

MINUTE ITEM

7/6/72
JWY

10. APPROVAL OF PROPOSED REDRILL OF WELLS "STATE 392" S-14, J-24 AND S-58, OIL AND GAS LEASE E 392.1, HUNTINGTON BEACH FIELD, ORANGE COUNTY; SIGNAL OIL AND GAS COMPANY - E 392.1.

After consideration of Calendar Item 8 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE APPROVAL OF REDRILLING AND COMPLETING WELLS "STATE 392" S-14, J-24 AND S-58 AS INJECTION WELLS IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF EXCHANGE OIL AND GAS LEASE 392.1, SIGNAL OIL AND GAS COMPANY, LESSEE, AND THE RULES AND REGULATIONS OF THE COMMISSION.

Attachment:

Calendar Item 8 (1 page)

CALENDAR ITEM

6/72
JWY
E 392.1

8.

PROPOSED REDRILL OF WELLS "STATE 392" S-14, J-24 AND S-58

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. Production performance clearly indicates that the program has been successful, resulting in an economic advantage to the State.

A request for approval of a "Cooperative Line Flood Agreement" along the common line between PRC 91.1 and E 392.1 has been considered in the previous agenda item. Under the terms of this agreement five E 392.1 wells are to be redrilled and converted into Main Zone water injection wells. Signal has submitted an application to redrill "State 392" S-14, J-24 and S-58 as the initial line injection wells. The surface locations of these wells are on the uplands.

The proposed redrilling and completion programs have been reviewed by the Division 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.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE APPROVAL OF REDRILLING AND COMPLETING WELLS "STATE 392" S-14, J-24 AND S-58 AS INJECTION WELLS IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF EXCHANGE OIL AND GAS LEASE 392.1 AND THE RULES AND REGULATIONS OF THE COMMISSION.

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