

MINUTE ITEM

This Calendar Item No. C14
was approved as Minute Item
No. 14 by the State Lands
Commission by a vote of 2
to 0 at its 2/6/91
meeting.

CALENDAR ITEM

C 1 4

A 57, 58

S 29

02/06/91
W 17097
Naughton

RATIFY THE EIGHTH MODIFICATION OF THE
1990-91 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET,
LONG BEACH UNIT, WILMINGTON OIL FIELD,
LOS ANGELES COUNTY

The City of Long Beach has requested approval of the Eighth Modification of the 1990-91 Plan of Development and Operations and Budget, Long Beach Unit. The Modification would approve relocation of a segment of the active gas shipping line (JL-2) to the Lomita gas processing plant. The project is required to accommodate a Port of Long Beach railroad yard expansion in the north harbor area. This expansion was not foreseen when the Unit 1990-91 Plan and Budget was approved by the Commission in March 1990. Under the Port's pipeline permit conditions, the work must be accomplished at the expense of the Unit and construction begun within 60 days following notification by the Port. The estimated cost of the work is \$250,000.

The project was approved by the Unit Voting Parties as an emergency determination (No 143-90) on November 21, 1990. Because of the 60 days time constraint, the Commission's Executive Officer and the Long Beach City Manager have mutually consented to the Eighth Modification under the provisions of Chapter 138/64 1st E.S., Sec. 5 (g). That consent is being presented hereby to the Commission for ratification.

CALENDAR ITEM NO. C 1 4 (CONT'D)

Funding for the project is being provided by a transfer between accounts within the existing budget so no augmentation is required. Affected budget items are:

<u>Item</u>	<u>Description</u>	<u>Current Budget</u>	<u>This Transfer</u>	<u>Adjusted Budget</u>
B.4.b.(1) 543,000 (24-909)	Gas Gathering	\$ 293,000	\$ 250,000	\$
B.5.b.(1) \$4,193,000 (25-951)	Production Operations - Salaried Employees	\$4,443,000	\$(250,000)	

AB 884:
N/A.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 15061), the Staff has determined that this activity is exempt from the requirements of 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. Code Regs. 15378.

EXHIBITS:

- A. City of Long Beach letter dated January 18, 1991, requesting approval of the Eighth Modification to the Long Beach Unit Plan and Budget.
- B. Executive Officer's letter dated January 22, 1991 consenting to the Eighth Modification.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378; AND;

CALENDAR ITEM NO. C I 4 (CONT'D)

2. RATIFY THE EIGHTH MODIFICATION OF THE PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, FOR THE PERIOD JULY 1, 1990 THROUGH JUNE 30, 1991.

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EXHIBIT "A"

DEPARTMENT OF OIL PROPERTIES

311 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802 • (310) 506-6354 • FAX 544-1115

January 18, 1991

Mr. Charles Warren
Executive Officer
State Lands Commission
1807 - 13th Street
Sacramento, California 95814

Subject: REQUEST FOR APPROVAL OF THE EIGHTH MODIFICATION TO THE
PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG
BEACH UNIT (JULY 1, 1990 THROUGH JUNE 30, 1991)

Dear Mr. Warren:

In accordance with the provisions of Part IV, Section A, of the 1990-1991 Plan and Budget, we are submitting for your approval the Eighth Modification of the Plan of Development and Operations and Budget of the Long Beach Unit covering the period July 1, 1990 through June 30, 1991.

The Eighth Modification to the Plan proposes to transfer \$250,000 within the Oil and Gas Program. This transfer will move funds from Account 25-951, Operations - Salaried Employees to Account 24-909, Gas Gathering. This project was approved at the November 21, 1990 meeting of the Voting Parties as Determination No. 143-90 (attached). In agreement with the provisions of Part IV, Section D, of the Plan and Budget, it was then submitted to the Mineral Resources Management Division of the State Lands Commission on December 7, 1990, as Transfer Request No. 3 (attached). Pursuant to our conversations with your staff on January 18, 1991, we were notified that this project would require approval by the State Lands Commission. Do to the urgency of this project, we would request that it be considered under Section 5(g) of Chapter 138.

The City of Long Beach, as Unit Operator of the Long Beach Unit, approves this Eighth Modification to the Plan of Development and Operations and Budget, and requests your review and approval at your earliest convenience.

