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DEC 28 2017

DIVISION OF
OIL AND GAS

December 28, 2017

Ms. Chantal Walsh, Director
Alaska Division of Oil and Gas
550 W. 7th Avenue, Suite 1100
Anchorage, AK 99501

Re: Submission of the North Fork Unit 53rd Plan of Development

Ms. Walsh:

Cook Inlet Energy, LLC, a Glacier Oil and Gas company ("GLA") hereby provides its Unit Plan of Development as required under 11 AAC 83.343 to the Division of Oil and Gas ("Division").

GLA will schedule a technical meeting with Division staff to present technical information to support the operations proposed in the enclosed Plan.

GLA looks forward to discussing this Plan of Development with the Division and moving forward with development of the North Fork Unit.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tim Jones', written over a horizontal line.

Tim Jones
Senior Landman

Cc: Ken Diemer, Unit Manager

North Fork Unit

53rd Plan of Development

Overview

The 53rd Plan of Development (“POD”) shall cover the period from March 31, 2018 through March 30, 2019.

By letter dated February 23, 2017, the Division of Oil and Gas approved the 52nd POD submitted by Cook Inlet Energy, LLC, a Glacier Oil and Gas company (“GLA”) as Operator of the North Fork Unit. The 52nd POD approval was for the period March 31, 2017 through March 30, 2018.

Annual Report

The following is GLA’s annual report under 11 AAC 83.343 (d).

The development plans contained in the 52nd POD consisted of:

- GLA intends to complete the North Fork seismic data reprocessing prior to the beginning of the 52nd Plan Year. GLA will use this information, coupled with the previous analysis of its drilling program, to determine the best path forward for continued development of the NFU.
- The North Fork wells have started to produce small amount of water, and GLA plans to convert a currently existing but depleted well to a Class II water disposal well. GLA is currently evaluating which well will best suit this need.
- GLA plans to conduct 2 workover operations to increase production from NFU #14-25 and NFU #41-35.
- GLA will continue to seek opportunities for small production improvements through “small ball” projects, including perforating additional zones and setting plugs as necessary to control water intrusion.
- Additional drilling will depend on favorable economic conditions. GLA has several potential candidate wells for additional drilling, including NFU #42-35A and NFU #22-26, which has a fallback location to NFU #14-26.

(1) the extent to which the requirements of the previously approved plan were achieved

- GLA completed several “small ball” projects to enhance production from currently producing wells. GLA has set downhole plugs to control water intrusion. In addition, GLA located some zones of interest and perforated those additional zones to increase production from the NFU #14-25 and NFU #41-35 well.
- GLA completed an optimization project to improve gas well process flow.
- GLA replaced well houses on NFU #24-26 and NFU #42-35.

(2) actual operations that deviated from or did not comply with the previously approved plan and an explanation of the deviation or noncompliance

- GLA was able to control water intrusion and did not convert any wells to a Class II water disposal well since one is not needed at this time. GLA will continue to monitor water volumes and may complete this project at a future date.

Updated Plan of Development

The following components of the 53rd POD follow the outline contained in 11 AAC 83.343 (a) and incorporate all planned development activities anticipated based on all data reasonably available at this time. The following components of the 53rd POD meet the requirements contained in 11 AAC 83.343 (c).

(1) long-range proposed development activities for the unit, including plans to delineate all underlying oil or gas reservoirs, bring the reservoirs into production, and maintain and enhance production once established

- GLA plans to enhance production from currently producing wells through infrastructure improvements. These improvements include additional compression and separation facilities.
- GLA intends to continue monitoring and analyzing production from the existing North Fork wells, and optimize production accordingly. This will include monitoring water volumes and if necessary, converting a depleted well for water disposal.
- As appropriate based on data review and market conditions, GLA plans to continue a development drilling program to fully delineate and develop all fault blocks within the current Unit.

- GLA is considering additional drilling pad locations as needed in order to fully develop and delineate the reservoir.

(2) plans for the exploration or delineation of any land in the unit not included in a participating area

- GLA will continue to evaluate the possibility of drilling wells outside of the current boundaries of the North Fork Gas Pool #1 PA.

(3) details of the proposed operations for at least one year following submission of the plan

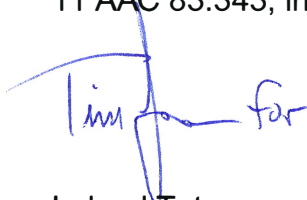
- GLA will continue to seek opportunities for small production improvements through “small ball” projects, including perforating additional zones and setting plugs as necessary to control water intrusion.
- Additional drilling will depend on favorable economic conditions, including negotiation of long-term gas sales contracts. GLA has several potential candidate wells for additional drilling, including NFU #42-35A and NFU #22-26, which has a fallback location to NFU #14-26.

(4) the surface location of proposed facilities, drill pads, roads, docks, causeways, material sites, base camps, waste disposal sites, water supplies, airstrips, and any other operation or facility necessary for unit operations

- GLA plans do not include any additional permanent facilities at this time.

Statement of Operator

Cook Inlet Energy, LLC, a Glacier Oil and Gas company, as North Fork Unit Operator, submits this annual report and update to the North Fork Unit Plan of Development under 11 AAC 83.343. The Operator believes that this 53rd POD satisfies the requirements of 11 AAC 83.343, including compliance with the provisions of 11 AAC 83.303.



Leland Tate
Chief Operating Officer
Cook Inlet Energy, LLC, a Glacier Oil and Gas company

Attachments: North Fork Unit Production
Well Status

CURRENT WELL STATUS			
WELL	STATUS	DATE	REASON
NFU 41-35	Shut -in	2/2017	suspended pending further analysis
NFU 34-26	Producing	4/2011	North Fork Undefined Gas
NFU 32-35	Producing	3/2011	North Fork Undefined Gas
NFU 14-25	Shut-in	2/2017	suspended pending further analysis
NFU 23-25	Shut-in	4/2013	suspended pending further analysis
NFU 22-35	Producing	1/2013	North Fork Undefined Gas
NFU 24-26	Producing	3/2015	North Fork Undefined Gas
NFU 42-35	Producing	3/2015	North Fork Undefined Gas

North Fork

Date	NFU	NFU Produced Gas (MCF)	NFU Cumulative Produced Gas (MCF)
Dec-16	158,626	158,626	158,626
Jan-17	155,878	155,878	314,504
Feb-17	208,452	208,452	522,956
Mar-17	229,549	229,549	752,505
Apr-17	221,816	221,816	974,321
May-17	166,725	166,725	1,141,046
Jun-17	168,708	168,708	1,309,754
Jul-17	199,399	199,399	1,509,153
Aug-17	193,519	193,519	1,702,672
Sep-17	178,511	178,511	1,881,183
Oct-17	179,227	179,227	2,060,410
Nov-17	168,297	168,297	2,228,707
TOTAL			2,228,707