

STATE OF ALASKA

ALASKA OIL AND GAS CONSERVATION COMMISSION

SEAN PARNELL, GOVERNOR

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CANCELLATION

ADMINISTRATIVE APPROVAL NO. AIO 4E.031

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.031 (Well PBU WGI-05)

Dear Mr. Cismoski:

Pursuant to BP Exploration (Alaska) Inc. (BPXA)'s request dated December 16, 2010, the Alaska Oil and Gas Conservation Commission (Commission) hereby cancels Administrative Approval AIO 4E.031, which allows continued gas injection in Prudhoe Bay Unit ("PBU") well WGI-05. 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.

The well successfully passed an MIT-IA on April 21, 2010 and following setting and successful testing of the sub-surface safety valve, no IA repressurization has been evident since. Consequently, Administrative Approval AIO 4E.031 no longer applies to operation of this well. Instead, injection into PBU WGI-05 will be governed by provisions of the underlying AIO No. 4E.

DONE at Anchorage, Alaska and dated January 3, 2011.

The Alaska Oil and Gas Conservation Commission



Daniel T. Seamount, Jr.
Commissioner, Chair

John K. Norman.
Commissioner

Cathy P. Foerster
Commissioner