



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

Alaska Oil and Gas Conservation Commission

333 West Seventh Avenue
Anchorage, Alaska 99501-3572
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ADMINISTRATIVE APPROVAL AREA INJECTION ORDER NO. 5.016 CANCELLATION

Mr. Larry Greenstein
Regulatory Manager
Hilcorp Alaska, LLC.
P.O. Box 244027
Anchorage, AK 99524-4027

Re: Request to cancel Area Injection Order (AIO) 5.016
Trading Bay Unit (TBU) D-15RD2 (PTD 1800050)
McArthur River Field
Dolly Varden Platform
Hemlock and Middle Kenai G Oil Pools

Dear Mr. Greenstein:

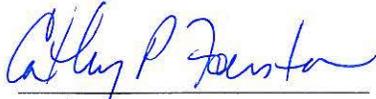
By email dated July 15, 2014, Hilcorp Alaska, LLC (Hilcorp) requested cancellation of administrative approval (AA) Area Injection Order (AIO) 5.016.

In accordance with Rule 9 of AIO 5.000, the Alaska Oil and Gas Conservation Commission (AOGCC) hereby **GRANTS** Hilcorp's request to cancel the AA.

TBU D-15RD2 developed tubing by inner annulus (IA) communication in March 2007. However, the Commission determined that water injection could safely continue if Hilcorp complied with the restrictive conditions set out in AA AIO 5.016.

Hilcorp has performed a well intervention to eliminate the communication, and a passing AOGCC witnessed Mechanical Integrity Test of the Inner Annulus (MITIA) was achieved on June 25, 2014. AA AIO 5.016 is no longer necessary to the operation of this well and is hereby **CANCELLED**. Injection into TBU D-15RD2 will be governed by provisions of AIO No. 5.000.

DONE at Anchorage, Alaska and dated July 17, 2014.



Cathy P. Foerster
Chair, Commissioner



Daniel T. Seamont, Jr.
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. Com

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.