

# 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  
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### CANCELLATION ADMINISTRATIVE APPROVAL NO. AIO 5.012

Mr. Larry Greenstein  
Advising Reservoir Engineer  
Hilcorp Alaska, LLC  
P.O. Box 196247  
Anchorage, AK 99519-6247

RE: Request for cancellation of Administrative Approval AIO 5.012  
TBU G-05RD (PTD 1981200)  
Trading Bay Unit, McArthur River Field, Hemlock and Middle Kenai G Oil Pools

Dear Mr. Greenstein:

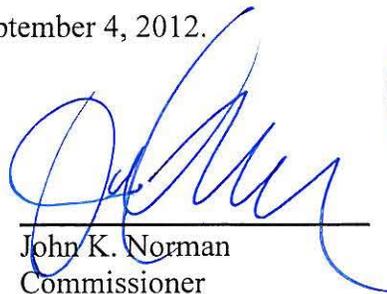
Pursuant to Hilcorp Alaska, LLC ("Hilcorp")'s request dated September 4, 2012 the Alaska Oil and Gas Conservation Commission (AOGCC) hereby cancels Administrative Approval AIO 5.012, which allowed continued water injection. This well exhibited communication between the tubing and Inner Annulus, and Unocal 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.

Sundry application 312-205 was approved by AOGCC on June 12, 2012 to replace the tubing and packer and repair the well. The rig work-over was completed on July 26, 2012. Since then, Hilcorp has determined that TBU G-05RD no longer exhibits Tubing x IA communication and this was confirmed with a passing AOGCC witnessed MITIA on August 7, 2012. Based on the information provided, Administrative Approval AIO 5.012 no longer applies to operation of this well. Instead, injection in well TBU G-05RD will be governed by provisions of the underlying Area Injection Order No. 5.

**DONE** at Anchorage, Alaska and dated September 4, 2012.



Daniel T. Seamont, Jr.  
Commissioner



John K. Norman  
Commissioner



**RECONSIDERATION AND APPEAL NOTICE**

As provided in AS 31.05.080(a), within **20** days after written notice of the entry of this order or decision, or such further time as the AOGCC grants for good cause shown, a person affected by it may file with the AOGCC an application for reconsideration of the matter determined by it. If the notice was mailed, then the period of time shall be **23** days. An application for reconsideration must set out the respect in which the order or decision is believed to be erroneous.

The AOGCC shall grant or refuse the application for reconsideration in whole or in part within 10 days after it is filed. Failure to act on it within 10-days is a denial of reconsideration. If the AOGCC denies reconsideration, upon denial, this order or decision and the denial of reconsideration are **FINAL** and may be appealed to superior court. The appeal **MUST** be filed within **33** days after the date on which the AOGCC mails, **OR 30** days if the AOGCC otherwise distributes, the order or decision denying reconsideration, **UNLESS** the denial is by inaction, in which case the appeal **MUST** be filed within **40** days after the date on which the application for reconsideration was filed.

If the AOGCC grants an application for reconsideration, this order or decision does not become final. Rather, the order or decision on reconsideration will be the **FINAL** order or decision of the AOGCC, and it may be appealed to superior court. That appeal **MUST** be filed within **33** days after the date on which the AOGCC mails, **OR 30** days if the AOGCC otherwise distributes, the order or decision on reconsideration. As provided in AS 31.05.080(b), “[t]he questions reviewed on appeal are limited to the questions presented to the AOGCC by the application for reconsideration.”

In computing a period of time above, the date of the event or default after which the designated period begins to run is not included in the period; the last day of the period is included, unless it falls on a weekend or state holiday, in which event the period runs until 5:00 p.m. on the next day that does not fall on a weekend or state holiday.