

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 4E.027

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 4E.027 (Well PBU WGI-03)

Dear Mr. Cismoski:

Pursuant to BP Exploration (Alaska) Inc. (BPXA)'s request dated December 29, 2011, the Alaska Oil and Gas Conservation Commission (Commission) hereby cancels Administrative Approval AIO 4E.027, which allows continued gas injection in Prudhoe Bay Unit ("PBU") well WGI-03. This well exhibited inner annulus repressurization that could be safely managed with periodic pressure bleeds 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.

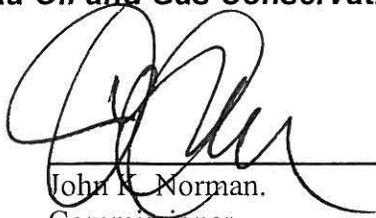
BPXA completed a rig workover on May 12, 2011 and no IA repressurization has been evident since. The well successfully passed a witnessed MIT-IA on August 2, 2011. Consequently, Administrative Approval AIO 4E.027 no longer applies to operation of this well. Instead, injection into PBU WGI-03 will be governed by provisions of the underlying AIO No. 4E.

DONE at Anchorage, Alaska and dated January 5, 2012.

The Alaska Oil and Gas Conservation Commission



Daniel T. Seamount, Jr.
Commissioner, Chair



John K. Norman.
Commissioner



Cathy P. Foerster
Commissioner

