

MINUTE ITEM

This Calendar Item No. 36
was approved as Minute Item
No. 36 by the State Lands
Commission by a vote of 2
to 0 at its 8/26/76
meeting.

CALENDAR ITEM

8/76
WMT

36.

APPROVAL OF MARAFLOOD LICENSE AGREEMENT
AND LETTER AGREEMENT BETWEEN MARATHON OIL COMPANY
AND THE CITY OF LONG BEACH, WILMINGTON OIL FIELD,
LOS ANGELES COUNTY

The City of Long Beach has requested Commission approval of two agreements between the City and Marathon Oil Company related to the pilot scale demonstration of micellar-polymer waterflooding techniques for enhanced oil recovery.

These agreements are: (1) A Maraflood License Agreement which permits the City to use the Maraflood process in the conduct of the pilot demonstration of micellar-polymer waterflooding techniques under the terms of the contract between the City and the United States Energy Research and Development Administration (ERDA), as approved by the Commission at its July 22, 1976 meeting, and provides for necessary laboratory and consulting services to be performed by Marathon in developing a micellar slug for use in the pilot project; and, (2) a Letter Agreement modifying the confidentiality provisions of the License Agreement in order to permit the City to properly carry out its responsibilities under the ERDA Contract, which requires that data results of the project be made available to the public.

Both of these agreements were approved by the City Council of the City of Long Beach on August 10, 1976, and have been reviewed by the Division and found to be necessary for the conduct of the micellar-polymer pilot demonstration project.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE MARAFLOOD LICENSE AGREEMENT AND THE LETTER AGREEMENT BETWEEN MARATHON OIL COMPANY AND THE CITY OF LONG BEACH, PURSUANT TO APPLICABLE LAW.