

MINUTE ITEM

This Calendar Item No. 31
was approved as Minute Item
No. 31 by the State Lands
Commission by a vote of 2
to 0 at its 3/28/79
meeting.

CALENDAR ITEM

31.

3/79
Thompson

APPROVAL OF THE SIXTH MODIFICATION OF THE 1978-1979
PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET,
LONG BEACH UNIT, WILMINGTON OIL FIELD

The City of Long Beach has requested approval of the Sixth Modification of the 1978-1979 Plan of Development and Operations and Budget, Long Beach Unit.

This Sixth Modification transfers \$170,000 of budgeted investment funds from Budget PART III, A.I.a.(2), Development Drilling, Ranger Zone to PART III, A.2.f.(2), Field Equipment, Drilling Equipment. The total Unit Budget, \$84,471,000 remains unchanged. This transfer of funds is required in order to make the final payments on the purchase of an electric drilling rig that will be used to drill and re-drill wells on Island Freeman and Pier J in the Long Beach Unit.

Commission approval of this Sixth Modification will ratify the action taken by the Executive Officer on February 28, 1979, pursuant to Section 5(g), Chapter 138/1964, 1st E.S. and PART IV, Sections A.1 and D.3 of the 1978-1979 Plan and Budget, consenting to the subject modification.

The Commission's staff has reviewed the Sixth Modification and finds the transfer of budget funds necessary in order to make the final payments on the purchase of an electric drilling rig. Purchase of this additional drilling rig will provide for the continued development of the Long Beach Unit resulting in the production of additional upper tier crude oil.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE SIXTH MODIFICATION OF THE PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1978, THROUGH JUNE 30, 1979.

A 57, 58
S 27, 31

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