

MINUTE ITEM

10/25/73
JWY

13. APPROVAL OF NEW WELLS "STATE 392" T-12, "STATE 392" T-13, AND "STATE 392" T-14, STATE OIL AND GAS LEASE E 392.1, HUNTINGTON BEACH OFFSHORE, ORANGE COUNTY; SIGNAL OIL AND GAS COMPANY - E 392.1.

After consideration of Calendar Item 12 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE APPROVAL OF DRILLING AND COMPLETING NEW WELLS "STATE 392" T-12, "STATE 392" T-13, AND "STATE 392" T-14, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF EXCHANGE OIL AND GAS LEASE E 392.1, RESPECTIVELY, SIGNAL OIL AND GAS COMPANY, LESSEE, AND THE RULES AND REGULATIONS OF THE COMMISSION.

Attachment:

Calendar Item 12 (1 page)

CALENDAR ITEM

10/73

JWY

12.

E 392.1

APPROVAL OF NEW WELLS "STATE 392" T-12, "STATE 392" T-13, AND
"STATE 392" T-14, STATE OIL AND GAS LEASE E 392.1,
HUNTINGTON BEACH OFFSHORE, ORANGE COUNTY

Signal Oil and Gas Company has submitted an application to drill three new producing wells from onshore locations under State Oil and Gas Lease E 392.1, Orange County. The wells will be completed within an area of producing wells, and will be drilled into an area that has been thoroughly explored and for which there exists extensive geologic data and experience in control of operations.

The drilling and completion programs have been reviewed by the State Lands Division, and have 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 drilling of these wells.

Based upon an engineering and economic evaluation by Signal and concurred in by the Division, the proposed wells would produce resources unrecoverable from currently producing wells. Deferment of approval of these wells would cause an ultimate loss of natural resources and of income to the State.

The proposed wells are part of the plan of development exempted from permit requirements by the South Coast Regional Commission.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE APPROVAL OF DRILLING AND COMPLETING NEW WELLS "STATE 392" T-12, "STATE 392" T-13, AND "STATE 392" T-14, IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF EXCHANGE OIL AND GAS LEASE E 392.1, RESPECTIVELY, SIGNAL OIL AND GAS COMPANY, LESSEE, AND THE RULES AND REGULATIONS OF THE COMMISSION.