

20. FIRST MODIFICATION OF THE 1971-1972 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1971, THROUGH JUNE 30, 1972, WILMINGTON OIL FIELD, LOS ANGELES COUNTY; CITY OF LONG BEACH.

After consideration of Calendar Item 11 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION, PURSUANT TO SECTION 5(g), CHAPTER 138/1964, 1ST E.S., APPROVES THE FIRST MODIFICATION OF THE 1971-1972 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1971, THROUGH JUNE 30, 1972.

Attachment:

Calendar Item 11 (2 pages)

11.

FIRST MODIFICATION OF THE 1971-1972 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1971, THROUGH JUNE 30, 1972, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

The Commission, at its meeting of May 27, 1971, conducted a formal hearing in accordance with the provisions of Section 5(b), Chapter 138, Statutes of 1964, 1st E.S. and modified the 1971-1972 Plan and Budget for the Long Beach Unit. The 1971-1972 Plan and Budget, as modified by the Commission, was approved by the Long Beach Unit participants on June 28, 1971.

This First Modification provides for:

1. Addition to the Plan of a project to install a railroad crossing on the existing 20" gas line. Funds are provided by Budget Item transfer, without change in the total Budget.
2. Addition of two new Budget Items in PART III of the Plan and Budget.
 - a. III A.2.e.(7) Environmental Control, Account Number 431.
 - b. III B.4.c. Environmental Control Expense, Account Number 997.

These new Budget Items will provide for the capital and expense funds needed for environmental projects such as subsidence control, seismic monitoring, lease beautification and landscaping projects. Funds will be transferred in accordance with normal Budget Item transfer procedures, with no resulting change in the total Budget.

3. Deletion of one Budget Item in PART III of the Plan and Budget.
 - a. III B.3.c.(6) Subsidence Control Account, Number 987.

This modification will revise the 1971-1972 Budget for the Long Beach Unit as follows:

| Acct. Code | Current Budget | This Modification | Modified Budget |
|---|---|-------------------|-----------------|
| A. ESTIMATED EXPENDITURES FOR INVESTMENT | | | |
| 2. FIELD AND WELL FACILITIES | | | |
| e. Leasehold Facilities | | | |
| 427 | (5) Leasehold Improvements \$ 175,000 | \$ (147,000) | \$ 28,000 |
| 431 | (7) Environmental Control -0- | 147,000 | 147,000 |
| | Total Leasehold Facilities \$ 175,000 | -0- | \$ 175,000 |
| | TOTAL FIELD AND WELL FACILITIES \$ 3,719,000 | -0- | \$3,719,000 |
| | TOTAL INVESTMENT \$ 7,234,000 | -0- | \$7,234,000 |

CALENDAR ITEM 11. (CONTD.)

| <u>Acct. Code</u> | | <u>Current Budget</u> | <u>This Modification</u> | <u>Modified Budget</u> |
|---|---|---------------------------|------------------------------|----------------------------|
| B. <u>ESTIMATED EXPENDITURES FOR EXPENSE</u> | | | | |
| 2. <u>OPERATING EXPENSE</u> | | | | |
| c. <u>Other Production Expense</u> | | | | |
| 972 | (10) Cellar & Ground Maintenance | \$ 765,000 | \$ (105,000) | \$ 660,000 |
| | Total Other Production Expense | \$ 9,094,000 | \$ (105,000) | \$ 8,989,000 |
| | TOTAL OPERATING EXPENSE | \$ 20,799,000 | \$ (105,000) | \$ 20,694,000 |
| 3. <u>GENERAL ADMINISTRATIVE EXPENSE</u> | | | | |
| 987 | c. <u>General Expense</u> | | | |
| | (6) Subsidence Control | 25,000 | (25,000) | -0- |
| | Total General Expense | \$ 1,343,000 | \$ (25,000) | \$ 1,318,000 |
| | TOTAL GENERAL ADMINISTRATIVE EXPENSE | \$ 3,694,000 | (25,000) | \$ 3,669,000 |
| 4. <u>OTHER EXPENSE</u> | | | | |
| 997 | c. <u>Environmental Control Expense</u> | \$ -0- | \$ 130,000 | \$ 130,000 |
| | TOTAL OTHER EXPENSE | \$ 20,000 | \$ 130,000 | \$ 150,000 |
| | TOTAL EXPENSE | \$ 35,750,000 | \$ -0- | \$ 35,750,000 |
| | TOTAL BUDGET | \$ 44,211,000 | \$ -0- | \$ 44,211,000 |

The Division has reviewed this First Modification and finds that the proposed Plan and Budget changes are reasonable and desirable.

IT IS RECOMMENDED THAT THE COMMISSION, PURSUANT TO SECTION 5(g), CHAPTER 138/1964, 1ST E.S., APPROVE THE FIRST MODIFICATION OF THE 1971-1972 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1971, THROUGH JUNE 30, 1972.