

MINUTE ITEM

4/30/75  
JWY

7. APPROVAL OF DRILLING NEW WELL "STATE 425" J-257, STATE OIL AND GAS LEASE PRC 425, HUNTINGTON BEACH OFFSHORE, ORANGE COUNTY; BURMAH OIL AND GAS COMPANY - PRC 425.

After consideration of Calendar Item 5 attached, and upon notice 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 WELL "STATE 425" J-257 IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF STATE OIL AND GAS LEASE PRC 425, BURMAH OIL AND GAS COMPANY, LESSEE, AND THE RULES AND REGULATIONS OF THE COMMISSION.

Attachment:

Calendar Item 5 (2 pages)

CALENDAR ITEM

5.

4/75  
JWY  
PRC 425

APPROVAL OF DRILLING NEW WELL  
"STATE 425" J-257, STATE OIL AND GAS LEASE PRC 425,  
HUNTINGTON BEACH OFFSHORE, ORANGE COUNTY

LEASE: PRC 425.

LESSEE: Burmah Oil and Gas Company.

COUNTY: Orange.

AREA: Huntington Beach offshore.

PERTINENT INFORMATION: Burmah has initiated a full-scale water-flood 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 and to prevent loss of oil due to fluid migration in the reservoir, Burmah has submitted an application to drill new well "State 425" J-257, as a producing well. This well will produce "new" oil as defined under the Federal price controls and will permit the sale of such oil at the free market price, currently \$10.36 per barrel.

The proposed well is part of the plan for secondary recovery operations approved by the Commission on July 2, 1965 (Minute Item 21, page 11,383). An environmental impact report is not required as this is an ongoing project. The surface location of this well is on the uplands.

The proposed drilling and completion program has 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 this well. The proposed well is part of the plan of development exempted from permit requirements by the South Coast Regional Commission.

EXHIBIT: A. Location Map.

CALENDAR ITEM NO. 5. (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 WELL "STATE 425" J-257 IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF STATE OIL AND GAS LEASE PRC 425, BURMAH OIL AND GAS COMPANY, LESSEE, AND THE RULES AND REGULATIONS OF THE COMMISSION.