FURTHER ORDERED THAT the rules hereinafter set forth for the development and production from the McArthur River Middle Kenai Gas Pool, as defined above, apply to the following area:

Township 8 North, Range 13 West, Seward Meridian

Sections 4 through 8:	All
Section 9:	$W\frac{1}{2}$ , $NE\frac{1}{4}$
Section 16:	$W\frac{1}{2}$
Sections 17 through 20:	All
Section 29:	$NW\frac{1}{4}$
Section 30:	$NE\frac{1}{4}$

Township 8 North, Range 14 West, Seward Meridian

Section 1:	All
Section 12:	$E\frac{1}{2}$ , $NW\frac{1}{4}$

Township 9 North, Range 13 West, Seward Meridian

Section 9:	$S\frac{1}{2}$
Section 14:	$SW\frac{1}{4}$
Sections 15 through 17:	All
Section 18:	$S\frac{1}{2}$
Sections 19 through 22:	All
Section 23:	$W\frac{1}{2}$
Section 26:	$W\frac{1}{2}$
Sections 27 through 34:	All
Section 35:	$NW\frac{1}{4}$

Township 9 North, Range 14 West, Seward Meridian

Section 24:	$E\frac{1}{2}$
Section 25:	$E\frac{1}{2}$
Section 36:	$NE\frac{1}{4}$

Rule 1 Well Spacing

Ten (10) acre drilling units are established for the McArthur River Middle Kenai Gas Pool at the point of penetration of the D-1 sand interval.

Rule 2 Production Intervals

Production intervals of the McArthur River Middle Kenai Gas Pool with more than 1000 feet (true vertical) between the bottom and top perforations shall not be in communication within the same wellbore.

Rule 3 Administrative Approval

Upon request, the Commission may administratively amend this order as long as the operator demonstrates to the Commission's satisfaction that sound engineering practices are maintained and the amendment will not result in physical waste.

DONE at Anchorage, Alaska, and dated April 17, 1987.



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



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



W. W. Barnwell, Commissioner  
Alaska Oil and Gas Conservation Commission