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SEVENTH MODIFICATION OF THE 1977-1978 PLAN OF DEVELOPMENT
AND OPERATIONS AND BUDGET, LONG BEACH UNIT,
WILMINGTON OIL FIELD, LOS ANGELES COUNTY

The Commission and City of Long Beach Staffs have prepared the Seventh Modification of the 1977-1978 Plan of Development and Operations and Budget for the Long Beach Unit. This Seventh Modification updates the Economic Projections, Exhibits C-3 and C-4, in PART V of the subject Plan and Budget, using actual production, expenditures and revenue through December, 1977. This modification of exhibits does not augment the Budget.

Net income for the Long Beach Unit is now estimated to be \$69,273,000, down \$553,000 from the estimated net income reported to the Commission in November, 1977.

Revised gross income from oil and gas is \$155,791,000, or \$3,228,000 above the previous estimate. This 2% increase is the result of a small increase in oil and gas production, and minor increases in crude oil and natural gas prices.

Since the November, 1977 revision of Economic Projections, the Budget has been augmented by \$7,490,000 to provide funding for increased drilling activity, and by \$4,274,000 to pay additional Los Angeles County mining rights and personal property taxes. Total budgeted unit expenditures are \$94,501,000. Of this total, an estimated \$7,983,000 of investment funds will remain unexpended at the end of the fiscal year and will be carried over into the 1978-1979 fiscal year. This carryover is necessary to provide for the ordering of long lead time equipment, and for the delay in billing of drilling and construction work done and equipment items installed during this year.

These Economic Projections pertain to the entire Long Beach Unit. The major portion of the Long Beach Unit is within granted tidelands from which oil revenue is shared between the State and the City of Long Beach pursuant to Chapter 138, Statutes of 1964, 1st E.S.

The Commission's Staff has reviewed this proposed Seventh Modification, and is of the opinion that the revised Economic Projections are reasonable. Oil, gas and water production rates, water injection rates, expenditures, and resulting

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net revenue shall continue to be reviewed quarterly by the staff and any necessary modification will be recommended to the Commission.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE SEVENTH MODIFICATION OF THE PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1977 THROUGH JUNE 30, 1978.