

12. REVIEW OF SECOND QUARTER 1972-1973 FISCAL YEAR ESTIMATE OF OIL AND GAS PRODUCTION, OIL AND GAS LIQUIDS VALUE, INVESTMENT AND EXPENSE EXPENDITURES, NET REVENUE AND NET PROFITS, PARCEL "A", CITY OF LONG BEACH, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

The attached Calendar Item 10 was submitted to the Commission for information only, no action thereon being necessary.

Attachment:

Calendar Item 10 (1 page)

INFORMATIVE CALENDAR ITEM

2/73  
CVB

10.

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The Commission at its meeting of January 26, 1972, directed the Division to prepare and submit annual fiscal year estimates of oil and gas production, oil and gas liquids value, investment and expense expenditures, net revenue and net profits from Parcel "A", and to review quarterly such annual estimates.

In compliance with the Commission's directive, fiscal year estimates for 1972-1973 were prepared by the Division and presented to the Commission at its meeting of July 25, 1972.

The Division has reviewed these 1972-1973 fiscal year estimates in the light of actual production and expense experience through the second quarter and determined that modification of the previously prepared fiscal year estimates appears warranted at this time. The estimate of net revenue to the Tideland Oil Revenue Fund from Parcel "A" for the 1972-1973 fiscal year has been increased from \$2,671,000 to \$3,106,000 or \$435,000. This increase is due principally to an \$860,000 reduction in the estimated cost of operating, field supervision and redrilling, which more than offset a \$327,000 reduction in estimated gross revenue for the year.

When third quarter production and cost information becomes available, it will be reviewed by the Division.