STATE OF ALASKA

SARAH PALIN, GOVERNOR

ALASKA OIL AND GAS
CONSERVATION COMMISSION

333 W. 7th AVENUE, SUITE 100
ANCHORAGE, ALASKA 99501-3539
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Corrected

ADMINISTRATIVE APPROVAL AIO 1.010

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

RE: Duck Island Unit 3-01/N29 (PTD 1861900) Request for Administrative Approval
Endicott Oil Pool

Dear Mr. Rossberg:

The Commission has corrected the Administrative Approval to reflect the correct limit of the inner annulus pressure to 2500 psi instead of 2000.

In accordance with Rule 9 of Area Injection Order (AIO) 001.000, the Alaska Oil and Gas Conservation Commission (AOGCC or Commission) hereby grants BP Exploration (Alaska) Inc. (BPXA)'s request for administrative approval to continue water injection in the subject well.

Well diagnostics confirm the well exhibits pressure communication between the inner and outer annuli that is manageable with periodic pressure bleeds. The Commission finds that BPXA does not intend to perform repairs at this time. Reported results of BPXA's diagnostic procedures and wellhead pressure trend plots indicate that Duck Island Unit (DIU) 3-01/N29 exhibits at least two competent barriers to the release of well pressure. Accordingly, the Commission believes that the well's condition does not compromise overall well integrity so as to threaten human safety or the environment.

AOGCC's administrative approval to continue water injection only in DIU 3-01/N29 is conditioned upon the following:

1. BPXA shall record wellhead pressures and injection rate daily;

2. BPXA shall submit to the AOGCC a monthly report of well pressures, injection rates, and pressure bleeds for all annuli;

3. BPXA shall perform a mechanical integrity test of the inner annulus every 2 years to the maximum anticipated injection pressure;

4. BPXA shall limit the inner annulus pressure to 2500 psi and the outer annulus pressure to 1000 psi;

5. BPXA shall immediately shut in the well and notify the AOGCC if there is any change in the well's mechanical condition;

6. After well shut in due to a change in the well's mechanical condition, AOGCC approval shall be required to restart injection; and

7. The MIT anniversary date is March 20, 2009.

DONE at Anchorage, Alaska and dated April 9, 2009.

Daniel T. Seamount, Jr. Chairman	Cathy P. Foerster 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 Commission grants for good cause shown, a person affected by it may file with the Commission 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 Commission 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 Commission 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 Commission mails, **OR 30** days if the Commission 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 Commission 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 Commission, and it may be appealed to superior court. That appeal **MUST** be filed within **33** days after the date on which the Commission mails, **OR 30** days if the Commission 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 Commission 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.