

ADMINISTRATIVE APPROVAL NO. AIO 23.001

Mr. Steve Rossberg, Wells Manager
BP Exploration (Alaska) Inc.
900 East Benson Blvd.
P.O. Box 196612
Anchorage, AK 99519-6612

RE: NS-29 (PTD 201-041) Request for Administrative Approval

Dear Mr. Rossberg:

In accordance with Rule 9 of Area Injection Order 023.000, the Alaska Oil and Gas Conservation Commission (“AOGCC” or “Commission”) hereby grants BP Exploration (Alaska) Inc. (“BPXA”)’s request for administrative approval to inject gas in the subject well.

AOGCC finds that BPXA has elected to perform no corrective action at this time on NS-29. The Commission further finds that, based upon reported results of BPXA’s diagnostic procedures, NS-29 exhibits two competent barriers to release of well pressure. Accordingly, the Commission believes that the well’s condition does not compromise overall well integrity so as to threaten the environment or human safety.

This Administrative Approval to inject gas in NS-29 is conditioned upon the following:

1. BPXA shall record wellhead pressures and injection rates daily;
2. BPXA shall submit to the AOGCC a monthly report of well pressures and injection rates;
3. BPXA shall perform an annual MIT - IA to 1.2 times the maximum anticipated well pressure;
4. BPXA shall install and operate automatic well shut-in or pressure limit equipment on the well’s tubing and IA;

5. BPXA shall provide the Commission with details of the specific automatic well shut-in or pressure limit equipment selected before injecting gas in NS-29;
6. BPXA shall limit the well's IA pressure to 1500 psi;
7. BPXA shall immediately shut in the well and notify the AOGCC if there is any change in the well's mechanical condition; and
8. after well shut in due to a change in the well's mechanical condition, AOGCC approval shall be required to restart injection.

As provided in AS 31.05.080, within 20 days after written notice of this decision, or such further time as the Commission grants for good cause shown, a person affected by it may file with the Commission an application for rehearing. A request for rehearing is considered timely if it is received by 4:30 PM on the 23rd day following the date of this letter, or the next working day if the 23rd day falls on a holiday or weekend. A person may not appeal a Commission decision to Superior Court unless rehearing has been requested.

DONE at Anchorage, Alaska and dated January 9, 2006.

John K. Norman
Chairman

Daniel T. Seamount, Jr.
Commissioner

Cathy P. Foerster
Commissioner