

MINUTE ITEM

4/4/74
CVB

14. THIRTEENTH MODIFICATION OF THE 1973-1974 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

After consideration of Calendar Item 12 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION APPROVES THE THIRTEENTH MODIFICATION OF THE PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1973, THROUGH JUNE 30, 1974.

Attachment:

Calendar Item 12 (1 page)

12.

THIRTEENTH MODIFICATION OF THE 1973-1974
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 Thirteenth Modification of the 1973-1974 Plan of Development and Operations and Budget, Long Beach Unit, providing revised economic projections.

This Thirteenth Modification sets forth the second quarterly revision of Exhibits C-1, C-2, C-3 and C-4 in PART V of the 1973-1974 Plan and Budget. The Plan provides that these exhibits, showing estimated oil and gas production rates, water injection rates, expenditures, and resulting net income, shall be reviewed quarterly by the City of Long Beach and the Division, and modified as necessary.

These revised economic projections indicate that the net income to the Unit during the 1973-1974 fiscal year will exceed \$103 million. This is \$37 million more than the estimate in the original 1973-1974 Plan and Budget as approved by the Commission in April 1973, and \$19 million above the revised estimate contained in the first quarterly revision submitted to the Commission in December 1973. This increased revenue is the result of recent upward adjustments of crude oil prices, with additional adjustment made for the increase in taxes, covered in the Twelfth Modification.

The Division has reviewed the Thirteenth Modification and finds that the estimated production, expense, and income figures shown in the revised Exhibits C-1, C-2, C-3 and C-4 are reasonable.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE THIRTEENTH MODIFICATION OF THE PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1973, THROUGH JUNE 30, 1974.