



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

Alaska Oil and Gas Conservation Commission

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AMENDED ADMINISTRATIVE APPROVAL AREA INJECTION ORDER NO. 3B.005

Mr. Ryan Daniel
Well Integrity Engineering Team Leader
BP Exploration (Alaska), Inc.
P.O. Box 196612
Anchorage, AK 99519-6612

Re: Docket Number: AIO-16-039
Request for administrative approval to allow well P-06B (PTD 2051380) to be online in water only injection service with known inner annulus (IA) repressurization.
Prudhoe Bay Unit (PBU) P-06B (PTD 2051380)
Prudhoe Bay Field
Prudhoe Oil Pool

Dear Mr. Daniel:

By letter dated September 7, 2016, BP Exploration (Alaska), Inc. (BPXA) requested administrative approval to continue water only injection in the subject well.

In accordance with Rule 10 of Area Injection Order (AIO) 3B.000, the Alaska Oil and Gas Conservation Commission (AOGCC) hereby **GRANTS** BPXA's request for administrative approval to continue water only injection in the subject well.

BPXA reported a potential Inner Annulus repressurization to AOGCC and initiated additional diagnostics and monitoring. BPXA completed a passing non-state witnessed Mechanical Integrity Test of the Inner Annulus (MITIA) on May 27, 2016 which indicates that P-06B exhibits at least two competent barriers to the release of well pressure. The well has a recorded IA build up rate of 180 psi/day while on gas service. AOGCC finds that BPXA is able to manage the IA pressure with periodic pressure bleeds. 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 water injection only in PBU P-06B 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 (MITIA) every 2 years to the maximum anticipated injection pressure;
4. BPXA shall limit the well's IA operating pressure to 2000 psi;
5. BPXA shall immediately shut in the well and notify the AOGCC if there is any change in the well's mechanical condition;
6. After well shut in due to a change in the well's mechanical condition, AOGCC approval shall be required to restart injection; and
7. The MIT anniversary date is May 27, 2016.

DONE at Anchorage, Alaska and dated September 30, 2016.

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

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

//signature on file//
Hollis French
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.