Byron Mallott Lieutenant Governor State Capitol Juneau, Alaska 99811 907.465.3520 WWW.LTGOV.ALASKA.GOV



530 West 7th Ave, Suite 1700 Anchorage, Alaska 99501 907.269.7460 LT.GOVERNOR@ALASKA.GOV

OFFICE OF THE LIEUTENANT GOVERNOR ALASKA

MEMORANDUM

TO:

Minta Montalbo

Department of Administration

FROM:

Scott Meriwether, Office of the Lieutenant Governor

465.4081

DATE:

January 11, 2018

RE:

Filed Permanent Regulations: Oil and Gas Conservation Commission

Alaska Oil and Gas Conservation Commission (20 AAC 25.020 - .556)

Attorney General File:

JU2016200655

Regulation Filed:

1/11/2018

Effective Date:

2/10/2018

Print:

225, April 2018

cc with enclosures:

Linda Miller, Department of Law

Judy Herndon, LexisNexis

ORDER CERTIFYING THE CHANGES TO REGULATIONS OF THE ALASKA OIL AND GAS CONSERATION COMMISSION

The attached 12 pages of batch regulations are certified to be a correct copy of the regulation changes that the Alaska Oil and Gas Conservation Commission readopted at its December 6, 2017 meeting, under the authority of AS 31.05 and after compliance with the Administrative Procedure Act (AS 44.62), specifically including notice under AS 44.62.190 and 44.62.200 and opportunity for public comment under AS 44.62.210.

This action is not expected to require an increased appropriation.

On the record, in considering public comments, the Alaska Oil and Gas Conservation Commission paid special attention to the cost to private persons of the regulatory action being taken.

The regulation changes described in this order take effect on the 30th day after they have been filed by the lieutenant governor as provided in AS 44.62.180.

Date: January 3, 2018

Hollis S. French, Chair, AOGCC

FILING CERTIFICATION

I,	Byron Mallott,	Lieutenant	Governor	for the	State of	of Alaska,	certify	that on
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____, 2018 at _____, m., I filed the attached regulations according to the

provisions of AS 44.62.040 - 44.62.120.

Effective:

Register:

February 10, 2018 225, April 2018

(cc Publisher: Center heading on each pose.))

Register 225, Apri) 2018



20 AAC 25.020 is amended by adding a new subsection to read:

(b) The operator shall notify the commission in writing not later than 30 days after any change in the operator's office address, primary telephone number, electronic mail address, or principal contact. (Eff. 4/13/80, Register 74; am 4/2/86, Register 97; am 11/7/99, Register 152; am 2/10/2018, Register 225)

Authority:

AS 31.05.030

20 AAC 25.030(d)(5) is amended to read:

(5) intermediate and production casing must be cemented with sufficient cement to fill the annular space from the casing shoe to a minimum of 500 feet <u>measured depth or 250</u> feet true vertical depth, whichever is greater, above all significant hydrocarbon zones and abnormally geo-pressured strata or, if zonal coverage is not required under (a) of this section, from the casing shoe to a minimum of 500 feet <u>measured depth or 250 feet true vertical</u> depth, whichever is greater, above the casing shoe; if indications of improper cementing exist, such as lost returns, or if the formation integrity test shows an inadequate cement job,

(A) the operator shall notify the commission and obtain approval before drilling ahead; and

- (B) the commission will require
- (i) a cement quality log or other approved method to evaluate
 the adequacy of the cement to contain potential wellbore pressures and
 fluids; and
 - (ii) a plan of the remedial actions proposed to bring the well

into compliance with (a) of this section [REMEDIAL ACTION MUST BE
TAKEN];

20 AAC 25.030(d)(6) is amended to read:

(6) if the intermediate or production string is a liner, a minimum of 100 measured feet overlap between the outer and inner strings is required; the interval of overlap must be made pressure competent and must be pressure-tested in accordance with (e) of this section;

20 AAC 25.030(e) is amended to read:

(e) A casing pressure test must be performed if BOPE is to be installed on a casing. The casing must be tested to hold a <u>minimum</u> surface pressure equal to 50 percent of the <u>casing</u> internal yield pressure. The test pressure must show stabilizing pressure and may not decline more than 10 percent within 30 minutes. [REQUIRED WORKING PRESSURE OF THE BOPE AS SPECIFIED IN THE PERMIT TO DRILL UNDER 20 AAC 25.035(e)(3) or 20 AAC 25.036(c)(3)]. The results of this test and any subsequent tests of the casing must be recorded as required by 20 AAC 25.070(1).

20 AAC 25.030(g) is amended to read:

(g) Upon <u>written</u> request of the operator <u>showing good cause</u>, the commission <u>may</u>

<u>modify a deadline in this section</u> [WILL, IN ITS DISCRETION], approve <u>a variance</u>

[VARIANCES] from <u>any requirement of this section if the variance provides at least an</u>

requirement of this section if the waiver will not promote waste, is based on sound engineering and geoscience principles, will not jeopardize the ultimate recovery of hydrocarbons, will not jeopardize correlative rights, and will not result in an increased risk to health, safety, or the environment, including freshwater [THE REQUIREMENTS OF (b) - (f) OF THIS SECTION TO ALLOW FOR SPECIAL OR UNUSUAL CONDITIONS IF THE DESIGN REQUIREMENTS OF (a) OF THIS SECTION ARE SATISFIED]. (Eff. 4/13/80, Register 74; am 4/2/86, Register 97; am 11/7/99, Register 152; am 2/10/2018, Register 225)

Authority: AS 31.05.030

20 AAC 25.065(c)(1) is amended to read:

(1) in addition to the automatic hydrogen sulfide detection system required in 20 AAC 25.066, at least three manual detectors [WITH AN ADEQUATE SUPPLY OF EXTRA DETECTOR TUBES] must be available on the location;

(Eff. 4/13/80, Register 74; am 4/2/86, Register 97; am 11/7/99, Register 152; am 2/10/2018, Register 225)

Authority: AS 31.05.030

20 AAC 25.071 is amended to read:

20 AAC 25.071. Logs and geologic [GEOLOGIC] data [AND LOGS]. (a) An operator shall log the [PORTION OF THE] well <u>from total depth to the base of [BELOW THE]</u> conductor pipe by either a complete electrical [LOG] or <u>gamma-ray</u> [A COMPLETE

RADIO-ACTIVITY] log unless the commission specifies [WHICH] **the** type of **each** log [IS] to be run.

