

STATE OF ALASKA

ALASKA OIL AND GAS CONSERVATION COMMISSION

FRANK H. MURKOWSKI, GOVERNOR

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August 18, 2006

Ms. Anna Dube, Well Integrity Coordinator
BP Exploration (Alaska) Inc.
Attn: Well Integrity Engineer, PRB-24
P.O. Box 196612
Anchorage, AK 99519-6612

RE: Cancellation of Administrative Approval AIO 04E.005 (Well PBU NGI-06)

Dear Ms. Dube:

Pursuant to BPXA's request dated August 12, 2006 AOGCC hereby cancels Administrative Approval AIO 04E.005, which allows gas injection in well PBU NGI-06. This well exhibited IA x OA pressure communication, and BPXA did not at the time propose repairing the well to eliminate the problem. The Commission determined that gas injection could safely continue in the well, but subject to a number of restrictive conditions set out in the administrative approval.

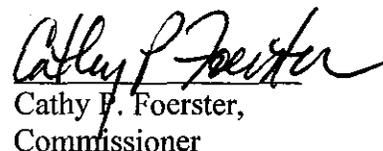
Since then, BPXA has determined that PBU NGI-06's condition has deteriorated to the point that safe operation is no longer supported. The well is shut in awaiting a rig work over. Consequently, Administrative Approval AIO 04E.005 no longer applies to operation of this well. Instead, injection in well PBU NGI-06 will be governed by provisions of the underlying Area Injection Order No. 4E.



John K. Norman,
Chairman



Dan T. Seamount,
Commissioner



Cathy J. Foerster,
Commissioner