

43. SECOND MODIFICATION OF THE 1968-69 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1968, THROUGH JUNE 30, 1969, 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, PURSUANT TO THE PROVISIONS OF SECTION 5(g), CHAPTER 138/1964, 1ST E.S., APPROVES THE SECOND MODIFICATION OF THE 1968-1969 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1968, THROUGH JUNE 30, 1969.

Attachment

Calendar Item 37 (1 page)

SECOND MODIFICATION OF THE 1968-69 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1968, THROUGH JUNE 30, 1969, WILMINGTON OIL FIELD, LOS ANGELES COUNTY - W.O. 5200.317.

The City of Long Beach, pursuant to the provisions of Section 5(g), Chapter 138/1964, 1st E.S., has requested State Lands Commission approval of the Second Modification of the 1968-69 Plan of Development and Operations and Budget, Long Beach Unit, July 1, 1968, through June 30, 1969, to provide for the installation of a high pressure gas line and necessary compression to deliver additional gas produced from the Long Beach Unit.

When the 1968-1969 Plan and Budget was drafted early in 1968, plans for handling future additional gas were not completed and therefore no funds were provided for such additional facilities.

A thorough study of the possible methods for handling the anticipated peak gas production from the Long Beach Unit indicates the most economical method will be to construct a high pressure gas line and rent additional compression facilities.

This proposed Plan and Budget modification will increase the funds necessary for investment by \$300,000 and for expense by \$37,500.

With approval of this modification, the 1968-1969 Plan and Budget, excluding Contingent Liability Items and Warehouse Stock, will be:

After First Modification	\$95,551,000
Second Modification	<u>337,500</u>
Total after Second Modification	\$95,888,500

The Division has reviewed the proposed Plan and Budget Modification and finds the proposal to be the most economic and desirable method of handling the anticipated peak gas production from the Long Beach Unit.

IT IS RECOMMENDED THAT THE COMMISSION, PURSUANT TO THE PROVISIONS OF SECTION 5(g), CHAPTER 138/1964, 1ST E.S., APPROVE THE SECOND MODIFICATION OF THE 1968-1969 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1968, THROUGH JUNE 30, 1969.