- (b) Not later than 90 [WITHIN 30] days after completion, suspension, or plugging [ABANDONMENT] of a well or well branch, or not later than 90 days after the date of acquisition of the data, whichever occurs first, [AND WITHIN 30 DAYS AFTER COMPLETION OR PLUGGING OF A WELL BRANCH, IF OCCURRING AT A DIFFERENT TIME,] the operator shall file with the commission, unless previously filed,
- (1) an electronic image file in formats acceptable to the commission [A SEPIA AND A REPRODUCED COPY] of a complete mud log or a lithology log consisting of a detailed record and description of the sequence of strata encountered, including the kind and character of the rock and all shows of hydrocarbons; [AN ELECTRONIC IMAGE FILE IN A FORMAT ACCEPTABLE TO THE COMMISSION MAY BE SUBSTITUTED FOR THE SEPIA;]
- (2) a complete set of washed and dried, legibly identified samples of all drill cuttings, as caught by the operator in accordance with good geological practices, consisting of a minimum of one-quarter cup in volume or three ounces in weight of cuttings for each sample interval;
- (3) a lithologic description and, if available, photographs of each conventional and sidewall core; conventional core descriptions must include apparent textural, fluid, and lithologic variations, including rock type, porosity, fractures, bedding plane attitudes, sedimentary structure, grain size, and presence of hydrocarbons;
 - (4) chips from each foot of recovered conventional core, except that chips need

not be submitted until 30 days after the conventional core is analyzed; the chips must be representative of the one-foot interval, and must be approximately either one cubic inch in volume, or two ounces in weight;

- (5) a list of the geologic markers <u>and each formation top</u> encountered and the measured and true vertical depths of each marker <u>and formation top</u>;
- (6) an electronic image file in formats acceptable to the commission [A SEPIA AND A REPRODUCED COPY] of all open-hole logs and mud logs run, including common derivative formats such as tadpole plots of dipmeter data and borehole images produced from sonic or resistivity data, and including composite log formats; however, copies of velocity surveys and experimental logs need not be included; the operator shall provide the commission the opportunity to examine open-hole logs for exploration or stratigraphic test wells not later than 72 hours after the logs are run and before abandonment [AN ELECTRONIC IMAGE FILE IN A FORMAT ACCEPTABLE TO THE COMMISSION MAY BE SUBSTITUTED FOR THE SEPIA];
- (7) digital data [A TAPE, DISKETTE, OR OTHER ELECTRONIC MEDIUM ACCEPTABLE TO THE COMMISSION] and a verification listing [OF THE DIGITAL DATA] for all open-hole logs, all mud logs, and all cased-hole formation evaluation and cement evaluation logs run, except velocity surveys and experimental logs; the logs shall be stored on electronic media and use file formats that are acceptable to the commission [THE VERIFICATION LISTING MUST INCLUDE A WRITTEN DESCRIPTION OF THE LOGICAL AND PHYSICAL FORMAT OF THE DIGITAL DATA]; [AND]
 - (8) the following items, or a written request proposing a date for submitting those

items, subject to commission approval of that date for timeliness, if those items are unavailable within the <u>90-day</u> [30-DAY] filing period set out in this subsection:

- (A) <u>copies</u> [A COPY] of all drill stem <u>tests</u> [TEST] and production test data and charts;
- (B) a brief summary of production tests, drill stem tests, wireline formation tests, and other formation tests performed, including test date, time, depth, duration, method of operation, recovered fluid types, fluid amounts, gas-oil ratio, oil gravity, pressure, and choke size;
- (C) conventional and sidewall core analysis determinations, if any, of porosity, permeability, and fluid saturation;
- (D) geochemical and formation fluid analyses obtained, if any; and

 (9) an electronic image file in formats acceptable to the commission of all

 cased-hole formation evaluation logs and cement evaluation logs run, including common derivative formats.
- (c) The commission <u>may</u> [WILL, IN ITS DISCRETION,] waive or modify the requirements of this section for a well if those requirements would not significantly add to the geologic <u>or engineering</u> knowledge of the area in light of the information that is available from <u>the well or</u> other wells in the area.
 - (d) In this section,
- (1) "experimental logs" means logs that are not commercially available from a well logging contractor; [AND]
 - (2) "velocity survey" means a survey, a [THE PRIMARY] purpose of which is to

determine velocity of seismic waves through formations penetrated by a well by measuring travel times of seismic pulses from or near the surface to geophones placed at various depths in the well. (Eff. 4/2/86, Register 97; am 11/7/99, Register 152; am _2/10/2018, Register 225)

Authority: AS 31.05.030 AS 31.05.035

20 AAC 25.110(a) is amended to read:

- (a) If allowed under 20 AAC 25.105, an operator may apply to the commission under this section to approve the suspension of a well or to renew the approval of the suspension of a well. The operator must
- (1) state the reasons the well should be suspended, and why the well should not be completed or abandoned;
 - (2) [, AND MUST] demonstrate to the commission's satisfaction that

 (A) [(1)] the well
 - (i) [(A)] is mechanically sound;
 - (ii) [(B)] will not allow the migration of fluids;
 - (iii) [(C)] will not damage freshwater or producing or potentially producing formations;
 - (iv) [(D)] will not impair the recovery of oil or gas;
 - (v) [(E)] is secure, safe, and not a threat to public health; [AND]
 - (vi) is located on a valid lease that authorizes the operator to drill for oil, gas, coal bed methane, gas hydrates, or shale gas, or to evaluate underground coal gasification or geothermal resources; and

(vii) [(F)] is in compliance with all provisions of AS 31.05, this chapter, and any order, stipulation, or permit issued by the commission; and
(B) [(2)] the well

- (i) [(A)] has future utility as an exploratory, development, or service well;
 - (ii) [(B)] is a viable candidate for redrilling; or
- (iii) [(C)] is located on a pad or platform with active producing or service wells; and
- (3) for a well that does not lie within a unitized area,
- (A) provide the commission with a list of the leases that the wellbore traverses, from surface location to bottom-hole location, and the expiration date of each lease; and
- (B) notify the commission not later than 30 days after the change, if the status of any lease changes.

20 AAC 25.110(h) is amended to read:

(h) Renewal of an existing suspension may be requested by the submission of an Application for Sundry Approvals (Form 10-403) meeting all requirements of (b) of this section. A renewal is not effective until approved by the commission. If a complete renewal application is submitted at least 60 days before the expiration of an existing suspension, the existing suspension continues [WILL CONTINUE] until the commission acts on the application. Within 24 months before the submission of a request for suspension renewal, a well-site inspection must

be completed. If the well does not lie within a unitized area, the application to renew an existing suspension must include a list of all leases that the wellbore traverses, from surface location to bottom-hole location, and the expiration date of each lease.

(Eff. 4/2/86, Register 97; am 11/7/99, Register 152; am 11/19/2008, Register 188; am 4/15/2010, Register 194; am 2/10/2018, Register 225)

Authority:

AS 31.05.030

AS 31.05.040

AS 31.05.095

20 AAC 25.265(d)(4) is amended to read:

(4) an onshore well in a location described under (2) of this subsection and equipped with an electric submersible pump, velocity string, or capillary string run within the tubing is not required to be equipped with a subsurface safety valve; or (Eff. 4/13/80, Register 74; am 4/2/86, Register 97; am 11/7/99, Register 152; am 12/3/2010, Register 196; am 2/10/2018, Register 225)

Authority:

AS 31.05.030

AS 31.05.040

AS 31.05.095

The section heading of 20 AAC 25.270 is changed to read:

20 AAC 25.270. Reservoir [INITIAL RESERVOIR] properties.

20 AAC 25.270(b) is amended to read:

- (b) The operator shall obtain fluid samples from each new pool at the time of discovery or before regular production and determine
 - (1) [THE] crude oil composition [ASSAY];

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MISCELLANEOUS BOARDS

- (2) pressure, volume, and temperature properties of the crude oil; and
- (3) [THE] solution or non-associated gas composition [ASSAY].

