

Telecopy No.
(907) 276-7542

April 26, 1988

ADMINISTRATIVE APPROVAL NO. 9.2

Re: Amend Rule 6 of Area Injection Order (AIO) No. 9

W F Simpson
Manager, Regulatory Affairs
Shell Western E&P Inc
601 West 5th Avenue, Suite 810
Anchorage, AK 99501-2257

Dear Mr Simpson:

Shell Western E&P Inc (SWEPI), as operator of the central portion of the Middle Ground Shoal (MGS) field, by letters of January 18, 1988 and March 14, 1988, requested modification of AIO No. 9 rules. During a meeting with the Commission and its staff on February 17, 1988, Shell proposed that a high incidence of tubing/annulus communication would result from pressure testing wells completed with hydraulic set packers, and therefore proposed that alternative monitoring and testing methods be utilized for some of their injection wells.

The Commission has determined that timed-run radioactive tracer surveys (RTS) offer appropriate means for demonstrating mechanical integrity of an underground injection well.

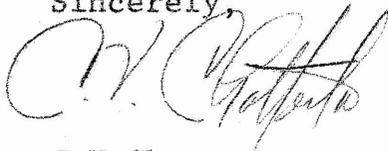
Therefore, as provided by "Rule 9 Administrative Relief", Rule 6 is amended to read:

Administrative Approval No. 9.2
April 26, 1988
PAGE 2

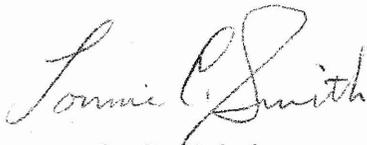
Rule 6 Demonstration of Tubing/Casing Annulus Mechanical Integrity

A schedule must be developed and coordinated with the Commission which ensures that the tubing/casing annulus for each injection well is pressure tested prior to initiating injection and at least once every four years thereafter. A test surface pressure of 1500 psi or 0.25 psi/ft multiplied by the vertical depth of the packer, whichever is greater, but not to exceed a hoop stress greater than 70% of the casing's minimum yield strength, must be held for 30 minutes with no more than a 10% decline. As an alternative, with Commission approval, injection wells may be surveyed using a timed-run radioactive tracer survey (RTS) every year. The Commission must be notified at least 24 hours in advance to enable a representative to witness pressure tests or the running of RTSs.

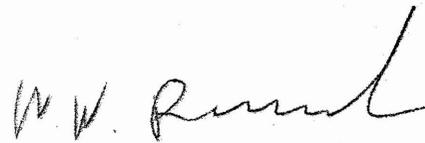
Sincerely,



C V Chatterton
Chairman



L C Smith
Commissioner



W W Barnwell
Commissioner