

MINUTE ITEM

8/26/70
CVB

26. SECOND MODIFICATION OF THE 1970-71 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1970, THROUGH JUNE 30, 1971, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

After consideration of Calendar Item 30 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION RATIFIES THE ACTION OF THE EXECUTIVE OFFICER, PURSUANT TO SECTION 5(g), CHAPTER 138/1964, 1ST E.S., APPROVING THE SECOND MODIFICATION OF THE 1970-1971 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1970, THROUGH JUNE 30, 1971.

Attachment:

Calendar Item 30 (1 page)

CALENDAR ITEM

8/70
CVB

30.

SECOND MODIFICATION OF THE 1970-1971 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1970, THROUGH JUNE 30, 1971, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

The Commission, at its meeting of April 23, 1970, approved the 1970-1971 Plan of Development and Operations and Budget, Long Beach Unit. Part IV D.3.c. of this Plan provides that the transfer of funds between Budget Divisions or Major Budget Classes or the addition of any new Budget Item or Budget Category shall be accomplished by budget modification in accordance with Section 5(g) of Chapter 138/1964, 1st E.S.

Pursuant to the above provision, the Executive Officer, by letter dated August 11, 1970, approved the Second Modification of the 1970-1971 Plan and Budget, subject to ratification by the Commission.

The Second Modification adds two investment projects to the 1970-1971 Plan of Development, and provides funds for these projects by transferring funds from various other categories of the Budget. The two projects are:

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| 1. Installation of facilities to remove hydrogen sulfide from produced gas. | \$990,000 |
| 2. Expansion of the Pier J produced water handling facilities. | \$ 74,000 |

Total funds required for the Second Modification amount to \$1,064,000.

The Budget total will remain unchanged since the required funds for these facilities will be transferred from Budget Items that are reduced as the result of economies instituted by the City of Long Beach and detailed in their June 1970 Quarterly Report on Reduction of Expenditures, Long Beach Unit. These Quarterly Reports are being prepared pursuant to the Commission's request of April 23, 1970.

The Division has reviewed the Second Modification, as submitted by the City of Long Beach, and finds that the proposed gas-treating and water-handling facilities are necessary and desirable in order to continue the development of the Long Beach Unit, and that the requested funds are a reasonable estimate of anticipated expenditures.

IT IS RECOMMENDED THAT THE COMMISSION RATIFY THE ACTION OF THE EXECUTIVE OFFICER, PURSUANT TO SECTION 5(g), CHAPTER 138/1964, 1ST E.S., APPROVING THE SECOND MODIFICATION OF THE 1970-1971 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1970, THROUGH JUNE 30, 1971.

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