

This Calendar Item No. 27
 was approved by the State Lands
 Commission by a vote of 3
 to 0 at its 3/31/77
 meeting.

CALENDAR ITEM

3/77
 WMT

27.

SEVENTH MODIFICATION OF THE 1976-1977
 PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET,
 LONG BEACH UNIT, WILMINGTON OIL FIELD,
 LOS ANGELES COUNTY

The City of Long Beach has requested Commission approval of the Seventh Modification of the 1976-1977 Plan of Development and Operations and Budget for the Long Beach Unit. This modification transfers \$698,000 of existing funds within the Budget to provide for the construction of 22 additional well cellars on Island Freeman. The total Long Beach Unit Budget of \$75,876,000 remains unchanged.

The 1976-1977 Plan contemplated the construction of additional cellars on Island Freeman; however, funding was not included in the Budget because the development drilling program was uncertain at the time the Budget was prepared. Current review of the development drilling program indicates that the construction of 22 additional well cellar locations are now economically justified.

After approval of this Seventh Modification the affected Budget Items will be adjusted as follows:

PART III	<u>Current Budget</u>	<u>This Modification</u>	<u>Adjusted Budget</u>
A. <u>ESTIMATED EXPENDITURES FOR INVESTMENT</u>			
2. <u>FIELD AND WELL FACILITIES</u>			
a. <u>Artificial Lift- Surface</u>			
(2) Submersible Lift Systems- Surface	\$ 45,000	\$210,000	\$ 255,000
b. <u>Gathering, Treat- ing, Storage & Distribution Oil Systems</u>			
(1) Gathering	\$ 21,000	\$ 55,000	\$ 76,000
(2) Well Test Gas Systems	\$ 38,000	\$ 44,000	\$ 82,000
(6) Gathering Other Systems	\$ 21,000	\$ 20,000	\$ 41,000
(9) Fresh Water	0	\$ 4,000	\$ 4,000

52, 57, 58

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CALENDAR ITEM NO. 27. (CONTD)

	<u>Current Budget</u>	<u>This Modification</u>	<u>Adjusted Budget</u>
e. <u>Lease Facilities</u>			
(3) Cellars	\$ 40,000	\$ 300,000	\$ 340,000
(5) Leasehold Improvements		0 \$ 20,000	\$ 20,000
f. <u>Field Equipment</u>			
(1) Fire Protection and Safety Equipment	\$ 12,000	\$ 15,000	\$ 27,000

B. ESTIMATED EXPENDITURES
FOR EXPENSE

2. OPERATING EXPENSE

a. <u>Wells</u>			
<u>Oil Wells</u>			
(1) Direct Well Charges	\$ 7,600,000	(\$ 200,000)	\$ 7,400,000
b. <u>Field Systems</u>			
<u>Water Injection</u>			
(14) Water Injection System	\$ 7,863,000	(\$ 400,000)	\$ 7,463,000
(15) Pressured Water	\$ 1,585,000	(\$ 68,000)	\$ 1,517,000
c. <u>Other Production Expense</u>			
(10) Leasehold Improvements	\$ 1,293,000	\$ 30,000	\$ 1,323,000
(17) Waste Disposal	\$ 557,000	(\$ 30,000)	\$ 527,000

The Division has reviewed this Seventh Modification and finds the subject cellar construction and Budget transfers desirable.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE THE SEVENTH MODIFICATION OF THE PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, (JULY 1, 1976 THROUGH JUNE 30, 1977).

In accordance with PART IV.A.4.c., of the 1976-1977 Plan of Development for the Long Beach Unit, the following Plan Supplement for an additional project under \$100,000 has been approved by the General Manager, Department of Oil Properties, City of Long Beach and the Manager, Long Beach Operations, State Lands Division, and is hereby reported to the Commission and incorporated in the Plan. Funding for this Plan Supplement has been provided in existing Budget Item III.A.1.c.(3). Plan Supplements do not require action by the Commission.

CALENDAR ITEM NO. 27. (CONTD)

Plan Supplement No. 14 - Equip Well A-218 I for triple zone injection to effect better water injection distribution, at an estimated cost of \$14,800.