

STATE OF ALASKA

SEAN PARNELL, GOVERNOR

ALASKA OIL AND GAS CONSERVATION COMMISSION

333 W. 7th AVENUE, SUITE 100
ANCHORAGE, ALASKA 99501-3539
PHONE (907) 279-1433
FAX (907) 276-7542

CANCELLATION ADMINISTRATIVE APPROVAL NO. AIO 14A.002

Mr. Steve Rossberg, Wells Manager
Attention: Well Integrity Engineer, PRB-20
BP Exploration (Alaska) Inc.
P.O. Box 196612
Anchorage, AK 99519-6612

RE: Cancellation of Administrative Approval AIO 14A.002
Prudhoe Bay Unit Well NK-16 (PTD 1940220)
Niakuk Oil Pool

Dear Mr. Rossberg:

Pursuant to BP Exploration (Alaska) Inc. (BPXA)'s request dated October 27, 2009 Alaska Oil and Gas Conservation Commission (AOGCC or Commission) hereby cancels Administrative Approval AIO 14A.002, which allows continued water injection in Prudhoe Bay Unit (PBU) well NK-16. This well exhibited tubing by inner annulus communication and BPXA did not at the time propose repairing the well to eliminate the problem. The Commission determined that water injection could safely continue in the well, but subject to a number of restrictive conditions set out in the administrative approval.

BPXA has since shut in PBU NK-16 and will not operate the injection well due to instantaneous communication to a nearby producer. Consequently, Administrative Approval AIO 14A.002 no longer applies to operation of this well. Instead, injection into PBU NK-16 will be governed by provisions of the underlying AIO No. 14A.

DONE at Anchorage, Alaska and dated November 4, 2009.

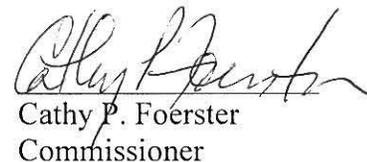
The Alaska Oil and Gas Conservation Commission



Daniel T. Seamont, Jr.
Chair



John K. Norman
Commissioner



Cathy P. Foerster
Commissioner