20 AAC 25.270 is amended by adding a new subsection to read:

(e) Annually and not later than April 1 or the date that the operator must submit a pool-specific annual surveillance report for the reservoir under 20 AAC 25.520, whichever date is later, the operator shall submit to the commission an Annual Reservoir Properties Report (Form 10-428). (Eff. 4/13/80, Register 74; am 4/2/86, Register 97; am 11/7/99, Register 152; am 2 / 10 /2018, Register 235

Authority: AS 31.05.030

20 AAC 25.280 is amended by adding a new subsection to read:

(g) If workover operations are not commenced within 12 months after the commission approves an Application for Sundry Approvals, the Application for Sundry Approvals expires. (Eff. 4/2/86, Register 97; am 11/7/99, Register 152; am 12/28/2006, Register 180; am 1/7/2015, Register 213; am 2/10/2018, Register 225)

Authority: AS 31.05.030

20 AAC 25.537(a) is amended to read:

- (a) The commission will routinely make available to the public, by means of records or reports, in its offices or elsewhere, or by means of regular publication, the following information:
 - (1) surface and proposed bottom-hole locations of each well after approval of the

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Permit to Drill (Form 10-401);

- (2) total depth, bottom-hole location and well status after the Well Completion or Recompletion Report and Log (Form 10-407) is filed;
- (3) <u>all reports and information required by this chapter for development and service wells</u>;
- (4) regular production data and regular production reports, as required to be filed by the operator each month;
- (5) [(4)] injection data and injection reports, as required to be filed by the operator each month; and
- (6) [(5)] all data filed on a well as required by this chapter upon expiration of the confidential period described in (d) of this section.

20 AAC 25.537(d) is amended to read:

(d) Except as provided by (a) of this section, the reports and information required by this chapter to be filed by the operator <u>for exploratory and stratigraphic test wells</u> will be kept confidential by the commission for 24 months following the 30-day filing period after well completion, suspension, or abandonment unless the operator gives written and unrestricted permission to release all of the reports and information at an earlier date. Upon notification that the commissioner of the Department of Natural Resources has made a finding that the required reports and information from a well contain significant information relating to the valuation of unleased land in the same vicinity, the commission will hold the reports and information confidential beyond the 24-month period and until notified by the commissioner of the

Register 225, April 2018

MISCELLANEOUS BOARDS

Department of Natural Resources to release the reports and information.

(Eff. 4/13/80, Register 74; am 4/2/86, Register 97; am 11/7/99, Register 152; am 2/10/2018,

Register 225)

Authority:

AS 31.05.030

AS 31.05.035

20 AAC 25.556 is amended by adding new subsections to read:

(b) Unless otherwise indicated in the order, each conservation order issued by the

commission expires two years after activities authorized in that order cease.

(c) Unless otherwise indicated in the order, each enhanced recovery, area, storage, and

disposal injection order issued by the commission expires

(1) two years after the date the order was adopted, if the operator has not

commenced the injection operations authorized in the order; or

(2) two years after injection operations authorized in that order conclude.

(d) Upon proper application, or its own motion, and unless notice and public hearing are

otherwise required, the commission may administratively waive or amend the requirements of

any order issued by the commission if the change does 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 aquifers. (Eff. 11/7/99, Register 152; am

2/10/2018, Register 225)

Authority:

AS 31.05.011

AS 31.05.030

AS 31.05.040

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MEMORANDUM

State of Alaska

Department of Law

The Honorable Byron Mallott Lieutenant Governor

Date: January 8, 2018

File No.: JU2016200655

Tel. No.: 465-3600

Susan R. Pollard Blavel
Chief Assist Chief Assistant Attorney General

and Regulations Attorney

Legislation and Regulations Section

Regulation re: 20 AAC 25.020 - .556:

Alaska Oil and Gas Conservation

Commission:

The Department of Law has reviewed the attached regulations of the Alaska Oil and Gas Conservation Commission related to regulations under 20 AAC 25 to modify, update and clarify requirements related to oil and gas wells, reports, and information to be filed against the statutory standards of the Administrative Procedure Act. Based upon our review, we find no legal problems. This memorandum constitutes the written statement of approval under AS 44.62.060(b) and (c) that authorizes your office to file the attached regulations.

The regulations were adopted by the Alaska Oil and Gas Conservation Commission after the close of the public comment period. The July 21, 2016 and supplemental September 30, 2016 and January 17, 2017 public notices and the January 3, 2018 certification of adoption order both state that this action is not expected to require an increased appropriation. Therefore, a fiscal note under AS 44.62.195 is not required.

We have made some technical corrections to conform the regulations in accordance with AS 44.62.125. The corrections are shown on the attached copy of the regulations.

SRP: srp

cc:

Honorable Hollis French, Commissioner Department of Administration (AOGCC)

Minta Montalbo, Office of the Commissioner Department of Administration

Jody Colombie, Special Assistant Department of Administration (AOGCC)

Thomas Ballantine, Sr. Assistant Attorney General Natural Resources Section

MEMORANDUM

State of Alaska

Department of Law

The Honorable Byron Mallott

Date: January 8, 2018

Lieutenant Governor

File No.: JU2016200655

Tel. No.: 465-3600

Susan R. Pollard Sp Chief Assistant Attorney General and Regulations Attorney Legislation and Regulations Section

Regulation re: 20 AAC 25.020 - .556: Alaska Oil and Gas Conservation

Commission:

The Department of Law has reviewed the attached regulations of the Alaska Oil and Gas Conservation Commission related to regulations under 20 AAC 25 to modify, update and clarify requirements related to oil and gas wells, reports, and information to be filed against the statutory standards of the Administrative Procedure Act. Based upon our review, we find no legal problems. This memorandum constitutes the written statement of approval under AS 44.62.060(b) and (c) that authorizes your office to file the attached regulations.

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We have made one minor technical correction to conform the regulations in accordance with AS 44.62.125. The correction is shown on the attached copy of the regulations.

SRP: srp

cc:

Honorable Hollis French, Commissioner Department of Administration (AOGCC)

Minta Montalbo, Office of the Commissioner Department of Administration

Jody Colombie, Special Assistant Department of Administration (AOGCC)

Thomas Ballantine, Sr. Assistant Attorney General Natural Resources Section

NOTICE OF PROPOSED CHANGES IN THE REGULATIONS OF THE ALASKA OIL AND GAS CONSERVATION COMMISSION

The Alaska Oil and Gas Conservation Commission (AOGCC) proposes to adopt regulation changes in Title 20, Chapter 25 of the Alaska Administrative Code, dealing with Oil and Gas regulations:

Specifically, AOGCC is making the modifications described below to the following regulations:

- 1) 20 AAC 25.022: adding a 30 day notice requirement for any change in the contact information for the information contained in the Notice of Ownership;
- 2) 20 AAC 25.030: clarifying the required actions when there exist indications of improper or inadequate cementing; clarifying the casing and cementing information to be provided for hydraulic fracturing operations; clarifying the requirements for casing pressure tests when blowout prevention equipment is to be used; allowing for approval of extensions of deadlines, variances and waivers;
- 3) 20 AAC 25.055: to require spacing exceptions based on proximity to property lines where the owner and the landowner are not the same on both sides of the line and clarifying the notification requirements for an application for a spacing exception;
- 4) 20 AAC 25.065(c)(1): clarifying the requirements for hydrogen sulfide detection systems;
- 5) 20 AAC 25.071: clarifying the requirement for providing logging and geologic data, including the forms in which such information may be provided;
- 6) 20 AAC 25.110(a): adding a requirement that an operator demonstrate it has valid leases for all parts of any well for which suspended status is sought;
- 7) 20 AAC 25.110(h): adding a requirement that an application to renew an existing "suspended" status for a well include all leases the wellbore traverses and the expiration date for each;
- 8) 20 AAC 265(d)(4): adding an exemption from the well safety valve system requirements for onshore wells with a velocity string;
- 20 AAC 25.270: adding a requirement that reservoir sampling and analyses be conducted in accordance with good laboratory analysis practices and setting an annual due date for an operator's Annual Reservoir Properties Report;
- 10) 20 AAC 25.280: providing for expiration of sundry approvals of workovers if the workover operations are not commenced within 12 months of the approval;
- 11) 20 AAC 25.537(a)(3): clarifying that all reports and information required to be filed for service and production wells are public information;
- 12) 20 AAC 25.537(d): clarifying that all reports and information required to be filed for exploratory and stratigraphic test wells are entitled to confidentiality for approximately two years after the filing period;
- 13) 20 AAC 25.556: providing for automatic expiration of orders absent reauthorization;
- 14) 20 AAC 25.990: adding a definition of the phrase "velocity survey."

The proposed changes are in response to AOGCC's periodic regulation reviews. In general, the proposed modifications aim to update and clarify the requirements, improve understanding, and streamline the implementation of the regulations.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed change, by submitting written comments to Alaska Oil and Gas Conservation Commission at 333 West 7th Avenue, Anchorage, Alaska 99501. Additionally, the Alaska Oil and Gas Conservation Commission will accept comments by facsimile at (907) 276-7542 and by electronic mail at jody.colombie@alaska.gov. The comments must be received no later than 4:30 p.m. on September 27, 2016.

Oral or written comments also may be submitted at a hearing to be held on September 27, 2016, at 333 West 7th Avenue, Anchorage, Alaska 99501. The hearing will be held at 9:00 a.m. and might be extended to accommodate those present before 9:30 a.m. who did not have an opportunity to comment.

You may submit written questions relevant to the proposed action to Jody J. Colombie, Alaska Oil and Gas Conservation Commission by email at jody.colombie@alaska.gov. The questions must be received at least 10 days before the end of the public comment period. The Alaska Oil and Gas Conservation Commission will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System and agency website.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Jody Colombie at (907) 793-1221 no later than September 20, 2016 to ensure that any necessary accommodation can be provided.

For a copy of the proposed regulation changes, contact Jody Colombie at (907) 793-1221 or go to www.aogcc.alaska.gov.

A copy of material proposed for adoption by reference is available on the Alaska Online Public Notice System or though the electronic link to the complete text. A copy of material proposed for adoption by reference may be viewed at the agency's office at 333 West Seventh Avenue, Anchorage, AK 99501.

After the public comment period ends, the Alaska Oil and Gas Conservation Commission will either adopt these or other provisions dealing with the same subject, without further notice, or decide to take no action on them. The language of any final regulation may be different from the proposed regulation. You should comment during the time allowed if your interests could be affected.

Statutory Authority: AS 31.05.030 and AS 31.05.090

Statutes Being Implemented, Interpreted, or Made Specific: AS 31.05.090

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

DATE: **7-20-16**

Cathy P. Foerster, Chair, Commissioner

SUPPLEMENTAL NOTICE OF PROPOSED CHANGES IN THE REGULATIONS OF THE ALASKA OIL AND GAS CONSERVATION COMMISSION

The Alaska Oil and Gas Conservation Commission (AOGCC) is proposing to adopt regulation changes in Title 20, Chapter 25 of the Alaska Administrative Code, dealing with Oil and Gas regulations.

The proposed changes are in response to AOGCC's periodic regulation reviews. In general, the proposed modifications aim to update and clarify the requirements, improve understanding, and streamline the implementation of the regulations.

This is a SUPPLEMENTAL NOTICE adding to the NOTICE OF PROPOSED CHANGES that was issued on July 20, 2016, concerning these proposed regulations revisions contained in the Department of Law file number JU2016200655; this SUPPLEMENTAL NOTICE incorporates by reference information in the July 20, 2016 notice of proposed regulations. This SUPPLEMENTAL NOTICE is being issued because the AOGCC has decided to hold a second oral hearing on those proposed provisions.

The AOGCC held its first public hearing on these proposed regulation changes on September 27, 2016. As a result of concerns raised during the September 27, 2016 hearing, a second oral hearing is scheduled for November 1, 2016 at 9:00 a.m. at the AOGCC, 333 West 7th Avenue, Anchorage Alaska 99501. The purpose of the hearing is to permit interested persons to provide more input to AOGCC staff regarding the regulatory amendments introduced at the AOGCC's Public Hearing held September 27, 2016. The pending proposed changes to the regulations are available on the AOGCC website http://doa.alaska.gov/ogc/. Written comments will not be taken at the second oral hearing. The hearing might be extended to accommodate those present before 9:30 a.m. who did not have an opportunity to comment.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Jody Colombie at (907) 793-1221 no later than October 30, 2016 to ensure that any necessary accommodation can be provided.

For a copy of the proposed regulation changes, contact Jody Colombie at (907) 793-1221 or go to www.aogcc.alaska.gov.

A copy of material proposed for adoption by reference is available on the Alaska Online Public Notice System or though the electronic link to the complete text. A copy of material proposed for adoption by reference may be viewed at the agency's office at 333 West Seventh Avenue, Anchorage, AK 99501.

After the November 1, 2016 oral hearing, the Alaska Oil and Gas Conservation Commission will notice another hearing, adopt these or other provisions dealing with the same subject, or decide to take no action on them. The language of any final regulation may be different from the proposed regulation. You should comment during the time allowed if your interests could be affected.

Statutory Authority: AS 31.05.030 and AS 31.05.090

Statutes Being Implemented, Interpreted, or Made Specific: AS 31.05.090

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

DATE: 9-29-16

Cathy P. Foerster, Chair, Commissioner

SECOND

NOTICE OF PROPOSED CHANGES IN THE REGULATIONS OF THE ALASKA OIL AND GAS CONSERVATION COMMISSION

The Alaska Oil and Gas Conservation Commission (AOGCC) proposes to adopt changes to Title 20, Chapter 25 of the Alaska Administrative Code, which contains oil and gas regulations, including the following:

Specifically, AOGCC is making the modifications described below to the following regulations:

- 1) 20 AAC 25.020: adding a 30-day notice requirement for any change in the contact information for the information contained in the Designation of Operator;
- 2) 20 AAC 25.030: clarifying the required actions when there exist indications of improper or inadequate cementing; clarifying the casing and cementing information to be provided for hydraulic fracturing operations; clarifying the requirements for casing pressure tests when blowout prevention equipment is to be used; allowing for approval of extensions of deadlines, variances and waivers;
- 3) 20 AAC 25.055: to require spacing exceptions based on proximity to property lines where the owner and the landowner are not the same on both sides of the line and clarifying the notification requirements for an application for a spacing exception;
- 4) 20 AAC 25.065(c)(1): clarifying the requirements for hydrogen sulfide detection systems;
- 5) 20 AAC 25.071: clarifying the requirement for providing logging and geologic data, including the forms in which such information may be provided;
- 6) 20 AAC 25.110(a): adding a requirement that an operator demonstrate it has valid leases for all parts of any well for which suspended status is sought;
- 7) 20 AAC 25.110(h): adding a requirement that an application to renew an existing "suspended" status for a well include all leases the wellbore traverses and the expiration date for each;
- 8) 20 AAC 265(d)(4): adding an exemption from the well safety valve system requirements for onshore wells with a velocity string;
- 9) 20 AAC 25.270: adding a requirement that reservoir sampling and analyses be conducted in accordance with good laboratory analysis practices and setting an annual due date for an operator's Annual Reservoir Properties Report;
- 10) 20 AAC 25.280: providing for expiration of sundry approvals of workovers if the workover operations are not commenced within 12 months of the approval;
- 11) 20 AAC 25.537(a)(3): clarifying that all reports and information required to be filed for service and production wells are public information;
- 12) 20 AAC 25.537(d): clarifying that all reports and information required to be filed for exploratory and stratigraphic test wells are entitled to confidentiality for approximately two years after the filing period;
- 13) 20 AAC 25.556: providing for automatic expiration of certain orders;
- 14) 20 AAC 25.990: adding a definition of the phrase "velocity survey", "experimental logs", "log" and "common derivative format".

The proposed changes are in response to AOGCC's periodic regulation reviews. In general, the proposed modifications aim to update and clarify the requirements, improve understanding, and streamline the implementation of the regulations.

The hearing will be held on March 21, 2017 at 9:00 a.m. and might be extended to accommodate those present before 9:30 a.m. who did not have an opportunity to comment. Oral or written comments also may be submitted at the hearing to be held on March 21, 2017, at 333 West 7th Avenue, Anchorage, Alaska 99501. This is the second hearing held in this matter.

You may comment on the proposed regulations changes, including the potential costs to private persons of complying with the proposed change, by submitting written comments to Alaska Oil and Gas Conservation Commission at 333 West 7th Avenue, Suite 100, Anchorage, Alaska 99501. Additionally, the Alaska Oil and Gas Conservation Commission will accept comments by facsimile at (907) 276-7542 and by electronic mail at jody.colombie@alaska.gov. The comments must be received no later than 4:30 p.m. on March 21, 2017.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Jody Colombie at (907) 793-1221 no later than March 5, 2017 to ensure that any necessary accommodation can be provided.

For a copy of the proposed regulation changes, contact Jody Colombie at (907) 793-1221 or go to www.aogcc.alaska.gov.

After the public comment period ends, the Alaska Oil and Gas Conservation Commission will either adopt these or other provisions dealing with the same subject, without further notice, or decide to take no action on them. The language of any final regulation may be different from the proposed regulation. You should comment during the time allowed if your interests could be affected.

Statutory Authority: AS 31.05.030 and AS 31.05.090

Statutes Being Implemented, Interpreted, or Made Specific: AS 31.05.030 and 31.05.090 Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

DATE: 1-25-17

Cathy P. Foerster, Chair, Commissioner

ADDITIONAL REGULATION NOTICE INFORMATION (AS 44.62.190(g))

1.	Adopting agency: Alaska Oil and Gas Conservation Commission					
2.	General subject of regulation: Batch regulation updates					
3.	Citation of regulation (may be grouped): 20 AAC 25.022 - 990					
4.	Department of Law file number, if any:					
5.						
	Reason for the proposed action: () Compliance with federal law					
	() Compliance with new	or changed state s	statute			
	() Compliance with court	order				
	() Development of program standards					
	(X) Other (identify): The pr		re in response to AOGCC's periodic			
			sed modifications aim to update and			
		improve understa	anding, and streamline the implementation			
	of the regulations.					
6.	Appropriation/Allocation: 7	ero				
0.	rippropriation/rinocation2	010				
7.	Cost of implementation to th	e state agency and	d available funding (in thousands of dollars):			
		Initial Year	Subsequent			
		FY <u>2017</u>	Years			
	Operating Cost	\$_0	\$_0			
	Capital Cost	\$_0	\$_0			
	1002 Federal receipts	\$ 0	\$_0			
	1003 General fund match	\$_0	\$_0			
	1004 General fund	\$_0	\$_0			
	1005 General fund/					
	program	\$_0	\$_0			
	Other (identify)	\$_0	\$_0			
			5			
8.	The name of the contact pers	on for the regulat	ion:			
	Name: Jody J. Colombie	~				
	Title: Special Assistant to the Commission					
	Address: 333 West 7 th Avenue, Anchorage, AK 99501					
	Telephone: (907) 793-1221					
	E-mail address:_jody.colombie@alaska.gov					
9.	The origin of the proposed ac	tion				
7.	The origin of the proposed action: X Staff of state agency					
	Federal government					
	General public					
	Petition for regulation change					
		ion change				
	Other (identify)					
10.	Date: July 20, 2016	Prepared by:_	Jody C. (along l			
10.	Date. July 20, 2010	Trepared by	- Juny of Continue			
		Name: Jody J	. Colombie			
		Title: Special	Assistant Telephone: (007) 703 1221			

ADDITIONAL REGULATION NOTICE INFORMATION (AS 44.62.190(g))

1.	Adopting agency: Alaska Oil and Gas Conservation Commission						
2.	General subject of regulation: <u>Batch regulation updates</u>						
3.	Citation of regulation (may be grouped): 20 AAC 25.022 - 990						
4.	Department of Law file number, if any:						
5.	Reason for the proposed ac	tion:					
	() Compliance with fede	eral law					
	() Compliance with new or changed state statute						
	() Compliance with court order						
	() Development of program standards						
	(X) Other (identify): The	(X) Other (identify): The proposed changes are in response to AOGCC's periodic					
			oposed modifications aim to update and				
		clarify the requirements, improve understanding, and streamline the implementation					
	of the regulations.						
6	A managination / A Hanation	DOA/AOGCC					
6.	Appropriation/Allocation: DOA/AOGCC						
7.	Cost of implementation to t	he state agency	and available funding (in thousands of				
	dollars):	are some agency	with the manufacture of the manufacture of				
	<i>aonazo)</i> .						
		Initial Year	Subsequent				
		FY_2017	Years				
	Operating Cost	\$ 0	\$_0				
	Capital Cost	\$_0	\$_0				
	P. C.						
	1002 Federal receipts	\$_0	\$_0				
	1003 General fund match	\$_0	\$ <u>0</u>				
	1004 General fund	\$_0	\$_0				
	1005 General fund/						
	program	\$ 0	\$_0				
	Other (identify)	\$_0	\$_0				
8.	The name of the contact person for the regulation:						
	Name: Jody J. Colombie						
	Title: Special Assistant to the AOGCC						
	Address: 333 West 7 th Avenue, Anchorage, AK 99501						
	Telephone: (907) 793-1221						

	E-mail address: jody.colom	nbie@alaska.gov
9.	The origin of the proposed a	action:
	X Staff of state agence	су
	Federal governmen	nt
	General public	
	Petition for regular	tion change
	Other (identify)	_
10.	Date: 125/17	Prepared by: Oody Colomb
	J I	() () ()
		Name: Jody J. Colombie
		Title: Special Assistant to the AOGCC
		Telephone: (907) 793-1221