Very truly yours,



Xenophon C. Colazas
Director

XCC:slg

Attachments

FIN 312.002

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CITY OF LONG BEACH

DEPARTMENT OF OIL PROPERTIES

333 WEST OCEAN BOULEVARD - LONG BEACH, CALIFORNIA 90802 - (714) 504-3564

December 7, 1990

W. M. Thompson, Chief
Mineral Resources Management Division
State Lands Commission
245 West Broadway - Suite 425
Long Beach, California 90802

Subject: 1990-1991 BUDGET TRANSFER REQUEST NO. 3
BUDGET ITEM: 24-909, GAS GATHERING

Dear Mr. Thompson:

In agreement with the provisions of Part IV, Section D, of the 1990-1991 Plan and Budget, we request your approval to transfer \$250,000 to Account No. 24-909, Gas Gathering. This transfer provides funds necessary to replace a segment of an active gas shipping line (JL-2). This work has been approved by the Voting Parties as part of Determination 143-90. The funds for this proposed transfer are currently available in Account No. 21-942, Oil Well Workover.

After approval of this request, the affected budget items will be as follows:

	<u>CURRENT BUDGET</u>	<u>THIS TRANSFER</u>	<u>ADJUSTED BUDGET</u>
24-909, Gas Gathering	\$ 293,000	\$ 250,000	\$ 543,000
21-942, Oil Well Workover	<u>2,190,000</u> \$2,483,000	<u>(250,000)</u> \$ 0	<u>1,940,000</u> \$2,483,000

Very truly yours,

Xenophon C. Colazas
Director

XCC:alg

FIN 312.007

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DETERMINATION
THUMS NO. 143-90
LONG BEACH UNIT

DATE: November 21, 1990
TO: Voting Parties (Participants), Unit Operating Agreement,
Long Beach Unit
FROM: Unit Operator
SUBJECT: EMERGENCY APPROVAL TO REPLACE A SEGMENT OF GAS SHIPPING LINE
(JL-2)

Emergency approval is requested to replace a segment of the active gas shipping line (JL-2). This work is required to accommodate port expansion work. In accordance with current pipeline permit conditions (permit number 82-2), construction must be initiated within 60 days of notification by the Harbor Department.

The estimated cost to perform this work is \$250,000.

Funds are not available in the 1990-1991 Plan and Budget. A transfer of funds will be required.

Emergency approval for this Determination has been obtained in accordance with Determination 27-67 (revision 3). It will be presented for ratification at the next Voting Parties meeting on November 21, 1990.

L. N. Lomax
November 19, 1990

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DETERMINATION 143-90
EMERGENCY APPROVAL TO RELOCATE SEGMENT OF GAS SHIPPING LINE (JL-2)

Cost Estimate

Materials	\$ 50,000
Labor	\$ 70,000
Inspection Services	\$ 90,000
Abandonment Material and Labor	\$ 10,000
Sub-total	<u>\$220,000</u>
Contingency	\$ 30,000
Total	<u>\$250,000</u>

Justification

On November 6, 1990, Thums Long Beach Company received notification from the Port of Long Beach of terminal railroad yard expansion plans that would encroach on the active gas shipping line (JL-2). This work requires the replacement of approximately 750 feet of the 20-inch diameter gas line to vacate the impacted area located near the intersection of Windham and Pier A Avenues.

In accordance with current pipeline permit conditions (permit number 88-2), this work must be accomplished at the expense of the Long Beach Unit and construction initiated within 60 days of notification.

LML:afy
11/19/90

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EXHIBIT "B"

STATE OF CALIFORNIA

PETE WILSON Governor

STATE LANDS COMMISSION

LEO T. MCCARTHY, Lieutenant Governor
GRAY DAVIS, Controller
THOMAS W. HAYES, Director of Finance

EXECUTIVE OFFICE
1207 - 13th Street
Sacramento, CA 95814

CHARLES WARREN
Executive Officer
(916) 322-4100
FAX (916) 322-3660



January 22, 1991

Mr. James Hankla
City Manager
City of Long Beach
333 West Ocean Boulevard
Long Beach, CA 90802

Dear Mr. Hankla:

In response to Mr. Colazas' letter of January 18, 1991, concurrence is given to our mutual approval of the Eighth Modifications to the Plan of Development and Operations and Budget, Long Beach Unit (July 1, 1990 through June 30, 1991). In accordance with Section 5(g), Chapter 138, the Modification will be on the February 6 State Lands Commission calendar meeting for ratification.

Sincerely,

A handwritten signature in cursive script, appearing to read "Charles Warren".

Charles Warren
Executive Officer

cc: X. C. Colazas

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