

MINUTE ITEM

5/26/66

47. APPROVAL OF THE FIFTH MODIFICATION OF THE 1966 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY - W.O. 5200.317.

After consideration of Calendar Item 44 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE COMMISSION APPROVES THE FIFTH MODIFICATION OF THE 1966 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, TO DELETE THE PROPOSED EXPLORATORY CORE HOLES FROM THE 1966 PLAN AND BUDGET AND TO SPECIFY THE INTENT TO PURCHASE PRESSURED INJECTION WATER FROM THE CITY'S PROPOSED PIER J WATER-INJECTION PLANT.

Attachment

Calendar Item 44 (1 page)

44.

APPROVAL OF THE FIFTH MODIFICATION OF THE 1966 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY - W.O. 5200.317.

The City of Long Beach, pursuant to the provisions of Section 5(g), Chapter 138, Statutes of 1964, 1st E.S., has requested State approval of the Fifth Modification of the 1966 Plan of Development and Operations and Budget for the Long Beach Unit to delete the proposed core holes from the plan and budget and specify the Unit's intent to purchase injection water from the City's water injection plant to be built on Pier J.

The 1966 Plan of Development and Operations and Budget, approved by the Commission at its meeting of November 3, 1965, anticipated that three exploratory core holes would be required to fix the location of the proposed Island "D". Subsequent to approval of the 1966 plan and budget, it was determined that core information would not be necessary for locating Island "D".

The proposed modification will delete the following budget item and place the money in the contingency fund:

<u>Page No.</u>	<u>Budget Item</u>	<u>Anticipated Expenditure</u>	
		<u>Approved</u>	<u>Requested</u>
15	Exploratory Core Holes Island "D"	\$310,000	-0-

The contingency fund, after previous modifications to the 1966 Plan and Budget, has a balance of \$857,500. Approval of this Fifth Modification increases this contingency fund balance to \$1,167,500. The total 1966 Budget for the Long Beach Unit remains unchanged.

Additionally, as a part of this modification, the 1966 Plan of Development will be changed to specify that the Long Beach Unit will purchase pressured injection water from a new plant to be built by the City of Long Beach with City tideland oil revenue, at an estimated cost of \$1,000,000. It is anticipated that this plant to be built on Pier J will deliver up to 100,000 barrels of pressured injection water per day to the Long Beach Unit, beginning in 1967, at an estimated cost of two cents per barrel.

The Commission's staff have reviewed this Fifth Modification, and found that it is reasonable and desirable, and that the construction of the proposed plant on Pier J will provide the most economical means of supplying pressured injection water to the Long Beach Unit.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE FIFTH MODIFICATION OF THE 1966 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, TO DELETE THE PROPOSED EXPLORATORY CORE HOLES FROM THE 1966 PLAN AND BUDGET AND TO SPECIFY THE INTENT TO PURCHASE PRESSURED INJECTION WATER FROM THE CITY'S PROPOSED PIER J WATER-INJECTION PLANT.