

Alaska Oil and Gas Association



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Kara Moriarty, Deputy Director

October 12, 2010

Commissioner Dan Seamont
Alaska Oil & Gas Conservation Commission
333 W. 7th Avenue, Suite 100
Anchorage, AK 99501

Re: Proposed Changes to 20 AAC 25.215 – 20 AAC
25.265 – Well Safety Valve System Requirements

Dear Commissioner Seamont:

The 14 members of the Alaska Oil & Gas Association (AOGA) account for the majority of oil and gas exploration, development, production, transportation, refining and marketing activities in the state. Thank you for the opportunity to comment on the final draft of the proposed regulation changes to 20 AAC 25.265, Well Safety Valve System Regulations, which are dated October 13, 2010.

We appreciate the opportunity to review these regulations following the changes made by the Alaska Department of Law (DOL) after they were adopted by the Alaska Oil and Gas Conservation Commission (AOGCC) in June 2010. As was mentioned at the October 6, 2010 monthly AOGCC public meeting, almost all of the changes were typographical and clerical in nature.

However, we would like to point out two sections in which the new language could, in fact, have broader applications than may have been intended in the June 2010 version adopted by the AOGCC.

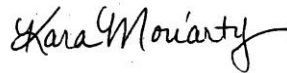
In section (h), located on page 4, the second sentence has been modified to read “Safety valve system testing **must** consist of a function-test and a performance-test. [Emphasis added]. The word “must” was not in the previous draft. Subsections 1-13 of section (h) describe different scenarios where in fact both a function-test and a performance-test are not required, such as subsection (3) describing when a function-test is required. The original language stated that safety valve system testing consists of function-tests and performance-tests, without the word “must”. AOGCC may want to reconsider this recommendation by the DOL.

Commissioner Dan Seamount
Alaska Oil and Gas Conservation Commission
October 13, 2010

Section (n) describes the responsibilities for the single-point-of-contact for each field. Subsection (2) has been changed to read that the single-point-of-contact will be responsible for “ensuring that actions consistent with law, including this section are taken in the event of a safety valve system failure and reported to the commission.” [Emphasis added]. The original version adopted by the Commission in June 2010 said that the single-point-of-contact would need to ensure that actions are consistent with regulation versus law. The word law could be interpreted to include a significant amount of statutes, including statutes governed by other departments, such as the Department of Environmental Conservation. AOGA encourages the AOGCC to reconsider this change and revert back to the original intent of the regulation.

Again, thank you for the holding the public meeting open to allow for these comments to be submitted.

Sincerely,

A handwritten signature in black ink that reads "Kara Moriarty". The signature is written in a cursive, flowing style.

KARA MORIARTY
Deputy Director

Cc: Commissioner John Norman
Commissioner Cathy Foerster