

MINUTE ITEM

37. *PROPOSED OCEAN-FLOOR OIL-WELL COMPLETION, RICHFIELD OIL CORPORATION, RINCON FIELD - P.R.C. 1466.1.

During the discussion of Supplemental Informative Calendar Item 36 attached, the possibility of damage from oil leakage was reviewed, and the Commission was informed by the Executive Officer, and by Mr. K. M. Cook on behalf of the Richfield Oil Corporation, of the various safety measures which had been installed to provide for automatic shut-off in case the line carrying oil from the offshore area to the mainland should be broken.

UPON MOTION MADE BY COMMISSIONER CARR, SECONDED BY COMMISSIONER ANDERSON, AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED APPROVING THE USE BY RICHFIELD OIL CORPORATION OF OCEAN-FLOOR-PRODUCTION EQUIPMENT AND TECHNIQUES IN THE OFFSHORE AREA IN RINCON FIELD COVERED BY STATE LEASE P.R.C. 1466.1 AS APPROVED BY THE COMMISSION'S TECHNICAL STAFF.

Attachment

Calendar Item 36 (1 page)

CALENDAR ITEM

SUPPLEMENTAL - INFORMATIVE

36.

PROPOSED OCEAN-FLOOR OIL-WELL COMPLETION, RICHFIELD OIL CORPORATION, RINCON FIELD - P.R.C. 1466.1.

The Richfield Oil Corporation, lessee under P.R.C. 1466.1, has drilled well "State 1466"-102 into the leased area, at a location approximately 3,000 feet westerly from the existing island, in a water depth of 56 feet. The well was drilled using mobile marine equipment, and will be completed for production using ocean-floor-production equipment designed by and fabricated under the direction of the operator, and approved by the Commission's technical staff.

Because the known productive zones in this area lie at a comparatively shallow depth, the structural area that may be developed by slant drilling from one island location is relatively small. In consideration of the cost of the present centralized drilling from production islands, individual well ocean-floor-completion methods appear to offer economic advantages in the development of this particular lease.

The operator, through the use of equipment and well-head control components similar to those proposed for use at Rincon, has successfully completed and is now producing an offshore oil well in Peru in a water depth of 132 feet. Pursuant to recommendations by the Commission's technical staff, Richfield has incorporated additional monitoring and safety control features in the unit to be used in California.

A final Department of the Army permit, authorizing the placement of the production head on the ocean floor as a non-interference with navigation, was issued by the Corps of Engineers on February 13, 1961. The Coast Guard have reported that the placement of the equipment at the selected location will not require their approval. The only indication on the surface of the existence of an ocean-floor-completed well will be a marker buoy. Production from the well will be transported to onshore storage facilities through an ocean-floor pipeline via the island.