

MINUTE ITEM

11/14/69

61. THIRD MODIFICATION OF THE 1969-70 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1969, THROUGH JUNE 30, 1970, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

After consideration of Calendar Item 62 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION, PURSUANT TO THE PROVISIONS OF SECTION 5(g), CHAPTER 138/1964, 1ST E.S., APPROVES THE THIRD MODIFICATION OF THE 1969-70 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1969, THROUGH JUNE 30, 1970, AS SET FORTH IN THE APPROVAL REQUEST OF THE CITY OF LONG BEACH.

Attachment

Calendar Item 62 (2 pages)

62.

THIRD MODIFICATION OF THE 1969-1970 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1969, THROUGH JUNE 30, 1970, WILMINGTON OIL FIELD, LOS ANGELES COUNTY.

The City of Long Beach, pursuant to Section 5(g), Chapter 138/1964, 1st E.S., has requested State Lands Commission approval of the Third Modification of the 1969-1970 Plan of Development and Operations and Budget, Long Beach Unit, in order to improve and clarify accounting methods for handling of carried-in budget investment funds.

This proposed modification of the 1969-1970 Plan and Budget will add to Part IV E, a new Paragraph 4, as follows, entitled "Handling of Carried-In Budget Investment Funds":

PART IV
Procedures

E. BUDGET INFORMATION (cont'd.)

4. All Budget investment funds which are carried into this Plan from the previous Plans and Budgets shall be handled in the following manner:

All carried in investment funds shall be made a part of Part III of this Plan, under a new Major Budget Class D, Carried-In Investment Funds. All such funds shall be detailed by AFE number, including supplements, setting forth the carried-in funds shown on the carry-over statement by the Field Contractor for the 1968-1969 Plan and Budget. Each carried-in fund, by AFE, shall be considered a Budget Item and Transfer of monies between these Budget Items may be made by the Director or Assistant Director of Oil Properties, City of Long Beach and shall be limited to transfers within the Major Budget Class D. The Director or Assistant Director shall notify the Field Contractor, in writing, of any such transfer, with copies to the Manager, Long Beach Operations, State Lands Division, and any Unit Participant requesting such notification. Unexpended monies of any carried-in fund by AFE, after final closing of that AFE, may be transferred into a separate Budget Item within this Major Budget Class D for use in transfer of monies into any other carried-in fund, by AFE, as authorized above.

Carried-in funds are to be isolated from the funds approved under the original 1969-1970 Plan and Budget, or modifications of those funds, and in all budget reports are to be reported separately. The total of all such carry-in funds by AFE shall constitute the total funds for Budget Class D, and any transfer of monies into or augmentation of Budget Class D shall be treated pursuant to Paragraph IV D-2c, provided, however, that since these are carry-in funds of projects from Plans and Budgets previously approved by the City of Long Beach and the State Lands Commission, any transfer of monies or augmentation of funds for this Major Budget Class D shall be done by mutual

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agreement of the City Manager and the Executive Officer of the State Lands Commission subject to ratification by the State Lands Commission at its next regular meeting. Similarly, if it is found that a part of these funds is not required to accomplish those projects carried into the 1969-1970 Plan from earlier Plan periods, these surplus monies shall be deleted by a modification.

All AFEs opened against any previous Plans and Budgets and not carried into this Plan specifically as a Budget Item under Part III D Carried-In Investment Funds, as set forth above, are to be considered as permanently closed.

The Division has reviewed this proposed Third Modification and finds it reasonable and desirable in order to continue the orderly development of the Long Beach Unit.

IT IS RECOMMENDED THAT THE COMMISSION, PURSUANT TO THE PROVISIONS OF SECTION 5(g), CHAPTER 138/1964, 1ST E.S., APPROVE THE THIRD MODIFICATION OF THE 1969-70 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1969, THROUGH JUNE 30, 1970, AS SET FORTH IN THE APPROVAL REQUEST OF THE CITY OF LONG BEACH.