

MINUTE ITEM

This Calendar Item No. 28
was approved as Minute Item
No. 28 by the State Lands
Commission by a vote of 2
to 0 at its 4/23/87
meeting.

CALENDAR ITEM

A 57, 58
S 29

28

04/23/87
W 17089
Lammers

ELEVENTH 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 Eleventh Modification of the 1986-87 Plan of Development and Operations and Budget, Long Beach Unit. The Eleventh Modification provides for transfer of funds within the budget into the Management Program to continue the reservoir modeling studies. The total adjusted budget would remain unchanged at \$127,135,000.

The Unit Operator has requested that an additional \$400,000 be provided under Unit Operator Billable Cost. Of this amount \$350,000 would be used to continue reservoir modeling studies being done by a contractor and \$50,000 is for other Department of Oil Properties expenses. Information gained from these studies should make it possible to economically improve the sweep efficiency in the reservoirs and ultimately the net profit of the Unit.

Funds are available in the Water Injection Program in the Pressured Water budget item. Both the volume of water purchased from the Long Beach Oil Development Company for injection on Pier J and the Unit cost of this water have been less than anticipated. Adequate injector rates are being maintained in this area by reduced withdrawals and the Unit injection plant.

Because of the major transfers between program, it is also necessary to adjust the Administration Overhead Budget Items at this time. The sum of \$16,000 would be transferred into the Management Program from the Water Injection Program.

(ADDED 04/17/87)

CALENDAR PAGE	<u>167</u>
MINUTE PAGE	<u>1312</u>

CALENDAR ITEM NO. 28 (CONT'T)

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 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.
2. APPROVE THE ELEVENTH MODIFICATION OF THE PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1986 THROUGH JUNE 30, 1987.

(ADDED 04/17/87)

-2-

CALENDAR PAGE	167
MINUTE PAGE	1313