THE STATE of ALASKA
GOVERNOR BILL WALKER

Alaska Oil and Gas
Conservation Commission

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ADMINISTRATIVE APPROVAL
AREA INJECTION ORDER NO. 24B.005

Mr. Oliver Sternicki
Well Integrity Engineer
BP Exploration (Alaska), Inc.
P.O. Box 196612
Anchorage, AK 99519-6612

Re: Docket Number: AIO-16-007
Request for administrative approval to amend conditions of AIO 24.004 that allow well L-105 (PTD 2020580) to be online in water alternating gas (WAG) injection service with an outer annulus (OA) repressurization.
Prudhoe Bay Unit (PBU) L-105 (PTD 2020580)
Prudhoe Bay Field
Borealis Oil Pool

Dear Mr. Sternicki:

By letter dated February 19, 2016, received on February 29, 2016, BP Exploration (Alaska), Inc. (BPXA) requested administrative approval to amend conditions of AIO 24.004 and continue WAG injection in the subject well.

In accordance with Rule 9 of Area Injection Order (AIO) 24B.000, the Alaska Oil and Gas Conservation Commission (AOGCC) hereby **GRANTS** BPXA's request for administrative approval to continue WAG injection in the subject well.

AA AIO 24.004 is no longer necessary to the operation of L-105 and is hereby **CANCELLED.** Injection into PBU L-105 will be governed by provisions of **AIO No. 24B.005**. AIO No. 24A superseded AIO 24 on April 22, 2005. AIO No. 24B superseded AIO 24A on January 30, 2008.

BPXA completed a passing state witnessed Mechanical Integrity Test of the Inner Annulus (MITIA) on April 3, 2015 which indicates that L-105 exhibits at least two competent barriers to the release of well pressure. Accordingly, the AOGCC believes that the well's condition does not compromise overall well integrity so as to threaten human safety or the environment.

AOGCC's approval to continue WAG injection in PBU L-105 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. Bleeds to be flagged on the report;
3. BPXA shall perform a mechanical integrity test of the inner annulus every two (2) years to 4000 psi;
4. BPXA shall immediately shut in the well and notify the AOGCC if there is any change in the well's mechanical condition;
5. After well shut in due to a change in the well's mechanical condition, AOGCC approval shall be required to restart injection; and
6. The MIT anniversary date is April 3, 2015.

DONE at Anchorage, Alaska and dated March 4, 2016.

//signature on file//
Cathy P. Foerster
Chair, Commissioner

//signature on file//
Daniel T. Seamount, Jr.
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.

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.