MINUTE ITEM

This Calendar Item No. 22 was approved as Minute Item No. 22 by the State Lands Commission by a vote of 2 to 0 at its 10/25/84 meeting.

CALENDAR ITEM

A 57, 58

S 27

22

10/25/84
W 17082
Lammers

THIRD MODIFICATION OF THE 1984-1985
PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET
LONG BEACH UNIT, WILMINGTON OIL FIELD
LOS ANGELES COUNTY

The City of Long Beach as Unit Operator for the Long Beach Unit has requested approval of the Third Modification of the Plan of Development and Operations and Budget, Long Beach Unit, 1984-1985. This modification would establish and fund by transfer a new Budget Item. The total budget would remain unchanged at $251,278,000.

An appreciable part of the expenditures currently charged to the Oil and Gas Production Program Budget Item B.5.b.(4), Leasehold Maintenance, results from the Drilling and Development Program, i.e. drilling and redrilling operations. To use effectively the program Budget concept, expenditures should be assigned to the most representative program. This modification would establish Expense Budget Item A.1.b.(6), Leasehold Maintenance, in the Drilling and Development Program to accumulate that part of Leasehold Maintenance expenditures considered a result of the drilling program. Funding for 1984-1985 would be by transfer of $1,765,000 from Budget Item B.5.b.(4) where the expenditures are currently charged.

Upon approval, the affected budget items will be as follows:

Budget Item	Current Budget	This Transfer	Adjusted Budget
A.1.b.(6) Leasehold Maintenance Drilling & Development Program	$ 0	$1,765,000	$1,765,000
B.5.b.(4) Leasehold Maintenance Oil & Gas Production Program	5,298,000	(1,765,000)	3,533,000

AB 884: N/A.

IT IS RECOMMENDED THAT THE COMMISSION:

1. APPROVE THE THIRD MODIFICATION OF THE PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1984 THROUGH JUNE 30, 1985.