

MINUTE ITEM

12/20/73
CVB

26. QUARTERLY REVIEW, FIRST QUARTER, 1973-1974 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

The attached Calendar Item 24 was submitted to the Commission for information only, no action thereon being necessary.

Attachment:

Calendar Item 24 (1 page)

24.

QUARTERLY REVIEW, FIRST QUARTER, 1973-1974
 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET,
 LONG BEACH UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY

The Division has reviewed the Long Beach Unit production and expenditures for the first quarter of the 1973-1974 fiscal year.

Oil production during the first quarter was 10,145,226 barrels. This is 112,774 barrels less than the 10,258,000 barrels estimated in the Plan and Budget prepared and approved early in 1973.

Following is a comparison of the 1973-1974 Budget with actual commitments and expenditures through September 30, 1973:

	<u>Adjusted Budget</u>	<u>Committed 9-30-73</u>	<u>Expenditures 9-30-73</u>
Drilling & Development	\$ 4,705,000	\$ 1,943,940	\$1,103,010
Field & Well Facilities	3,153,000	1,795,700	371,716
Unit Taxes & Licenses	9,050,000	579,799	579,799
Expense (Excl. Taxes)	27,035,000	6,124,314	6,124,314
Administrative Overhead	<u>1,307,000</u>	<u>287,407</u>	<u>287,407</u>
Total	\$45,250,000	\$10,731,160	\$8,466,246

The above comparison indicates that the total 1973-1974 Budget is approximately 24 percent committed and 19 percent expended as of the end of the first quarter.

Gross revenue for the first quarter is higher than forecast in the original 1973-1974 Plan and Budget due to an upward adjustment in crude oil price. Expenditures for the quarter are lower than estimated. These factors resulted in higher net income for the quarter than estimated.

The Economic Projections for the Long Beach Unit have been revised and are being submitted to the Commission for approval as the Tenth Modification of the 1973-1974 Plan and Budget.