AFFIDAVIT OF NOTICE OF PROPOSED REGULATION AND FURNISHING OF ADDITIONAL INFORMATION

I, Jody J. Colombie, Special Assistant, of the Alaska Oil and Gas Conservation Commission, being sworn, state the following:

As required by AS 44.62.190, notice of the proposed adoption of changes to 20 AAC 25-020 - 990 has been given by being

- (1) published in a newspaper or trade publication;
- (2) furnished to interested persons;
- (3) furnished to appropriate state officials;
- (4) furnished to the Department of Law, along with a copy of the proposed regulation;
- (5) furnished electronically to incumbent State of Alaska legislators;
- (6) furnished to the Legislative Affairs Agency, Division of Legal and Research Services;
- (7) posted on the Alaska Online Public Notice System as required by AS 44.62.175(a)(1) and (b) and 44.62.190(a)(1);
- (8) furnished electronically, along with a copy of the proposed regulation, to the Legislative Affairs Agency, the chair of the Resources Committee of the Alaska Senate and House of Representatives, the Administrative Regulation Review Committee, and the legislative council.

As required by AS 44.62.190, additional regulation notice information regarding the proposed adoption of the regulation changes described above has been furnished to interested persons and those in (5) and (6) of the list above. The additional regulation notice information also has been posted on the Alaska Online Public Notice System.

Date: May 3, 2017

ody Jaylene Colombie, Special Assistant, AOGCC

Subscribed and sworn to before me at Anchorage, Alaska on May 3, 2017.

Notary Public in and for the State of Alaska

AFFIDAVIT OF ORAL HEARING

I, Cathy P. Foerster, Chair of the Alaska Oil and Gas Conservation Commission, being sworn, state the following:

On September 27, 2016 and March 21, 2017, at 9:00 a.m., 333 West 7th Avenue, Anchorage, Alaska 99501, I presided over a public hearing held under AS 44.62.210 for the purpose of taking testimony in connection with the adoption of changes to 20 AAC 25.020 – 990, bulk regulations.

Date: May 3, 2017

Cathy P. Foerster, Chair, AOGCC

Subscribed and sworn to before me at Anchorage, Alaska on May 3, 2017.

Notary Public in and for the State of Alaska



AUG 0 3 2016

AOGCC

AFFIDAVIT OF PUBLICATION

STATE OF ALASKA THIRD JUDICIAL DISTRICT

Emma Dunlap

being first duly sworn on oath deposes and says that he/she is a representative of the Alaska Dispatch News, a daily newspaper. That said newspaper has been approved by the Third Judicial Court, Anchorage, Alaska, and it now and has been published in the English language continually as a daily newspaper in Anchorage, Alaska, and it is now and during all said time was printed in an office maintained at the aforesaid place of publication of said newspaper. That the annexed is a copy of an advertisement as it was published in regular issues (and not in supplemental form) of said newspaper on

July 21, 2016

and that such newspaper was regularly distributed to its subscribers during all of said period. That the full amount of the fee charged for the foregoing publication is not in excess of the rate charged private individuals.

Signed

Subscribed and sworn to before me this 25th day of July, 2016

Notary Public in and for The State of Alaska. Third Division

Anchorage, Alaska MY COMMISSION EXPIRES

Notary Public NOSAWOON A SAME

My Commission Expires Feb 23, 2019

NOTICE OF PROPOSED CHANGES IN THE REGULATIONS OF THE ALASKA OIL AND GAS CONSERVATION COMMISSION

The Alaska Oil and Gas Conservation Commission (AOGCC) proposes to adopt regulation changes in Title 20, Chapter 25 of the Alaska Administrative Code, dealing with Oil and Gas regulations:

Specifically, AOGCC is making the modifications described below to the following regulations:

- 20 AAC 25.022: adding a 30 day notice requirement for any change in the contact information for the information contained in the Notice of Ownership;
 20 AAC 25.030: clarifying the required actions when there exist indications of improper or inadequate cementing; clarifying the casing and cementing information to be provided for hydraulic fracturing operations; clarifying the requirements for casing pressure tests when blowout prevention equipment is to be used; allowing for approval of extensions of deadlines, variances and waivers;
 20 AAC 25.055: to require spacing exceptions based on proximity to property lines where the owner and the landowner are not the same on both sides of the line and clarifying the notification requirements for an application for a spacing exception;
 20 AAC 25.05(c)(1): clarifying the requirements for hydrogen sulfide detection systems;
 20 AAC 25.071: clarifying the requirement for providing logging and geologic data, including the forms in which such information may be provided;
 20 AAC 25.110(a): adding a requirement that an operator demonstrate it has valid leases for all parts of any well for which suspended status is sought;
 20 AAC 25.110(h): adding a requirement that an application to renew an existing "suspended" status for a well include all leases the wellbore traverses and the expiration date for each;
 20 AAC 25.270: adding an exemption from the well safety valve system requirements for onshore wells with a velocity string;
 20 AAC 25.270: adding a requirement that reservoir sampling 2)
- 3)
- 5)
- 6)
- 7)
- 8)
- 9)
- 10)
- 11)
- valve system requirements for onshore wells with a velocity string:

 20 AAC 25.270: adding a requirement that reservoir sampling and analyses be conducted in accordance with good laboratory analysis practices and setting an annual due date for an operator's Annual Reservoir Properties Report;

 20 AAC 25.280: providing for expiration of sundry approvals of workovers if the workover operations are not commenced within 12 months of the approval;

 20 AAC 25.537(a): clarifying that all reports and information required to be filed for service and production wells are public information;

 20 AAC 25.537(d): clarifying that all reports and information required to be filed for exploratory and stratigraphic test wells are entitled to confidentiality for approximately two years after the filing period;

 20 AAC 25.556: providing for automatic expiration of orders absent reauthorization;

 20 AAC 25.990: adding a definition of the phrase "velocity survey." 12)
- 13)

The proposed changes are in response to AOGCC's periodic regulation reviews. In general, the proposed modifications aim to update and clarify the requirements, improve understanding, and streamline the implementation of the regulations.

You may comment on the proposed regulation changes, including the potential costs to private persons of complying with the proposed change, by submitting written comments to Alaska Oil and Gas Conservation Commission at 333 West 7th Avenue, Anchorage, Alaska 99501. Additionally, the Alaska Oil and Gas Conservation Commission will accept comments by facsimile at (907) 276-7542 and by electronic mail at jody.colombie@alaska.gov. The comments must be received no later than 4:30 p.m. on September 27, 2016.

Oral or written comments also may be submitted at a hearing to be held on September 27, 2016, at 333 West 7th Avenue, Anchorage, Alaska 99501. The hearing will be held at 9:00 a.m. and might be extended to accommodate those present before 9:30 a.m. who did not have an opportunity to comment.

You may submit written questions relevant to the proposed action to Jody J. Colombie, Alaska Oil and Gas Conservation Commission by email at Jody.colombie@alaska.gov. The questions must be received at least 10 days before the end of the public comment period. The Alaska Oil and Gas Conservation Commission will aggregate its response to substantially similar questions and make the questions and responses available on the Alaska Online Public Notice System and agency website.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Jody Colombie at (907) 793-1221 no later than September 20, 2016 to ensure that any necessary accommodation can be provided.

