

12. APPROVAL OF NEW WELLS "STATE 392" J-188, "STATE 392" J-250, AND PROPOSED REDRILL OF WELLS "STATE 392" T-8, "STATE 392" J-26-A, "STATE 425" 556-A AND "STATE 426" 9, EXCHANGE OIL AND GAS LEASE E 392.1, STATE OIL AND GAS LEASES PRC 425.1 AND PRC 426.1, HUNTINGTON BEACH OFFSHORE, ORANGE COUNTY; BURMAH OIL AND GAS COMPANY - PRC 425.1; PRC 426.1; E 392.1.

After consideration of Calendar Item 10 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION:

1. DETERMINES THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS ACTIVITY BECAUSE IT IS AN ONGOING PROJECT UNDER SECTION 21169 OF THE PUBLIC RESOURCES CODE AND 14 CAL. ADM. CODE 15070.
2. AUTHORIZES THE APPROVAL OF DRILLING WELLS "STATE 392" J-188, "STATE 392" J-250, AND REDRILLING OF WELLS "STATE 392" T-8, "STATE 392" J-26-A, "STATE 425" 556-A, AND "STATE 426" 9, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF EXCHANGE OIL AND GAS LEASE E 392.1, STATE OIL AND GAS LEASES PRC 425.1, AND PRC 426.1, BURMAH OIL AND GAS COMPANY, LESSEE, AND THE RULES AND REGULATIONS OF THE COMMISSION.

Attachment:

Calendar Item 10 (2 pages)

CALENDAR ITEM

8/74

JWY

10.

PRC 425.1

PRC 426.1

APPROVAL OF NEW WELLS "STATE 392" J-188, "STATE 392" J-250, E 392.1
AND PROPOSED REDRILL OF WELLS "STATE 392" T-8, "STATE 392" J-26-A,
"STATE 425" 556-A AND "STATE 426" 9, EXCHANGE OIL AND GAS LEASE E 392.1,
STATE OIL AND GAS LEASES PRC 425.1 AND PRC 426.1,
HUNTINGTON BEACH OFFSHORE, ORANGE COUNTY; BURMAH OIL AND GAS COMPANY

LEASES: E 392.1, PRC 425.1 and PRC 426.1.

LESSEE: Burmah Oil and Gas Company.

COUNTY: Orange.

AREA: Huntington Beach Field.

PERTINENT INFORMATION:

Burmah 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. In order to maintain a coordinated and uninterrupted secondary recovery development program, Burmah has submitted an application to drill "State 392" J-188 as a water injection well, and "State 392" J-250 as a producer, and redrill "State 392" T-8, "State 392" J-26-A, "State 425" 556-A as producers, and "State 426" 9 as an injection well.

The proposed wells are part of the plan for secondary recovery operations approved by the Commission on July 2, 1965 (Minute Item 21, page 11,383), on November 6, 1963 (Minute Item 21, page 9,362), and on October 23, 1973 (Minute Item 15, page 856).

An environmental impact report is not required as this is an ongoing project. The proposed injection and completion intervals in these wells will provide the best development spacing for optimum secondary response. 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 drilling and the redrilling of these wells. The proposed wells are part of the plan of development exempted from permit requirements by the South Coast Regional Commission.

EXHIBIT: A. Location Map.

CALENDAR ITEM NO. 10. (CONTD)

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS ACTIVITY BECAUSE IT IS AN ONGOING PROJECT UNDER SECTION 21169 OF THE PUBLIC RESOURCES CODE AND 14 CAL. ADM. CODE 15070.
2. AUTHORIZE THE APPROVAL OF DRILLING WELLS "STATE 392" J-188, "STATE 392" J-250, AND REDRILLING OF WELLS "STATE 392" T-8, "STATE 392" J-26-A, "STATE 425" 556-A, AND "STATE 426" 9, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF EXCHANGE OIL AND GAS LEASE E 392.1, STATE OIL AND GAS LEASES PRC 425.1, AND PRC 426.1, BURMAH OIL AND GAS COMPANY, LESSEE, AND THE RULES AND REGULATIONS OF THE COMMISSION.