

MINUTE ITEM

4/27/72
CVB

17. APPROVAL OF EIGHTEENTH MODIFICATION OF THE 1971-1972 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

After consideration of Calendar Item 16 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION APPROVES THE EIGHTEENTH 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 16 (1 page)

CALENDAR ITEM

4/72
CVB

16.

EIGHTEENTH MODIFICATION OF THE 1971-1972
PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET,
LONG BEACH UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY

The City of Long Beach has requested Commission approval of the Eighteenth Modification of the 1971-1972 Plan of Development and Operations and Budget, Long Beach Unit, providing revised economic projections.

This Eighteenth Modification sets forth the second quarterly revision of Exhibits C-1, C-4, and C-5 of PART V of the 1971-1972 Plan and Budget. The Plan provides that these exhibits, showing estimated oil, gas, water production rates, water injection rates, expenditures, and resulting Long Beach net income, shall be reviewed quarterly by the City of Long Beach and the Division.

Indications are that both oil and gas rates will exceed the original estimate, with a resulting increase in gross revenue. Although total expenditures are expected to be higher than originally forecast, net income, as currently projected, also will be higher than estimates. Significant changes in the economic projections are shown below.

1971-1972 Plan & Budget Period

	<u>Original Projection</u>	<u>Current Projection</u>	<u>Net Change</u>
Oil Production, 1,000 Bbls	39,004	41,144	+2,140
Total Income, 1,000 Dollars	107,075	113,668	+6,593
Total Expense, 1,000 Dollars	42,533	45,697	+3,164
Net Income, 1,000 Dollars	64,542	67,971	+3,429

The Division has reviewed the Eighteenth Modification and finds that the revised anticipated production, expense, and income figures are reasonable.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE EIGHTEENTH MODIFICATION OF THE 1971-1972 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1971, THROUGH JUNE 30, 1972.