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For a copy of the proposed regulation changes, contact Jody Colombie at (907) 793-1221 or go to www.aogcc.alaska.gov. A copy of material proposed for adoption by reference is available on the Alaska Online Public Notice System or though the electronic link to the complete text. A copy of material proposed for adoption by reference may be viewed at the agency's office at 333 West Seventh Avenue, Anchorage, AK 99501. After the public comment period ends, the Alaska Oil and Gas Conservation Commission will either adopt these or other provisions dealing with the same subject, without further notice, or decide to take no action on them. The language of any final regulation may be different from the proposed regulation. You should comment during the time allowed if your interests could be affected. Statutory Authority: AS 31.05.030 and AS 31.05.090
Statutes Being Implemented, Interpreted, or Made Specific: AS 31.05.090 Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation. DATE: July 20, 2016 Cathy P. Foerster, Chair, Commissioner ADDITIONAL REGULATION NOTICE INFORMATION (AS 44.62.190(g)) Adopting agency: Alaska Oil and Gas Conservation
Commission
General subject of regulation: Batch regulation updates
Citation of regulation (may be grouped): 20 AAC 25.022 - 990Department of Law file number, if any:
Reason for the proposed action:
Compliance with federal law
Compliance with new or changed state statute
Compliance with court order
Development of program standards Development of program standards
Other (identify): The proposed changes are in response to
AOGCC's periodic regulation reviews. In general, the proposed
modifications aim to update and clarify the requirements,
improve understanding, and streamline the implementatio of
the regulations. Appropriation/Allocation: Zero 6. Cost of implementation to the state agency and available funding (in thousands of dollars): 7. Initial Year FY 2017 Subsequent Years 00 \$ 00 Operating Cost Capital Cost 1002 Federal receipts 1003 General fund match 1004 General fund 1005 General fund/ 000 555 0 program Other (identify) 0 8. The name of the contact person for the regulation: Name: Jody J. Colombie Title: Special Assistant to the Commission Address: 333 West 7th Avenue, Anchorage, AK 99501 Telephone: (907) 793-1221 E-mail address: Jody.colombie@alaska.gov The origin of the proposed action: Staff of state agency Federal government General public Petition for regulation change Other (identify) 9. X Date: July 20, 2016 Prepared by: 10. Name: Jody J. Colombie Title: Special Assistant, Telephone: (907) 793-1221 Published: July 21, 2016



OCT 0 6 2016

AFFIDAVIT OF PUBLICATION ACCC

STATE OF ALASKA THIRD JUDICIAL DISTRICT

Emma Dunlap

being first duly sworn on oath deposes and says that he/she is a representative of the Alaska Dispatch News, a daily newspaper. That said newspaper has been approved by the Third Judicial Court, Anchorage, Alaska, and it now and has been published in the English language continually as a daily newspaper in Anchorage, Alaska, and it is now and during all said time was printed in an office maintained at the aforesaid place of publication of said newspaper. That the annexed is a copy of an advertisement as it was published in regular issues (and not in supplemental form) of said newspaper on

September 30, 2016

and that such newspaper was regularly distributed to its subscribers during all of said period. That the full amount of the fee charged for the foregoing publication is not in excess of the rate charged private individuals.

Signed

Subscribed and sworn to before me this 30th day of September, 2016

Notary Public in and for The State of Alaska. Third Division Anchorage, Alaska MY COMMISSION EXPIRES

NOTICE OF PROPOSED CHANGES IN THE REGULATIONS OF THE ALASKA OIL AND GAS CONSERVATION COMMISSION

The Alaska Oil and Gas Conservation Commission (AOGCC) is proposing to adopt regulation changes in Title 20, Chapter 25 of the Alaska Administrative Code, dealing with Oil and Gas regulations.

The proposed changes are in response to AOGCC's periodic regulation reviews. In general, the proposed modifications aim to update and clarify the requirements, improve understanding, and streamline the implementation of the regulations.

This is a SUPPLEMENTAL NOTICE adding to the NOTICE OF PROPOSED CHANGES that was issued on July 20, 2016, concerning these proposed regulations revisions contained in the Department of Law file number JU2016200655; this SUPPLEMENTAL NOTICE incorporates by reference information in the July 20, 2016 notice of proposed regulations. This decided to hold a second oral hearing on those proposed provisions.

The AOGCC held its first public hearing on these proposed regulation changes on September 27, 2016. As a result of concerns raised during the September 27, 2016 hearing, a second oral hearing is scheduled for November 1, 2016 at 9:00 a.m. at the AOGCC, 333 West 7th Avenue, Anchorage Alaska 99501. The purpose of the hearing is to permit interested persons to provide more input to AOGCC staff regarding the regulatory amendments introduced at the AOGCC's Public Hearing held are available on the AOGCC website http://doa.alaska.gov/ogc/. Written might be extended to accommodate those present before 9:30 a.m. who did not have an opportunity to comment.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Jody Colombie at (907) 793-1221 no later than October 30, 2016 to ensure that any necessary accommodation can be provided.

For a copy of the proposed regulation changes, contact Jody Colombie at (907) 793-1221 or go to www.aogcc.alaska.gov.

A copy of material proposed for adoption by reference is available on the Alaska Online Public Notice System or though the electronic link to the complete text. A copy of material proposed for adoption by reference may be viewed at the agency's office at 333 West Seventh Avenue, Anchorage, AK 99501.

After the November 1, 2016 oral hearing, the Alaska Oil and Gas Conservation Commission will notice another hearing, adopt these or other provisions dealing with the same subject or decide to take no action on them. The language of any final regulation may be different from the proposed regulation. You should comment during the time allowed if your interests could be affected.

Statutory Authority: AS 31.05.030 and AS 31.05.090
Statutes Being Implemented, Interpreted, or Made Specific: AS 31.05.090
Information: The proposed regulation changes are

Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

DATE: September 29, 2016

//signature on file// Cathy P. Foerster, Chair, Commissioner

Published: September 30, 2016

Notary Public BRITNEY L. THOMPSON State of Alaska My Commission Expires Feb 23, 2019 270227 0001399332 \$761.96



JAN 3 1 2017

AOGCC

AFFIDAVIT OF PUBLICATION

STATE OF ALASKA THIRD JUDICIAL DISTRICT

Emma Dunlap being first duly sworn on oath deposes and says that he/she is a representative of the Alaska Dispatch News, a daily newspaper. That said newspaper has been approved by the Third Judicial Court, Anchorage, Alaska, and it now and has been published in the English language continually as a daily newspaper in Anchorage, Alaska, and it is now and during all said time was printed in an office maintained at the aforesaid place of publication of said newspaper. That the annexed is a copy of an advertisement as it was published in regular issues (and not in supplemental

January 27, 2017

form) of said newspaper on

and that such newspaper was regularly distributed to its subscribers during all of said period. That the full amount of the fee charged for the foregoing publication is not in excess of the rate charged private individuals.

