

MINUTE ITEM

This Calendar Item No. 32
was approved as Minute Item
No. 32 by the State Lands
Commission by a vote of 3
to 0 at its 4/2/91
meeting.

CALENDAR ITEM

A 57, 58

32

04/02/91

S 29

W 17097

G. Scott

APPROVE THE TENTH MODIFICATION OF THE 1990-91
PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET
LONG BEACH UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY
PROPOSING TRANSFER OF FUNDS

The City of Long Beach has submitted for Commission approval the Tenth Modification of the 1990-91 Plan of Development and Operations and Budget, Long Beach Unit covering the period July 1, 1990 through June 30, 1991, proposing the transfer of \$1,220,000 from the Taxes, Permits and Land Rental Program to the Water Injection Program. This transfer of funds is in accordance with the provisions of Part IV, Section A, of the 1990-1991 Plan and Budget.

This transfer will increase Account No. 41-947, Injection Well Workover by the amount of \$1,150,000. The City of Long Beach is requesting this additional amount to fund proposed injection well work through June 30, 1991. Account No. 41-947 was originally budgeted for \$1,771,000. Expenditures and completed work not yet paid in this account through March 1991 were \$1,721,000, or 97 percent of the originally budgeted amount. Monthly expenditures in this budget item are shown on the attached Exhibit "B". This modification also proposes the transfer of \$70,000 to Account No. 40-989, Administrative Overhead. The funds for this proposed modification are currently available in Account No. 61-811, Mining Rights Taxes.

AB 824:

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. Letter Requesting Approval of Tenth Modification to Plan of Development and Operations and Budget.
- B. Exhibit Showing Monthly Expenditures, Account 41-947, Injection Well Workover.

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



CITY OF LONG BEACH

DEPARTMENT OF OIL PROPERTIES

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802 • (714) 500-6354 • FAX 500-8191

March 7, 1991

Mr. Charles Warren
Executive Officer
State Lands Commission
245 West Broadway - Suite 425
Long Beach, California 90802

Subject: REQUEST FOR APPROVAL OF THE TENTH 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 Tenth Modification to the Plan of Development and Operations and Budget of the Long Beach Unit covering the period July 1, 1990 through June 30, 1991.

The Tenth Modification to the Plan proposes to transfer \$1,220,000 from the Taxes, Permits and Land Rental Program to the Water Injection Program. This transfer will increase Account No. 41-947, Injection Well Workover in the amount of \$1,150,000. This additional funding is necessary to fund well work through June 30, 1991. Attached is a list of the anticipated well work showing the current approval status and estimated costs for each well. Further, this transfer includes \$70,000 to Account No. 40-989, Administrative Overhead. The funds for this proposed modification are currently available in Account No. 61-811, Mining Rights Taxes.

A delay in the approval process for this modification will result in lost production to the Unit. The proposed injection work is necessary to maintain proper voidage in the Unit. Should this voidage drop below the acceptable level, production will be curtailed. Therefore, emergency approval as provided for in Section 5(g) of Chapter 138 is requested.

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Charles Warren
March 7, 1991
Page Two

The City of Long Beach, as Unit Operator of the Long Beach Unit, approves this Tenth 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

Attachment

FIN 312.002

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**ACCOUNT 41-947
INJECTION WELL WORKOVER**

Current Budget at 1/31/91
 Actual Expenditures on YTD closed AFEs
 Subtotal
 Current Approved AFE Commitments
 Unapproved AFE Commitments (AFEs in process)
 Total AFE Commitments
 Subtotal

\$727,700
460,000

\$1,771,000
 (560,414)
\$1,210,586
 (1,187,700)
\$ 22,886

Anticipated Additional Well Work

<u>Wells</u>	<u>Status</u>	<u>Estimated Cost</u>
A-156 I	Engineering Committee Approval	\$ 50,000
B-126 I	Pending PAR Approval	20,000
B-210 I	Pending PAR Approval	50,000
B-319 I	Pending EO Approval	50,000
B-768 I	Engineering Committee Approval	55,000
C-140 I	Voting Parties Approval	55,200
C-408 I	EO Approval	50,000
C-535 I	EO Approval	60,000
C-542 I	Voting Parties Approval	40,300
C-605 I Rd	EO Approval	40,000
C-806 I	Voting Parties Approval	48,100
D-413 I Rd	Engineering Committee Approval	60,000
D-419 I Rd	Block Review Approval	20,000
D-493 I Rd	Block Review Approval	50,000
D-512 I	Voting Parties Approval	60,000
D-525 I	SB 2693	35,000
D-606 I	Block Review Approval	50,000
J-440 I	Pending PAR Approval	40,000
J-441 I	Voting Parties Approval	<u>45,000</u>
		<u>\$878,600</u>
		<u>250,000</u>

