

3/28/68

29. AGREEMENT WITH FIRM OF DeGOLYER & MacNAUGHTON FOR CONSULTING SERVICES FOR LONG BEACH OPERATIONS, WILMINGTON OIL FIELD, LOS ANGELES COUNTY - W.O. 5200.203.1, P&C.

After consideration of Calendar Item 25 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE EXECUTIVE OFFICER TO EXECUTE AN AGREEMENT WITH THE FIRM OF DeGOLYER & MacNAUGHTON, IN AN AMOUNT NOT TO EXCEED \$15,000, SUBJECT TO APPROVAL OF THE DIRECTOR OF FINANCE AND OF THE DEPARTMENT OF GENERAL SERVICES, FOR SERVICES AS CONSULTANTS TO THE STATE LANDS COMMISSION FOR THE 1967-68 FISCAL YEAR IN CONNECTION WITH CRUDE OIL PRICING PRACTICES AND COMPUTER APPLICATIONS RELATED TO THE EQUITY FORMULA FOR THE LONG BEACH UNIT.

Attachment

Calendar Item 25 (1 page)

25.

AUTHORIZATION OF AGREEMENT WITH DeGOLYER & MacNAUGHTON FOR CONSULTING SERVICES FOR LONG BEACH OPERATIONS, WILMINGTON OIL FIELD, LOS ANGELES COUNTY - W.O. 5200.203.1.

In order to fully protect the State's economic interest in the Wilmington Oil Field, consulting services are needed to analyze, evaluate, and make recommendations regarding:

- (1) Crude Oil pricing practices and their effect on State revenue; and
- (2) Computer applications related to the equity formula for the Long Beach Unit.

DeGolyer & MacNaughton is the most knowledgeable consulting firm in these areas, and previously worked for the State on the planning and development of the Long Beach Unit.

The Division's budget for the 1967-68 fiscal year provides \$15,000 for such consulting services.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO EXECUTE AN AGREEMENT WITH THE FIRM OF DeGOLYER & MacNAUGHTON, IN AN AMOUNT NOT TO EXCEED \$15,000, SUBJECT TO APPROVAL OF THE DIRECTOR OF FINANCE AND OF THE DEPARTMENT OF GENERAL SERVICES, FOR SERVICES AS CONSULTANTS TO THE STATE LANDS COMMISSION FOR THE 1967-68 FISCAL YEAR IN CONNECTION WITH CRUDE OIL PRICING PRACTICES AND COMPUTER APPLICATIONS RELATED TO THE EQUITY FORMULA FOR THE LONG BEACH UNIT.