

39. AUGMENTATION OF AGREEMENT, OIL AND GAS OPERATIONS, TIDE AND SUBMERGED LANDS, WILMINGTON OIL FIELD, LOS ANGELES COUNTY; DeGOLYER & MacNAUGHTON - W.O. 5200.203.1, P & C.

During consideration of Calendar Item 36 attached, the Chairman asked about the possibility of entering into contracts for consulting services with other consulting firms. The Executive Officer reported that until adequate staff can be provided for the Commission at Long Beach, the items of primary concern are of necessity being evaluated and reported on by the consultants presently under contract. At such time as a staff is provided, the original consultant group is to be phased out, after which it is the aim to work with specialized consultant groups on specialized projects.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, THE FOLLOWING RESOLUTION WAS ADOPTED:

THE EXECUTIVE OFFICER IS AUTHORIZED TO EXECUTE AN AUGMENTATION OF THE CURRENT AGREEMENT IN THE AMOUNT OF \$50,000 WITH THE FIRM OF DeGOLYER & MacNAUGHTON FOR THE CONTINUATION OF THEIR SERVICES AS CONSULTANTS TO THE STATE LANDS COMMISSION THROUGH JUNE 30, 1966, IN CONNECTION WITH THE EXPLORATION, EVALUATION, DEVELOPMENT, AND RELATED OPERATIONS FOR THE PRODUCTION OF OIL AND GAS FROM THE LONG BEACH TIDELANDS. THIS CONTRACT IS SUBJECT TO APPROVAL BY THE DEPARTMENT OF GENERAL SERVICES.

Attachment

Calendar Item 36 (1 page)

36.

AUGMENTATION OF AGREEMENT, OIL AND GAS OPERATIONS, TIDE AND SUBMERGED LANDS, WILMINGTON OIL FIELD, LOS ANGELES COUNTY; DeGOLYER & MacNAUGHTON - . . .
W.O. 5200.203.1, P & C.

On December 4, 1964, the Commission authorized the retention, under a service contract, of DeGolyer & MacNaughton, Consultants, to assist in evaluating bids received for the Contractor's interests in the Long Beach Unit, to prepare an outline of the scope of future service programs for the optimum development of oil and gas, and to make recommendations for the approval of initial development, production, and water-injection programs for the economic and efficient recovery of oil and gas from the unitized areas of the Long Beach tidelands.

A line item "Consultation Services - Long Beach" for this expense has been provided in the budget. It is necessary to finance an increased level of consulting service due to inability to recruit qualified personnel until later in the fiscal year. Current estimates indicate \$125,000 will be expended by DeGolyer & MacNaughton during this fiscal year. The original contract is \$75,000 as approved by this Commission.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE EXECUTIVE OFFICER TO EXECUTE AN AUGMENTATION OF THE CURRENT AGREEMENT IN THE AMOUNT OF \$50,000 WITH THE FIRM OF DeGOLYER & MacNAUGHTON FOR THE CONTINUATION OF THEIR SERVICES AS CONSULTANTS TO THE STATE LANDS COMMISSION THROUGH JUNE 30, 1966, IN CONNECTION WITH THE EXPLORATION, EVALUATION, DEVELOPMENT, AND RELATED OPERATIONS FOR THE PRODUCTION OF OIL AND GAS FROM THE LONG BEACH TIDELANDS. THIS CONTRACT IS SUBJECT TO APPROVAL BY THE DEPARTMENT OF GENERAL SERVICES.