

MINUTE ITEM

32. APPROVAL OF PROPOSED INJECTION INTERVAL OF INJECTION WELL FRA-209 (FORMERLY A-209), PORT OF LONG BEACH, WILMINGTON OIL FIELD, LOS ANGELES COUNTY - L.B.W.O. 10,158.

After consideration of Calendar Item 30 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION, PURSUANT TO THE PROVISIONS OF THE FOURTH AGREEMENT SUPPLEMENTING DRILLING AND OPERATING CONTRACT, DATED MARCH 12, 1947, APPROVES AND AUTHORIZES THE EXECUTIVE OFFICER TO CERTIFY APPROVAL OF THE REQUEST SUBMITTED BY THE GENERAL MANAGER OF THE PORT OF LONG BEACH, ACTING FOR AND IN BEHALF OF THE BOARD OF HARBOR COMMISSIONERS, FOR THE INJECTION INTERVAL OF WELL FRA-209 (FORMERLY A-209) TO BE PERFORATED BY THE RICHFIELD OIL CORPORATION WHEN DIRECTED TO DO SO BY THE BOARD OF HARBOR COMMISSIONERS, WHICH WELL WILL BE OPENED TO INJECTION OUTSIDE OF THE AREA OF PARCEL "A" AS DEFINED IN SUBJECT CONTRACT.

Attachment

Calendar Item 30 (2 pages)

CALENDAR ITEM

30.

APPROVAL OF PROPOSED INJECTION INTERVAL OF INJECTION WELL FRA-209 (FORMERLY A-209), PORT OF LONG BEACH, WILMINGTON OIL FIELD, LOS ANGELES COUNTY - L.B.W.O. 10,158.

The General Manager of the Port of Long Beach has requested Commission approval of the location of the injection interval of Well FRA-209 (formerly A-209). The surface location of this well is on Harbor Department leased lands; however, the proposed injection interval will be partially outside the geographic limits of lands presently under lease.

On March 29, 1962 (Minute Item 25, page 7862), the Commission approved the Fourth Agreement Supplementing Drilling and Operating Contract, Richfield Oil Corporation, Parcel "A", subject to the condition that the approval of the State Lands Commission shall be requested and obtained for the location of the injection interval of any well used for the injection of water when such well is to be open to injection beneath lands outside the geographic area of the subject lands (Parcel "A").

The Drilling and Operating Contract, as amended, provides in part that:

1. The contractor, at the request of the Board of Harbor Commissioners, is to drill injection wells surfaced upon Parcel "A" for the injection of water into zones or fault blocks underlying not only Parcel "A" but also into zones and fault blocks underlying other lands subject to the contract of the Board in the neighborhood of the Parcel "A" lands.
2. The contractor is to operate and maintain water-injection wells surfaced outside of Parcel "A" so long as all such wells are being operated and used primarily for the benefit and development of Parcel "A" lands, and that such wells may be for the purpose of injecting water into zones and fault blocks of sub-surface intervals within or in the neighborhood of Parcel "A".

The State Oil and Gas Supervisor, in February 1959, issued a report entitled "Findings of Fact and Orders, S 59-1" which provided for the conversion of production well J-64 to an injection well. Well J-64 has not been converted to injection.

On March 5, 1963, the Fault Block V Management Committee submitted a plan of development for the Ranger Zone, Fault Block V, to the State Oil and Gas Supervisor. This plan provides for the drilling of a new water injection well or the conversion of an existing oil well to water injection in the general area of well J-64 and where well A-209 passes through the Ranger Zone. Approval of this plan by the State Oil and Gas Supervisor is being withheld pending unitization of Fault Block V or the signing of "hold harmless" agreements by all parties whose lands might be affected by the proposed repressuring operations.

CALENDAR ITEM 30. (CONTD.)

Well A-209 was originally drilled as an Upper Terminal Zone production well within the leased area. This well is presently unproducibile and could be converted to a Ranger Zone injection well by plugging the damaged liner with cement and perforating the blank casing opposite the Ranger Zone. A portion of this perforated interval would be outside the leased area.

The conversion of well A-209 to a water injection well will assist in balancing the current injection program and will help prevent the migration of oil from leased area to unleased lands, and should result in a saving of approximately \$75,000 compared to the cost of a new injection well drilled to the same area.

The proposed conversion of well A-209 to a water injection well has been approved by the Board of Harbor Commissioners, subject to approval by the Commission.

IT IS RECOMMENDED THAT THE COMMISSION, PURSUANT TO THE PROVISIONS OF THE FOURTH AGREEMENT SUPPLEMENTING DRILLING AND OPERATING CONTRACT, DATED MARCH 12, 1947, APPROVE AND AUTHORIZE THE EXECUTIVE OFFICER TO CERTIFY APPROVAL OF THE REQUEST SUBMITTED BY THE GENERAL MANAGER OF THE PORT OF LONG BEACH, ACTING FOR AND IN BEHALF OF THE BOARD OF HARBOR COMMISSIONERS, FOR THE INJECTION INTERVAL OF WELL FRA-209 (FORMERLY A-209) TO BE PERFORATED BY THE RICHFIELD OIL CORPORATION WHEN DIRECTED TO DO SO BY THE BOARD OF HARBOR COMMISSIONERS, WHICH WELL WILL BE OPENED TO INJECTION OUTSIDE OF THE AREA OF PARCEL "A" AS DEFINED IN SUBJECT CONTRACT.