5 Wells at \$50,000 per well*

Estimated Cost for Wells in the Approval Process

Additional Funding Required in account 41-947

Plus 4% Contingency

1,128,600

1,105,714

44,286

\$1,190,000

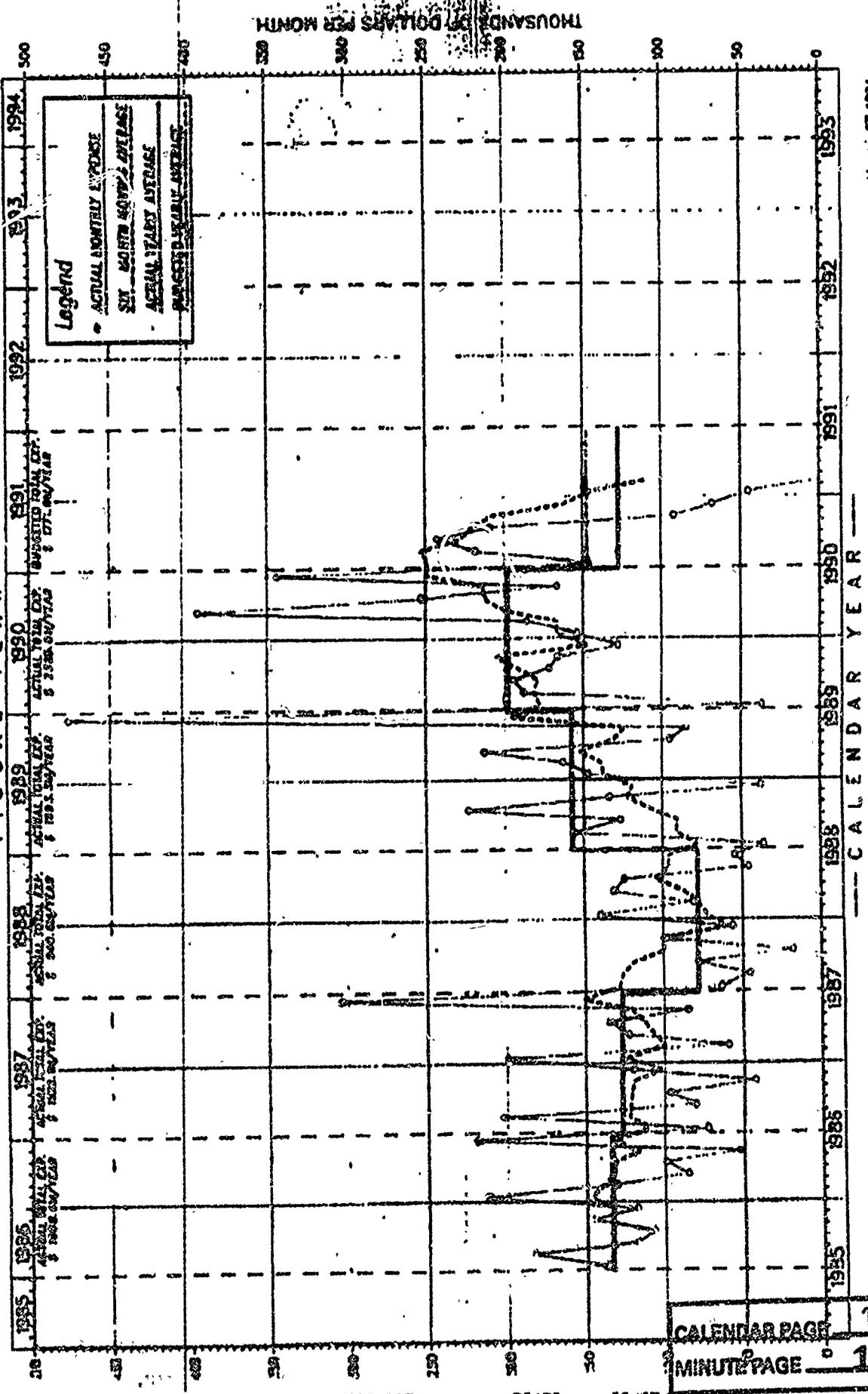
* This represents anticipated well work for plugging as directed by SLC and DOP, elimination of excess casing pressure with fishing jobs, cleaning out fill and hydrogen sulfide (H₂S) problems.

EXHIBIT B

L O N G B E A C H U N I T
 WATER INJECTION PROGRAM INJECTION WELL REPAIRS INJECTION WELL WORKOVERS

Includes both
 DOCS 807 Invoices
 Administrative fee
 Overhead

BUDGET CODE 41 -- ACCOUNT CODE 9-7
 FISCAL YEAR



811

213 590 5003

10:16

03/29/91

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March 27 1991