

MINUTE ITEM
 This Calendar Item No. 34
 was approved as Minute Item
 No. 34 by the State Lands
 Commission by a vote of 7
 to 0 at its 12/23/86
 meeting.

CALENDAR ITEM

34

12/23/86
 W 17089
 Pace

A 57, 58

S 29

SEVENTH MODIFICATION OF THE 1986-87
 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET
 LONG BEACH UNIT, WILMINGTON OIL FIELD
 LOS ANGELES COUNTY

The City of Long Beach has submitted to the Commission the Seventh Modification of the 1986-87 Plan of Development and Operations and Budget, Long Beach Unit. The Seventh Modification would modify the Plan to provide for additional computer capacity and fund the equipment by transfer of funds. The total adjusted budget would remain unchanged at \$137,135,000.

Purchase of three micro computers and graphic display and peripheral equipment is anticipated at a total cost of \$350,000.

With recent advances in computer technology and software, oil reservoir simulation for reservoirs as complex as those in the Long Beach Unit has become economically possible and is currently being done. The Unit does not have the equipment for graphic presentation of the reservoir simulation output or to run "what if" cases for reservoir management studies.

Surplus funds are available in the Drilling and Development Program under Development Drilling.

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

<u>Budget Item</u>	<u>Current Budget</u>	<u>This Transfer</u>	<u>Adjusted Budget</u>
	(Thousands of Dollars)		
E.1.a.(3) Data Processing	\$ 100	\$350	\$450
A.1.a.(1) Development Drilling	\$6,645	(350)	\$6,295

AB 384: N/A.

(REVISED 12/22/86)

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

Authority: P.R.C.: 21065 and 14 Cal. Adm. Code 15378.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15601 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378 AND;
2. APPROVE THE SEVENTH MODIFICATION OF THE PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1986 THROUGH JUNE 20, 1987.

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