MINUTE ITEM

11/18/71
JWY

7. APPROVAL OF REDRILLING AND COMPLETING WELLS "STATE 392" S-81-A AND J-79, EXCHANGE OIL AND GAS LEASE E 392.1; HUNTINGTON BEACH FIELD, ORANGE COUNTY; SIGNAL OIL AND GAS COMPANY - E 392.1.

After consideration of Calendar Item 15 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-81-A AND J-79 IN ACCORDANCE WITH THE PROPOSALS SUBMITTED BY SIGNAL OIL AND GAS COMPANY, THE TERMS AND CONDITIONS OF EXCHANGE OIL AND GAS LEASE 392.1, AND THE RULES AND REGULATIONS OF THE COMMISSION.

Attachment:
Calendar Item 15 (1 page)

A 70
S 34

CALENDAR ITEM

11/71
E 392.1
JWY

15.

PROPOSED REDRILL OF WELLS "STATE 392" S-81-A AND J-79

LEASE: E 392.1.

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 in the initial phase of extending the Main Zone waterflood. Since that time the Commission has authorized the redrilling of nineteen additional wells for the same purpose. To this date, eleven of the authorized wells have been redrilled and completed without incident. Work will commence on the twelfth well in the near future.

In order to maintain a coordinated and uninterrupted secondary recovery development program, Signal has submitted an application to redrill two additional wells, "State 392" S-81-A and J-79. The proposed completion intervals in these wells will provide the best development spacing for optimum flood response. The surface locations of the wells are on the uplands.

The proposed redrilling programs 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.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE APPROVAL OF REDRILLING AND COMPLETING WELLS "STATE 392" S-81-A AND J-79 IN ACCORDANCE WITH THE PROPOSALS SUBMITTED BY SIGNAL OIL AND GAS COMPANY, THE TERMS AND CONDITIONS OF EXCHANGE OIL AND GAS LEASE 392.1, AND THE RULES AND REGULATIONS OF THE COMMISSION.

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