MINUTE ITEM

8. APPROVAL OF DRILLING NEW WELLS "STATE 392" J-253, "STATE 91" 34, "STATE 91" 36, AND "STATE 91" 37; EXCHANGE OIL AND GAS LEASE E 392 AND STATE OIL AND GAS LEASE PRC 91; HUNTINGTON BEACH OFFSHORE, ORANGE COUNTY; BURMAH OIL AND GAS COMPANY - E 392, PRC 91.

After consideration of Calendar Item 6 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 PRC 21169 AND 14 CAL. ADM. CODE 15070.
- 2. AUTHORIZES THE APPROVAL OF DRILLING WELLS "STATE 392" J-253, "STATE 91" 34, "STATE 91" 36, AND "STATE 91" 37; IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF EXCHANGE OIL AND GAS LEASE E 392 AND STATE OIL AND GAS LEASE PRC 91, BURMAH OIL AND GAS COMPANY, LESSEE, AND THE RULES AND REGULATIONS OF THE COMMISSION.

Attachment: Calendar Item 6 (2 pages) 6.

APPROVAL OF DRILLING NEW WELLS
"STATE 392" J-253, "STATE 91" 34, "STATE 91" 36, AND
"STATE 91" 37; EXCHANGE OIL AND GAS LEASE E 392 AND
STATE OIL AND GAS LEASE PRC 91

LEASES:

E 392 and PRC 91.

LESSEE:

Burmah Oil and Gas Company.

COUNTY:

Orange.

AREA:

Huntington Beach Offshore.

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 new wells "State 392" J-253, "State 91" 34, "State 91" 36, and "State 91" 37, as producing wells.

The proposed wells are part of the plan for secondary recovery operations approved by the Commission on November 6, 1963 (Minute Item 21, page 9,36?), and on April 28, 1966 (Minute Item 23, page 12,559). An environmental impact report is not required as this is an ongoing project. The surface locations of these wells are on the uplands.

The proposed drilling 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 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. 6. (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 PRC 21169 AND 14 CAL. ADM. CODE 15070.
- 2. AUTHORIZE THE APPROVAL OF DRILLING WELLS "STATE 392" J-253, "STATE 91" 34, "STATE 91" 36, AND "STATE 91" 37; IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF EXCHANGE OIL AND GAS LEASE E 392 AND STATE OIL AND GAS LEASE PRC 91., BURMAH OIL AND GAS COMPANY, LESSEE, AND THE RULES AND REGULATIONS OF THE COMMISSION.