

STATE OF ALASKA

SEAN PARNELL, GOVERNOR

ALASKA OIL AND GAS CONSERVATION COMMISSION

333 W. 7th AVENUE, SUITE 100
ANCHORAGE, ALASKA 99501-3539
PHONE (907) 279-1433
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CANCELLATION **ADMINISTRATIVE APPROVAL NO. AIO 3.020**

Mr. Steve Rossberg, Wells Manager
Attention: Well Integrity Engineer, PRB-20
BP Exploration (Alaska) Inc.
P.O. Box 196612
Anchorage, AK 99519-6612

RE: Cancellation of Administrative Approval AIO 3.020
Prudhoe Bay Unit Well P-03A (PTD 1972280)
Borealis Oil Pool

Dear Mr. Rossberg:

Pursuant to BP Exploration (Alaska) Inc. (BPXA)'s request dated October 27, 2009 Alaska Oil and Gas Conservation Commission (Commission) hereby cancels Administrative Approval AIO 3.020, which allows continued water injection in Prudhoe Bay Unit (PBU) well P-03A. This well exhibited tubing by inner annulus communication and BPXA did not at the time propose repairing the well to eliminate the problem. The Commission determined that water injection could safely continue in the well, but subject to a number of restrictive conditions set out in the administrative approval.

BPXA has since performed a well intervention to install a casing patch within PBU P-03A. BPXA provided wellhead pressure data demonstrating the elimination of tubing by inner annulus pressure communication while injecting miscible gas. Consequently, Administrative Approval AIO 3.020 no longer applies to operation of this well. Instead, injection into PBU P-03A will be governed by provisions of the underlying AIO No. 3.

DONE at Anchorage, Alaska and dated November 5, 2009.

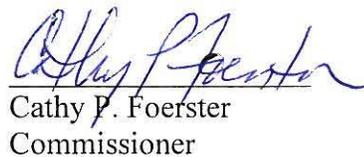
The Alaska Oil and Gas Conservation Commission



Daniel T. Seamount, Jr.
Chair



John K. Norman
Commissioner



Cathy P. Foerster
Commissioner

