

ADMINISTRATIVE APPROVAL AIO 1.004

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

RE: Duck Is Unit MPI 5-02/SD10 (PTD 181-118) Request for Administrative Approval

Dear Mr. Rossberg:

The Alaska Oil and Gas Conservation Commission grants BP Exploration (Alaska) Inc. ("BPXA")'s request for administrative approval to resume water injection in the subject well.

AOGCC finds that BPXA has performed well work corrective action on Duck Is Unit MPI 5-02/SD10. The Commission further finds that, based upon reported results of BPXA's diagnostic procedures, Duck Is Unit MPI 5-02/SD10 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.

AOGCC's administrative approval to resume water injection in Duck Is Unit MPI 5-02/SD10 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 a MIT - T every two years to 1.2 times the maximum anticipated injection pressure;
4. BPXA shall perform a CMIT - T x Lower IA with an open mandrel every two years to 1.2 times the maximum anticipated injection pressure;

5. BPXA shall perform a MIT - Upper IA every two years to 1.2 times the maximum anticipated injection pressure;
6. BPXA shall limit the well's OA operating pressure to 1000 psi and limit the well's IA operating pressure to 2500 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 August 5, 2005.

John K. Norman,
Chairman

Cathy P. Foerster,
Commissioner