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DIVISION OF
OIL AND GAS

January 31, 2018

Ms. Chantal Walsh, Director
Alaska Division of Oil and Gas
550 W. 7th Ave., Suite 1100
Anchorage, AK 99501-3560

Re: Submittal of West McArthur River Unit 27th Plan of Development and Redoubt Unit 18th Plan of Development

Ms. Walsh:

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

A technical meeting with Division staff will be scheduled for GLA to present technical information to support the operations proposed in the enclosed plans.

GLA has been diligently working to meet its obligations under its leases and unit agreements.

Sincerely,

Tim Jones
Land Manager

CC: Ken Diemer, Unit Manager

West McArthur River Unit

27th Plan of Development

Overview

The 27th Plan of Development (“POD”) shall cover the period from May 1, 2018 through April 30, 2019.

By letter dated April 4, 2017, the Division approved the 26th POD submitted by Cook Inlet Energy, LLC, a Glacier Oil and Gas company (“GLA”), as Operator of the West McArthur River Unit (“WMRU”). The 26th POD approval was for the period May 1, 2017 through April 30, 2018.

Annual Report

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

The development plans contained in the 26th POD consisted of:

- GLA will continue to analyze production from all wells within the WMRU and enhance production from the Unit as appropriate through perforation adds within wells, well workovers, and pump replacements.
- GLA will schedule a technical meeting with the Division in February of 2017 to present any updates to its geologic interpretation of the reservoir(s) within the West McArthur River Unit, and continue the discussion of production techniques used within the Unit.

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

- GLA completed the process of moving production processing of WMRU wells to the Kustatan Production Facility (“KPF”), a newer, existing facility with the ability to handle greater production volumes than the early 90’s era West McArthur River Production Facility. This consolidation included discontinuing use of high-pressure oil injection jet pumps in the WMRU field, which simplified operations and increased overall field safety.
- GLA conducted small optimization and well maintenance operations to prolong field life.

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

- GLA completed all operations discussed in the previously approved 26th Plan.

Updated Plan of Development

The following components of the 27th 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 27th 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 will continue to explore ways to enhance production, manage production decline, and increase total ultimate recovery from existing wells within the Unit.

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

- GLA is continuing to permit drilling plans for the Sabre prospect. The proposed Sabre well is being permitted as an offshore exploratory well drilled from a jack-up drilling rig, likely the Spartan 151 rig which is currently stacked in Seward. GLA is also seeking partners in the Sabre prospect to reduce the risk factors associated with drilling the Sabre 1 well.

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

- GLA will continue to analyze production from all wells within the WMRU and enhance production from the Unit as appropriate through perforation adds within wells, well workovers, and pump replacements.
- GLA will schedule a technical meeting with the Division in February of 2018 to present any updates to its geologic interpretation of the reservoir(s) within the West McArthur River Unit, and continue the discussion of production techniques used within the Unit.

(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's plans do not include additional permanent facilities. GLA is exploring the use of a jack up drilling rig to drill the Sabre exploratory well. The rig will

be brought to the site for drilling the well and will move off-site upon completion of the work.

The WMRU Production Facility and the KPF are not located within the WMRU. All WMRU surface facilities are located onshore on lands owned by Salamatof Native Association, Inc. The KPF facility is located onshore on fee land owned by GLA.

Statement of Operator

Cook Inlet Energy, LLC, a Glacier Oil and Gas company, as WMRU Operator, submits this annual report and update to the WMRU Plan of Development under 11 AAC 83.343. The Operator believes that this 27th POD satisfies the requirements of 11 AAC 83.343, including compliance with the provisions of 11 AAC 83.303.



Leland Tate
Chief Operating Officer

Attachments: West McArthur River Unit Production (Including Sword Production)
West McArthur River Unit Well Status

CURRENT WELL STATUS - West McArthur River

WELL	STATUS	DATE	REASON
WF #1	P&A	9/2017	abandoned
WF #2U	P&A	9/2017	abandoned
WF #2L	P&A	9/2017	abandoned
WMRU #1A	Shut-in	12/2012	Failed jet pump
WMRU #2B	Producing	6/2014	Area #1 PA - Oil
WMRU #4(D)	In Service	12/2009	Class 1 Disposal
WMRU #5	Producing	2/2010	Area #1 PA - Oil
WMRU #6	Producing	12/2009	Area #1 PA - Oil
WMRU #7A	Shut-in	1/2011	Gas completion unsuccessful
WMRU #8	Shut-in	4/2016	Failed ESP
Sword #1	Producing	11/2013	Sword PA - Oil

West McArthur River (AREA 1 and SWORD PA's)			
Date	Produced Oil (bbls)	Produced Water (bbls)	Produced Gas (MMCF)
Jan-17	41,257	190,203	13,233
Feb-17	39,974	161,479	13,340
Mar-17	41,179	185,320	13,350
Apr-17	37,802	164,015	5,841
May-17	44,464	156,343	7,733
Jun-17	29,638	167,628	8,618
Jul-17	42,705	189,711	8,374
Aug-17	38,619	186,801	7,837
Sep-17	36,300	185,418	7,604
Oct-17	37,260	189,171	0
Nov-17	35,328	194,537	5,430
Dec-17	31,841	171,384	5,329
TOTALS	456,367	2,142,010	96,689