

MINUTE ITEM

12/4/72
JWY

9. APPROVAL OF PROPOSED REDRILL OF WELLS "STATE 392" S-119 AND "STATE 425" 537, HUNTINGTON BEACH FIELD, ORANGE COUNTY; SIGNAL OIL AND GAS COMPANY - E 392.1; PRC 425.1.

After consideration of Calendar Item 7 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE APPROVAL OF REDRILLING AND COMPLETING WELLS "STATE 392" S-119 AND "STATE 425" 537 IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF EXCHANGE OIL AND GAS LEASE 392.1, AND STATE OIL AND GAS LEASE PRC 425.1, RESPECTIVELY, SIGNAL OIL AND GAS COMPANY, LESSEE, AND THE RULES AND REGULATIONS OF THE COMMISSION.

Attachment:

Calendar Item 7 (1 page)

CALENDAR ITEM

11/72
JWY
E 392.1

7.

PROPOSED REDRILL OF WELLS "STATE 392" S-119
AND "STATE 425" 537

LEASE: E 392.1 and PRC 425.1.
LESSEE: Signal Oil and Gas Company.
COUNTY: Orange.
AREA: Huntington Beach Field.

PERTINENT INFORMATION:

Signal has initiated a full-scale waterflood operation. Production performance clearly indicates that the program has been successful, resulting in an economic advantage to the State.

On December 17, 1970 (Minute Item 8, page 976), the Commission authorized the redrilling of two wells with surface locations on the upland in the initial phase of extending the Main Zone waterflood. Since that time the Commission has authorized the redrilling of 56 additional wells for the same purpose.

In order to maintain a coordinated and uninterrupted secondary recovery development program, Signal has submitted an application to redrill additional wells "State 392" S-119 and "State 425" 537.

The proposed completion intervals in these wells will provide the best development spacing for optimum flood response. The surface location of these wells is on the uplands.

The proposed redrilling and completion programs have been reviewed by the Division and determined to be in accordance with good engineering practices and the rules and regulations of the Commission. The Division of Oil and Gas has approved the redrilling of these wells.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE APPROVAL OF REDRILLING AND COMPLETING WELLS "STATE 392" S-119 AND "STATE 425" 537 IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF EXCHANGE OIL AND GAS LEASE 392.1, AND STATE OIL AND GAS LEASE PRC 425.1, RESPECTIVELY, SIGNAL OIL AND GAS COMPANY, LESSEE, AND THE RULES AND REGULATIONS OF THE COMMISSION.