

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 4E.013

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 4E.013 (Well PBU 11-35)

Dear Mr. Rossberg:

Pursuant to BP Exploration (Alaska) Inc. (BPXA)'s request dated March 17, 2010, the Alaska Oil and Gas Conservation Commission (Commission) hereby cancels Administrative Approval AIO 4E.013, which allows continued water injection in Prudhoe Bay Unit ("PBU") well 11-35. 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.

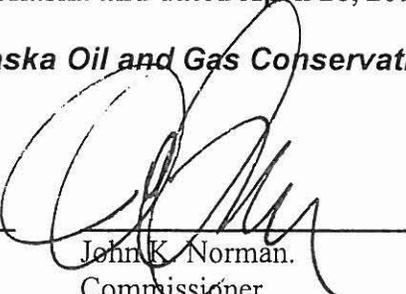
Although authorized to operate the well, fluids have not been injected since September, 2005. Following surface injection line repairs last year, the well failed a MITIA on October 27, 2009 and was secured. BPXA has determined to not operate PBU 11-35 until repaired. Consequently, Administrative Approval AIO 4E.013 no longer applies to operation of this well. Instead, injection into PBU 11-35 will be governed by provisions of the underlying AIO No. 4E.

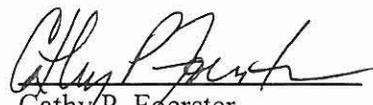
DONE at Anchorage, Alaska and dated April 26, 2010.

The Alaska Oil and Gas Conservation Commission




Daniel T. Seamount, Jr.
Commissioner, Chair


John K. Norman
Commissioner


Cathy P. Feerster
Commissioner