

MINUTE ITEM

11/29/73
JWY

8. APPROVAL OF REDRILLING WELL "STATE 392" J-118-A, EXCHANGE OIL AND GAS LEASE E 392.1, HUNTINGTON BEACH OFFSHORE, ORANGE COUNTY; SIGNAL OIL AND GAS COMPANY - E 392.1.

After consideration of Calendar Item 6 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE APPROVAL OF REDRILLING AND COMPLETING WELL "STATE 392" J-118-A, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF EXCHANGE OIL AND GAS LEASE E 392.1, RESPECTIVELY, SIGNAL OIL AND GAS COMPANY, LESSEE, AND THE RULES AND REGULATIONS OF THE COMMISSION.

Attachment:

Calendar Item 6 (1 page)

CALENDAR ITEM

11/73
JWY
E 392.1

6.

PROPOSED REDRILL OF WELL "STATE 392" J-118-A,
EXCHANGE OIL AND GAS LEASE E 392.1,
HUNTINGTON BEACH OFFSHORE, ORANGE COUNTY

Signal Oil and Gas Company has submitted an application to redrill a well from an onshore location under Exchange Oil and Gas Lease E 392.1, Orange County. The well will be completed within an area of producing wells, and will be drilled into an area that has been thoroughly explored and for which there exists extensive geologic data and experience in control of operations.

The redrilling and completion program has been reviewed by the State Lands Division, and has been determined to be in accordance with good engineering practices and the rules and regulations of the Commission. The State Division of Oil and Gas has approved the redrilling of this well.

Based upon an engineering and economic evaluation by Signal and concurred in by the Division, the proposed well would produce resources unrecoverable from currently producing wells. Deferment of approval of this well would cause an ultimate loss of natural resources and of income to the State.

The proposed well is 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 AUTHORIZE THE APPROVAL OF REDRILLING AND COMPLETING WELL "STATE 392" J-118-A, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF EXCHANGE OIL AND GAS LEASE E 392.1, RESPECTIVELY, SIGNAL OIL AND GAS COMPANY, LESSEE, AND THE RULES AND REGULATIONS OF THE COMMISSION.