

MINUTE ITEM

4/26/73  
CVB

18. RATIFICATION OF THE ELEVENTH MODIFICATION OF THE 1972-1973 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 RATIFIES THE ACTION OF THE ACTING EXECUTIVE OFFICER, PURSUANT TO SECTION 5(g), CHAPTER 138/1964, 1ST E.S., APPROVING THE ELEVENTH MODIFICATION OF THE 1972-1973 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1972, THROUGH JUNE 30, 1973.

Attachment:

Calendar Item 16 (2 pages)

CALENDAR ITEM

4/73  
CVB

16.

RATIFICATION OF THE ELEVENTH MODIFICATION OF THE 1972-1973  
PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET,  
LONG BEACH UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY

The City of Long Beach, in accordance with Section 5(g), Chapter 138/1964, 1st E.S., has requested Commission approval of the Eleventh Modification of the Plan of Development and Operations and Budget, Long Beach Unit (July 1, 1972, through June 30, 1973).

Pursuant to Section 5(g), Chapter 138/1964, 1st E.S., the Acting Executive Officer, by letter dated April 3, 1973, approved the Eleventh Modification of the 1972-1973 Plan and Budget, subject to ratification by the Commission.

This Eleventh Modification augments the Budget to provide funds necessary for the defense of the waterflood patent infringement suit, Petrecal v. The City of Long Beach and THUMS Long Beach Company. Additional funds will be provided for Budget Item III.B.4.b., Extraordinary Losses and Claims in the amount of \$73,000. The total 1972-1973 Budget for the Long Beach Unit will be increased from \$43,344,000 to \$43,417,000.

With approval of this modification, the affected Budget Items will be adjusted as follows:

<u>BUDGET, PART III</u>	<u>Current Budget</u>	<u>This Modification</u>	<u>Adjusted Budget</u>
<u>B. ESTIMATED EXPENDITURES FOR EXPENSE</u>			
<u>4. Other Expense</u>			
<u>b. Extraordinary Losses and Claims</u>	\$10,000	\$73,000	\$83,000
TOTAL BUDGET	\$43,344,000	\$73,000	\$43,417,000

The Division has reviewed this Eleventh Modification and finds it desirable to provide a budget augmentation for defense of the patent infringement suit.

IT IS RECOMMENDED THAT THE COMMISSION RATIFY THE ACTION OF THE ACTING EXECUTIVE OFFICER, PURSUANT TO SECTION 5(g), CHAPTER 138/1964, 1ST E.S., APPROVING THE ELEVENTH MODIFICATION OF THE 1972-1973 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1972, THROUGH JUNE 30, 1973.

CALENDAR ITEM NO. 16. (CONTD)

In accordance with Part IV.A.4.c. of the 1972-1973 Plan and Budget, the following Plan Supplements, for additional projects under \$100,000 have been approved by the Manager, Long Beach Operations, State Lands Division, and are being reported and incorporated in the Plan. They require no action by the Commission. Funds for these supplemental projects have been provided by transfers within the Budget. These are:

Plan Supplement No. 16 - Purchase bottom hole pressure measurement equipment (\$90,000).

Plan Supplement No. 17 - Provide for pilot test treatment of renovated water (\$50,000).