

MINUTE ITEM

3/25/71  
EGJ

17. APPROVAL OF PROPOSED REDRILL OF WELLS "STATE 392" S-37 AND S-65, OIL AND GAS LEASE E 392.1, HUNTINGTON BEACH FIELD, ORANGE COUNTY; SIGNAL OIL AND GAS COMPANY.

After consideration of Calendar Item 12 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE APPROVAL OF REDRILLING WELLS "STATE 392" S-37 AND S-65 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 12 (1 page)

CALENDAR ITEM

3/71  
E 392.1  
EGJ

12.

PROPOSED REDRILL OF WELLS "STATE 392" S-37 AND S-65

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 in the shallower Jones Zone and a pilot program in the deeper Main Zone. Considerable capital investment and additional operating costs have been required for the waterflooding operations, and production performance clearly indicates that the program has been successful, resulting in economic advantage to the State.

On March 1, 1971 (Calendar Item 5, page 18), the Commission authorized the redrilling of two wells as part of the program to extend the Main Zone waterflood.

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-37 and S-65. 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 staff 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 WELLS "STATE 392" S-37 AND S-65 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.