

MINUTE ITEM

10/28/71
CVB

17. FOURTH MODIFICATION OF THE 1971-1972 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, JULY 1, 1971 THROUGH JUNE 30, 1972, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

After consideration of Calendar Item 17 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION APPROVES THE FOURTH MODIFICATION OF THE 1971-1972 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET (JULY 1, 1971 THROUGH JUNE 30, 1972) AUGMENTING THE BUDGET BY \$23,000 TO PROVIDE OPERATIONAL EXPENSE FOR THE SEISMIC MONITORING SYSTEM.

Attachment:

Calendar Item 17 (1 page)

FOURTH MODIFICATION OF THE 1971-1972 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, JULY 1, 1971 THROUGH JUNE 30, 1972, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

The City of Long Beach has requested approval of the Fourth Modification of the 1971-1972 Plan and Budget for the Long Beach Unit in order to provide for the installation of five seismic stations for the purpose of monitoring seismic activity in the Long Beach area.

The proposed seismic monitoring system will include five seismic stations and telemetering transmission equipment through telephone lines to the Geophysical Laboratory at the University of Southern California. The estimated cost of the necessary capital equipment and its installation is \$50,000. Operational costs are estimated at \$23,000 for the first year.

The Division has reviewed this Fourth Modification from the viewpoint that funds for new projects should be provided by transfer whenever possible before augmenting the Budget. Adequate funding for the \$50,000 investment portion of the system can be provided by transfer of surplus funds from two Investment Budget items:

III.A.2.f.(b) General Field Equipment (Account 454)

III.A.2.f.(2) Drilling Equipment (Account 456)

Surpluses have occurred in these accounts as a result of purchases for blow-out prevention equipment and a drilling rig at a lower cost than anticipated.

Funding for the \$23,000 operational expense will require budget augmentation of Budget Item III.B.4.c. Environmental Control Expense (Account 997). With approval of this \$23,000 budget augmentation, the total 1971-1972 Budget for the Long Beach Unit will be \$44,338,000, excluding the \$250,000 Budget Contingency Fund.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE FOURTH MODIFICATION OF THE 1971-1972 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET (JULY 1, 1971 THROUGH JUNE 30, 1972) AUGMENTING THE BUDGET BY \$23,000 TO PROVIDE OPERATIONAL EXPENSE FOR THE SEISMIC MONITORING SYSTEM.