

ADMINISTRATIVE APPROVAL AIO 6.005

Mr. Larry Greenstein
Production Technician
Unocal Alaska
P.O. Box 196247
Anchorage, AK 99519-6247

RE: Granite Point State 18742 #37 [aka Anna #37] (PTD 187-109)
Request for Administrative Approval AIO 6

Dear Mr. Greenstein:

Per Rule 9 of Area Injection Order (“AIO”) 006, the Alaska Oil and Gas Conservation Commission (“AOGCC” or “Commission”) hereby grants Unocal Alaska. (“Unocal”)’s request for administrative approval for water injection in the subject well.

AOGCC finds the following:

1. The subject well is not completed with a packer and there is no plan to workover the well to install a packer.
2. Several similarly equipped wells on Anna Platform were previously converted to service wells beginning in 2000 according to a procedure developed by Unocal and approved by the Commission.
3. Unocal was authorized to convert Anna 37 from producer to injector via Sundry permit 300-218 approved October 25, 2000.
4. As required by the conversion Sundry permit, Unocal has been recording daily injection rates and well pressures and has been reporting this information to the Commission monthly. In support of this application, Unocal has submitted the results of temperature logs obtained in compliance with the conversion Sundry permit and a graphical maximum operating pressure determination.
5. Based upon analysis of the submitted logging information, there are no temperature anomalies indicated. The monthly rate/pressure information has not indicated any pressure integrity loss.
6. The pressure information gathered with the temperature survey indicates that the bottomhole pressure in the vicinity of Anna 37 is low and insufficient to support a fluid column to surface. According to the injection report, there has not been any

- injection since May 2002. A similar low reservoir pressure was shown on Anna 5.
7. The original analysis performed for the conversion in October 2000 is still valid.
 8. An aquifer exemption is in effect below Cook Inlet for Granite Point Field [40 CFR 147.102(b)(2)(i).]

Accordingly, the Commission believes that the well's condition does not compromise overall well integrity so as to threaten the environment or human safety.

AOGCC's administrative approval to continue water injection in Granite Point State 18742 #37 [aka Anna #37] is conditioned upon the following:

1. Injection is limited to WATER ONLY;
2. Unocal shall monitor and record wellhead pressures [T/I/O] (tubing/inner annulus/outer annulus) and injection rate daily and submit this information to the Commission monthly;
3. Unocal shall perform a temperature log every two years to demonstrate continued production casing integrity;
4. Unocal shall immediately shut in the well and notify the AOGCC upon any measurable change in well outer annulus pressure or any change in the rate/pressure relationship for the tubing/IA; and
5. After well shut in, AOGCC approval shall be required to restart injection.

As provided in AS 31.05.080, within 20 days after written notice of this decision, or such further time as the Commission grants for good cause shown, a person affected by it may file with the Commission an application for rehearing. A request for rehearing is considered timely if it is received by 4:30 PM on the 23rd day following the date of this letter, or the next working day if the 23rd day falls on a holiday or weekend. A person may not appeal a Commission decision to Superior Court unless rehearing has been requested.

DONE at Anchorage, Alaska and dated March 29, 2005.

John K. Norman
Chairman

Daniel T. Seamount, Jr.
Commissioner