MINUTE ITEM

This Calendar Item No. 1
was approved as Minute Item
No. 1 by the State Lands
Commission by a vote of 2-
to 0 at its 8-28-80
meeting.

CALENDAR ITEM
1.

8/28/80
Thompson

APPROVAL OF AWARD OF CRUDE OIL SALES CONTRACT
WILMINGTON OIL FIELD, LOS ANGELES COUNTY

On November 20, 1979, pursuant to Section 10(a), Chapter 29, Statutes of 1956, 1st E.S., the Commission approved specifications and forms for the notice inviting bids, the bid and the crude oil sales contract for the sale of the approximately 500 B/D uncontrolled portion of the 8% increment of the crude oil from the Long Beach Harbor Department Tidelands Parcel. Subsequently, the City solicited and received competitive bids. The highest responsible bidder was Pacific Refining Company, a subsidiary of Coastal Corporation. The Commission approved the award of this crude oil sales contract at its meeting on January 24, 1980.

The crude oil sales contract provided for a 6 month initial term and two possible 6 month extensions. Pacific Refining Company did not exercise the option to continue after the end of the initial 6 month term.

The City of Long Beach has resolicited and received competitive bids, based on the specifications and forms approved by the Commission on November 20, 1979. The bidders were:

Bidder	Per Barrel Bid Amount Over Contract Price
Amorient Petroleum Company	0.21
ECO Petroleum Inc.	0.10
Edgington Oil Company	0.172
MacMillan Ring Free Oil Company	0.371
Marlex Oil and Refining, Inc.	0.35
Tosco Corp.	0.017

The City of Long Beach plans to award the contract to the highest responsible bidder, MacMillan Ring Free Oil Company, subject to Commission approval. The Commission staff recommends that such approval be given.

IT IS RECOMMENDED THAT THE COMMISSION:

PURSUANT TO SECTION 10(a), CHAPTER 29, STATUTES OF 1956, 1ST E.S., APPROVE THE AWARDING OF THE CRUDE OIL SALES CONTRACT TO MACMILLAN RING FREE OIL COMPANY FOR THE TAKING OF THE UNCONTROLLED PORTION OF THE 8% INCREMENT OF THE CRUDE OIL FROM THE LONG BEACH HARBOR DEPARTMENT TIDELANDS PARCEL, CITY OF LONG BEACH, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

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