

CANCELLATION ADMINISTRATIVE APPROVAL AIO 4C.005

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

RE: Cancellation of Administrative Approval AIO 04C.005 (Well PBU NGI-09)

Dear Mr. Rossberg:

Pursuant to BP Exploration (Alaska), Inc.'s ("BPXA") request dated May 3, 2006 Alaska Oil and Gas Conservation Commission hereby cancels Administrative Approval AIO 04C.005, which allows gas injection in well PBU NGI-09. This well exhibited IA x OA pressure communication, and BPXA did not at the time propose repairing the well to eliminate the problem. The Commission determined that gas injection could safely continue in the well, but subject to a number of restrictive conditions set out in the administrative approval.

Since then, BPXA has determined that PBU NGI-09's condition has deteriorated to the point that safe operation is no longer supported. The well is shut in awaiting a rig work over to repair the annular communication source. Consequently, Administrative Approval AIO 04C.005 no longer applies to operation of this well. Instead, injection in well PBU NGI-09 will be governed by provisions of the underlying Area Injection Order No. 4E.

DONE at Anchorage, Alaska and dated May 18, 2006.

John K. Norman
Chairman

Cathy P. Foerster
Commissioner