Signed

Subscribed and sworn to before me this 27th day of January, 2017

Notary Public in and for The State of Alaska. Third Division Anchorage, Alaska MY COMMISSION EXPIRES

> Notary Public BRITNEY L. THOMPSON State of Alaska Commission Expires Feb 23, 2019

SECOND

NOTICE OF PROPOSED CHANGES IN THE REGULATIONS OF THE ALASKA OIL AND GAS CONSERVATION COMMISSION

The Alaska Oil and Gas Conservation Commission (AOGCC) proposes to adopt changes to Title 20, Chapter 25 of the Alaska Administrative Code, which contains oil and gas regulations, including the following:

Specifically, AOGCC is making the modifications described below to the following regulations:

- 20 AAC 25.020: adding a 30-day notice requirement for any change in the contact information for the information contained in the Designation of Operator;
 20 AAC 25.030: clarifying the required actions when there exist indications of improper or inadequate cementing clarifying the casing and cementing information to be provided for hydraulic fracturing operations; clarifying the requirements for casing pressure tests when blowout prevention equipment is to be used; allowing for approval of extensions of deadlines, variances and waivers;
 20 AAC 25.055: to require spacing exceptions based on proximity to property lines where the owner and the landowner are not the same on both sides of the line and clarifying the notification requirements for an application for a spacing exception;
 20 AAC 25.05(c)(1): clarifying the requirements for hydrogen sulfide detection systems;
 20 AAC 25.071: clarifying the requirement for providing logging and geologic data, including the forms in which such information may be provided;
 20 AAC 25.110(a): adding a requirement that an operator demonstrate it has valid leases for all parts of any well for which suspended status is sought;
 20 AAC 25.110(h): adding a requirement that an application to renew an existing "suspended" status for a well include all-leases the wellbore traverses and the expiration date for each; 20 AAC 25.270: adding a requirement that reservoir sampling-2)
- 3)

- 11)
- 20 AAC 25.270: adding a requirement that reservoir sampling and analyses be conducted in accordance with good laboratory analysis practices and setting an annual due date for an operator's Annual Reservoir Properties Report; 20 AAC 25.280: providing for expiration of sundry approvals of workovers if the workover operations are not commenced within 12 months of the approval; 20 AAC 25.537(a)(3): clarifying that all reports and information required to be filed for service and production wells are public information; 20 AAC 25.537(d): clarifying that all reports and information required to be filed for exploratory and stratigraphic test wells are entitled to confidentiality for approximately two years after the filing period; 20 AAC 25.556: providing for automatic expiration of certain orders; 20 AAC 25.990: adding a definition of the phrase "velocity survey", "experimental logs", "log" and "common derivative format".
- 13)

The proposed changes are in response to AOGCC's periodic regulation reviews. In general, the proposed modifications aim to update and clarify the requirements, improve understanding, and streamline the implementation of the regulations.

The hearing will be held on March 21, 2017 at 9:00 a.m. and might be extended to accommodate those present before 9:30 a.m. who did not have an opportunity to comment. Oral or written comments also may be submitted at the hearing to be held on March 21, 2017, at 333 West 7th Avenue, Anchorage, Alaska 99501. This is the second hearing held in this matter.

You may comment on the proposed regulations changes, including the potential costs to private persons of complying with the proposed change, by submitting written comments to Alaska Oil and Gas Conservation Commission at 333 West 7th Avenue, Suite 100, Anchorage, Alaska 99501. Additionally, the Alaska Oil and Gas Conservation Commission will accept comments by facsimile at (907) 276-7542 and by electronic mail at jody.colombie@alaska.gov. The comments must be received no later than 4:30 p.m. on March 21, 2017.

If you are a person with a disability who needs a special accommodation in order to participate in this process, please contact Jody Colombie at (907) 793-1221 no later than March 5, 2017 to ensure that any necessary accommodation can be provided.

For a copy of the proposed regulation changes, contact Jody Colombie at (907) 793-1221 or go to www.aogcc.alaska.gov.

After the public comment period ends, the Alaska Oil and Gas Conservation Commission will either adopt these or other provisions dealing with the same subject, without further notice, or decide to take no action on them. The language of any final regulation may be different from the proposed regulation. You should comment during the time allowed if your interests could be affected.

Statutory Authority: AS 31:05.030 and AS 31:05.090
Statutes Being Implemented, Interpreted, or Made Specific:
AS 31:05:030 and 31:05:090
Fiscal Information: The proposed regulation changes are not expected to require an increased appropriation.

DATE: January 25, 2017

Cathy P. Foerster, Chair, Commissioner

ADDITIONAL REGULATION NOTICE INFORMATION (AS 44.62.190(g))

- Adopting agency: Alaska Oil and Gas Conservation 1.
- General subject of regulation: Batch regulation updates 2.
- Citation of regulation (may be grouped): 20 AAC 25.022 990 3.
- 4. Department of Law file number, if any:
- 5. Reason for the proposed action:

Compliance with federal law
Compliance with new or changed state statute
Compliance with court order
Development of program standards
Other (identify): The proposed changes are in response to
AOGCC's periodic regulation reviews. In general, the proposed
modifications aim to update and clarify the requirements,
improve understanding, and streamline the implementation of
the regulations. the regulations.

- Appropriation/Allocation: DOA/AOGCC 6.
- Cost of implementation to the state agency and available funding (in thousands of dollars): 7.

Operating Cost Capital Cost	Initial Year FY 2017 \$ 0 \$ 0	Subsequent Years \$ 0 \$ 0
1002 Federal receipts 1003 General fund match 1004 General fund	\$ 0 \$ 0 \$ 0	\$ 0 * \$ 0 \$ 0
1005 General fund/ program Other (identify)	\$ 0 \$ 0	\$ 0 \$ 0

The name of the contact person for the regulation:

Name: Jody J. Colombie
Title: Special Assistant to the AOGCC
Address: 333 West 7th Avenue, Anchorage, AK 99501
Telephone: (907) 793-1221
E-mail address: jody.colombie@alaska.gov

- The origin of the proposed action: 9
- X Staff of state agency Federal government General public Petition for regulation change Other (identify)

Prepared by: //signature on file// 10. Date: January 25, 2017

Name: Jody J. Colombie
Title: Special Assistant to the AOGCC
Telephone: (907) 793-1221

Published: January 27, 2017

AFFIDAVIT OF COMMISSION ACTION

I, Jody J. Colombie, Special Assistant, for the Alaska Oil and Gas Conservation Commission, being duly sworn, state the following:

The attached motion dealing with bulk regulation changes was passed by the Alaska Oil and Gas Conservation Commission during its January 3, 2018 meeting.

Date: January 3, 2018

ody J. Colombie, AOGCC Special Assistant

Subscribed and sworn to before me at Anchorage, Alaska on January 3, 2018.

Notary Public in and for the State of Alaska

ALASKA OIL AND GAS CONSERVATION COMMISSION HEARING January 3, 2018 Excerpt From Unapproved Minutes

Commissioner Cathy P. Foerster moved and Commissioner Daniel T. Seamount, Jr. seconded the following motion:

I move to adopt 20 AAC 25.020, 20 AAC.25.030, 20 AAC 25.065, 20 AAC 25.071, 20 AAC 25.110, 20 AAC 25.265, 20 AAC 25.270, 20 AAC 25.280, 20 AAC 25.537 and 20 AAC 25.556.

The motion carried unanimously.