

MINUTE ITEM

6/6/74
JWY

13. APPROVAL OF NEW WELL "STATE 425" J-187, AND REDRILLING OF WELL "STATE 392" J-166, HUNTINGTON BEACH OFFSHORE, ORANGE COUNTY; SIGNAL OIL AND GAS COMPANY - E 392.1, PRC 425.1.

After consideration of Calendar Item 11 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION:

1. DETERMINES THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS ACTIVITY BECAUSE IT IS AN ONGOING PROJECT UNDER SECTION 21169 OF THE PUBLIC RESOURCES CODE AND TITLE 14, SECTION 15070, OF THE CALIFORNIA ADMINISTRATIVE CODE.
2. AUTHORIZES THE APPROVAL OF DRILLING WELL "STATE 425" J-187, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF STATE OIL AND GAS LEASE PRC 425.1, AND THE REDRILLING OF WELL "STATE 392" J-166, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF EXCHANGE OIL AND GAS LEASE E 392.1, SIGNAL OIL AND GAS COMPANY, LESSEE, AND THE RULES AND REGULATIONS OF THE COMMISSION.

Attachment:

Calendar Item 11 (2 pages)

CALENDAR ITEM

5/74

JWY

E 392.1

PRC 425.1

11.

APPROVAL OF NEW WELL "STATE 425" J-187,
AND PROPOSED REDRILL OF WELL "STATE 392" J-166,
STATE OIL AND GAS LEASE PRC 425.1,
AND EXCHANGE OIL AND GAS LEASE E 392.1,
HUNTINGTON BEACH OFFSHORE, ORANGE COUNTY

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

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. In order to maintain a coordinated and uninterrupted secondary recovery development program, Signal has submitted an application to drill "State 425" J-187 as a water injection well, and redrill "State 392" J-166 as a producing well.

The proposed wells are part of the plan for secondary recovery operations approved by the Commission on July 2, 1965 (Minute Item 21, page 11,383), and on November 6, 1963 (Minute Item 21, page 9362). An environmental impact report is not required as this is an ongoing project. The proposed injection and completion intervals in these wells will provide the best development spacing for optimum secondary response. The surface locations of these wells are 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 drilling and the redrilling of these wells. The proposed wells are part of the plan of development exempted from permit requirements by the South Coast Regional Commission.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS ACTIVITY BECAUSE IT IS AN ONGOING PROJECT UNDER SECTION 21169 OF THE PUBLIC RESOURCES CODE AND TITLE 14, SECTION 15070, OF THE CALIFORNIA ADMINISTRATIVE CODE.

CALENDAR ITEM NO. 11. (CONTD)

2. AUTHORIZE THE APPROVAL OF DRILLING WELL "STATE 425" J-187, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF STATE OIL AND GAS LEASE PRC 425.1, AND THE REDRILLING OF WELL "STATE 392" J-166, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF EXCHANGE OIL AND GAS LEASE E 392.1, SIGNAL OIL AND GAS COMPANY, LESSEE, AND THE RULES AND REGULATIONS OF THE COMMISSION.