

STATE OF ALASKA

ALASKA OIL AND GAS CONSERVATION COMMISSION

SARAH PALIN, GOVERNOR

333 W. 7th AVENUE, SUITE 100
ANCHORAGE, ALASKA 99501-3539
PHONE (907) 279-1433
FAX (907) 276-7542

ADMINISTRATIVE APPROVAL AIO 1.007

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

RE: Endicott 5-01/SD7 (PTD 1801200) Request for Administrative Approval

Dear Mr. Rossberg:

In accordance with Rule 9 of Area Injection Order 001.000, the Alaska Oil and Gas Conservation Commission ("AOGCC" or "Commission") hereby approves BP Exploration (Alaska) Inc. ("BPXA")'s request for administrative approval to inject gas in the subject well. This administrative approval replaces the canceled sundry approval (93-060).

Endicott 5-01/SD7 exhibits slow tubing by inner annulus ("IA") communication suspected to be related to the subsurface safety valve control line. AOGCC finds that BPXA has elected to perform no corrective action at this time on Endicott 5-01/SD7. The Commission further finds that, based upon reported results of BPXA's diagnostic procedures, Endicott 5-01/SD7 exhibits two competent barriers – namely the tubing and innermost casing - to release of well pressure. Accordingly, the Commission believes that well operation in gas injection service will not threaten the environment or human safety.

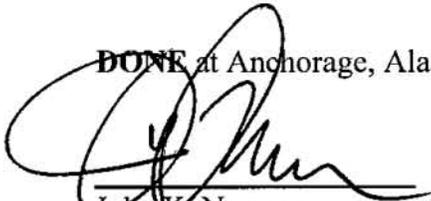
AOGCC's administrative approval to inject gas in Endicott 5-01/SD7 is conditioned upon the following:

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 IA pressure bleeds;
3. BPXA shall perform an MIT-IA every two years to the maximum anticipated injection pressure;

4. BPXA shall limit the well's IA pressure to 2500 psi;
5. BPXA shall install and operate automatic well shut-in equipment on the well's IA;
6. BPXA shall immediately shut in the well and notify the AOGCC if there is any change in the well's mechanical condition; and
7. after well shut-in due to a change in the well's mechanical condition, AOGCC approval shall be required to restart injection.
8. The MIT anniversary date is July 20, 2007.

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 September 17, 2007.



John K. Norman
Chairman



Daniel T. Seamont, Jr.
Commissioner

