

MINUTE ITEM

This Calendar Item No. 52
was submitted for information
only, no action thereon
necessary.

CALENDAR ITEM

52.

8/80
Thompson

REVIEW OF THE PRODUCTION AND REVENUE PROJECTIONS
FOR 1979-1980 FISCAL YEAR, PARCEL A, CITY OF LONG BEACH,
WILMINGTON OIL FIELD, LOS ANGELES COUNTY

In compliance with the Commission's directive, the Staff prepares semiannual estimates and reviews of Parcel "A" revenue in the Long Beach Tidelands. The Chapter 138 oil revenue for sharing from Parcel "A" during the 1979-1980 Fiscal year was \$9,814,000, which was \$6,708,000 more than originally estimated in November 1979. This is due to the President revising the definition of heavy oil to include crude up to 20° API gravity. This revision was made on December 20, 1979. Almost all of Parcel "A" crude falls between 16° and 20° API. This change shifted the Parcel "A" crude from a primarily lower tier to a largely uncontrolled classification resulting in increased revenue of about \$6,650,000.

SINCE PARCEL "A" IS NOW DETAILED IN THE STATE LANDS COMMISSION TIDELANDS REVENUE REPORTING FOR THE LEGISLATURE AND THE GOVERNOR, IT IS RECOMMENDED THAT THIS SEPARATE REPORTING FOR PARCEL "A" BE DISCONTINUED.

A 57, 58
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