

MINUTE ITEM

7/12/66

34. APPROVAL OF THE SIXTH MODIFICATION OF THE 1966 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY - W.O. 5200.317.

After consideration of Calendar Item 37 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION APPROVES THE SIXTH MODIFICATION OF THE 1966 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET TO PROVIDE FOR A CONTINGENT LIABILITY ITEM OF APPROXIMATELY \$640,000 FOR THE PURCHASE OF FOUR DERRICKS AND SOUNDPROOFING FOR ISLAND "B" FOR THE PLAN YEAR OF 1967 ONLY, IN THE EVENT DRILLING IS TERMINATED BEFORE THE END OF 1967.

Attachment

Calendar Item 37 (1 page)

37.

APPROVAL OF THE SIXTH MODIFICATION OF THE 1966 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY - W.O. 5200.317.

The City of Long Beach, pursuant to the provisions of Section 5(g), Chapter 138, Statutes of 1964, 1st E.S., has requested State approval of the Sixth Modification of the 1966 Plan of Development and Operations and Budget for the Long Beach Unit to provide for a contingent liability item of approximately \$640,000 for the Plan Year of 1967. This contingent liability will provide for the purchase of four derricks and soundproofing for Island "B" in the unlikely event that drilling is terminated before the end of 1967. The contingent liability item is for the Plan Year of 1967 only, and would not exceed the approximate figure of \$640,000.

The Commission's staff have reviewed this Sixth Modification and find it reasonable and desirable.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE SIXTH MODIFICATION OF THE 1966 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET TO PROVIDE FOR A CONTINGENT LIABILITY ITEM OF APPROXIMATELY \$640,000 FOR THE PURCHASE OF FOUR DERRICKS AND SOUNDPROOFING FOR ISLAND "B" FOR THE PLAN YEAR OF 1967 ONLY, IN THE EVENT DRILLING IS TERMINATED BEFORE THE END OF 1967.