

# STATE OF ALASKA

## ALASKA OIL AND GAS CONSERVATION COMMISSION

SARAH PALIN, GOVERNOR

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ANCHORAGE, ALASKA 99501-3539  
PHONE (907) 279-1433  
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### ADMINISTRATIVE APPROVAL AIO 1.010 (Revised)

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:

BP Exploration (Alaska) Inc. (BPXA) requests a permanent revision to the anniversary date for mechanical integrity tests (MIT) for Duck Island Unit 3-01/N29 (DIU 3-01). Area Injection Order 1.010 granted BPXA's request for administrative approval to continue gas injection in the subject well. The Alaska Oil and Gas Conservation Commission (AOGCC or Commission) now approves BPXA's request to change the anniversary date for MIT's.

Well diagnostics confirm DIU 3-01 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 DIU 3-01 exhibits at least two competent barriers to the release of well pressure. The Commission believes that neither the well's condition nor changing the MIT due date will compromise overall well integrity so as to threaten the environment or human safety, if the well's operation is subject to the constraints enumerated below.

AOGCC's administrative approval to continue water injection only in DIU 3-01 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 date is revised to August 20; the first MIT is due August 20, 2010.

**DONE** at Anchorage, Alaska and dated June 12, 2009.

  
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Daniel T. Seamount, Jr.  
Chair

  
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Cathy P. Foerster  
Commissioner

  
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John K. Norman  
Commissioner



cc: BPXA Well Integrity Coordinator, PRB-20  
P.O. Box 196612  
Anchorage, AK 99519-6612

**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.