

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
FAX (907) 276-7542

CANCELLATION **ADMINISTRATIVE APPROVAL NO. AIO 3.023**

Mr. Doug Cismoski, P.E., Wells Intervention 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 3.023
Prudhoe Bay Unit Well Y-24 (PTD 1861130)
Borealis Oil Pool

Dear Mr. Rossberg:

Pursuant to BP Exploration (Alaska) Inc. (BPXA)'s request dated May 3, 2011, the Alaska Oil and Gas Conservation Commission (Commission) hereby cancels Administrative Approval AIO 3.023, which allows continued water injection in Prudhoe Bay Unit (PBU) well Y-24. This well exhibited tubing by inner annulus (TxIA) 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 packer squeeze within PBU Y-24. The well passed a witnessed MITIA on December 17, 2010 and has not shown any indication of TxIA communication while injecting either water or miscible gas. Consequently, Administrative Approval AIO 3.023 no longer applies to operation of this well. Instead, injection into PBU Y-24 will be governed by provisions of the underlying AIO No. 3.

DONE at Anchorage, Alaska and dated May 27, 2011.

The Alaska Oil and Gas Conservation Commission



Daniel T. Seamont, Jr.
Commissioner, Chair



Cathy P. Foerster
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 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.