

MINUTE ITEM

35. ELECTRONIC DATA PROCESSING - RENTAL OF PERIPHERAL COMPUTER EQUIPMENT -
W.O. 5071, P & C.

After consideration of Calendar Item 15 attached, and upon motion duly made
and carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO ENTER INTO AND EXECUTE CONTRACTS FOR THE
RENTAL OF PERIPHERAL COMPUTER EQUIPMENT FOR THE 1964-65 FISCAL YEAR AS FOLLOWS:

INTERNATIONAL BUSINESS MACHINES - COMPUTER EQUIPMENT NOT TO EXCEED
A COST OF \$9,510.

CONTROL DATA CORPORATION - COMPUTER EQUIPMENT NOT TO EXCEED A COST
OF \$4,570.

THE FOREGOING CONTRACT COSTS ARE TO BE PAID FROM SUPPORT - STATE LANDS DIVISION
1964-65 FISCAL YEAR.

Attachment

Calendar Item 15 (2 pages)

CALENDAR ITEM

15.

ELECTRONIC DATA PROCESSING - RENTAL OF PERIPHERAL COMPUTER EQUIPMENT -
W.O. 5071.

The State Lands Division's budget for the current fiscal year contained an allotment for the rental of peripheral computer equipment which would augment the Division's G-15 Computer with card "in-put" and "out-put" so that the computer could be used to perform "on line" and "off line" operations. The proposed expenditure was approved by the Commission with the approval of the Division's proposed budget for 1963-64 (Commission Meeting, December 20, 1962, Minute pages 8528-8535).

The Division's program for the expanded use of the computer was planned to become effective at the beginning of the fiscal year. For various reasons the implementation of this program was held up by the Budget Division, Department of Finance; final approval of the program and the release of "tentative orders" for the equipment occurred May 1, 1964.

Based on this release of orders, it is now anticipated that the additional equipment can be secured on or before August 1, 1964.

The additional equipment will make possible expanded use of the computer so that:

1. Oil and gas technical data and economic statistical data may be developed for internal-management purposes.
2. Technical and economic evaluation may be made to determine when secondary recovery methods should be instituted in connection with oil production from various leases.
3. Oil royalties due the State may be calculated mechanically rather than manually.
4. Well production decline curves may be verified where it is proposed to introduce secondary-recovery operations.

In addition to the foregoing, card in-put and out-put will expand the civil engineering and reservoir engineering uses of the computer.

Summarizing the foregoing, the additional equipment will result in a tremendous reduction in staff time required to produce all types of statistical data, will eliminate the drudgery of performing complex arithmetical calculations manually, and will enable the Division to produce required data on a timely basis.

The additional equipment will be secured on a rental basis, under contract, from International Business Machines and Control Data Corporation. Over-all costs for the equipment to be installed for the fiscal year 1964-65, inclusive of delivery charges, are:

CALENDAR ITEM 15. (CONTD.)

International Business Machines - \$9,510

Control Data Corporation - \$4,570

Contracts for amounts in excess of \$2,000 require specific Commission approval.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO ENTER INTO AND EXECUTE CONTRACTS FOR THE RENTAL OF PERIPHERAL COMPUTER EQUIPMENT FOR THE 1964-65 FISCAL YEAR AS FOLLOWS:

INTERNATIONAL BUSINESS MACHINES - COMPUTER EQUIPMENT NOT TO EXCEED A COST OF \$9,510.

CONTROL DATA CORPORATION - COMPUTER EQUIPMENT NOT TO EXCEED A COST OF \$4,570.

THE FOREGOING CONTRACT COSTS ARE TO BE PAID FROM SUPPORT - STATE LANDS DIVISION 1964-65 FISCAL YEAR.