

MINUTE ITEM

11/18/71
ADW

8. APPROVAL OF REDRILLING WELL "STATE 3177" 2, OIL AND GAS LEASE PRC 3177.1, HUNTINGTON BEACH, ORANGE COUNTY; SIGNAL OIL AND GAS COMPANY - PRC 3177.1.

After consideration of Calendar Item 18 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE APPROVAL OF REDRILLING WELL "STATE 3177" 2 IN ACCORDANCE WITH THE PROPOSAL SUBMITTED BY SIGNAL OIL AND GAS COMPANY, THE TERMS AND CONDITIONS OF STATE OIL AND GAS LEASE PRC 3177.1, AND THE RULES AND REGULATIONS OF THE COMMISSION.

Attachment:
Calendar Item 18 (1 page)

CALENDAR ITEM

11/71
PRC 3177.1
ADW

18.

PROPOSED REDRILL OF WELL "STATE 3177" 2

LEASE: PRC 3177.1.
LESSEE: Signal Oil and Gas Company.
COUNTY: Orange.
AREA: Huntington Beach.
ISSUED: August 18, 1964.

PERTINENT INFORMATION:

Signal Oil and Gas Company drilled "State 3177" 2 to a total depth of 9,155'. The well was drilled from an onshore location (see Exhibit "A"), and was abandoned on January 22, 1966.

Signal has now submitted an application to redrill well "State 3177" 2, to test for drainage of State lands by the adjacent upland lease. It is estimated that the successful extension of the productive limits into the State-owned tide and submerged lands could prove up approximately ten million barrels of oil on this lease.

The subject well as proposed will be redrilled from the shoe of the existing surface casing that has been cemented in place along its entire length (1,509'). The subsurface geology that will be encountered in the proposed redrill is anticipated to be similar to that penetrated by the original well. No unusual conditions were encountered while drilling that well. The drilling 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.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE APPROVAL OF REDRILLING WELL "STATE 3177" 2 IN ACCORDANCE WITH THE PROPOSAL SUBMITTED BY SIGNAL OIL AND GAS COMPANY, THE TERMS AND CONDITIONS OF STATE OIL AND GAS LEASE PRC 3177.1, AND THE RULES AND REGULATIONS OF THE COMMISSION.