

MINUTE ITEM

This Calendar Item No. C46
was approved as Minute Item
No. C46 by the State Lands
Commission by a vote of 3
2 at its 6/11/90
meeting.

CALENDAR ITEM

A 57, 58

06/11/90

s 29

C 4 6

W 17096
Curran

RATIFY APPROVAL OF THE FOURTH MODIFICATION OF THE 1989-90
PLAN OF DEVELOPMENT, OPERATIONS AND BUDGET, LONG BEACH
UNIT, WILMINGTON OIL FIELD, LOS ANGELES COUNTY

The City of Long Beach has requested approval of the Fourth Modification of the 1989-90 Plan of Development, Operations and Budget, Long Beach Unit. Under the approval 1989-90 Plan and Budget, Part IV, Procedures, any transfer of funds between Program Budgets shall be accomplished by a Budget Modification in accordance Section 5(g) of Chapter 138. This Modification would modify the Plan to provide for the removal of asbestos material from field locations. The total adjusted budget would remain unchanged at \$141,377,000.

An Asbestos Field Pulk survey for all Long Beach Unit field offices, field operating facilities and marine equipment completed March 29, 1990 recommended a full abatement program to eliminate further possibility of exposure to personnel working in proximity to those areas containing asbestos contaminated materials. Under AB 3713, the field contractor has 90 days to perform full abatement of asbestos containing materials or to notify employees of the continued possibility of health hazards related to exposure of asbestos contaminated materials. The estimated cost to fund the abatement program is \$200,000. This project was not included in the current plan. There are surplus expense funds in the Oil and Gas Production Program so augmentation is not required. The State Lands Commission Executive Officer and Long Beach City Manager mutually agree to approve the Fourth Modification on May 9, 1990 under the provisions of Section 5(g), Chapter 138 and the modification is being brought before the Commission for ratification.

AB 884: N/A.

CALENDAR ITEM NO. C A 3 (CONT'D)

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 the 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 Fourth Modification to Plan of Development and Operations and Budget, Long Beach Unit (July 1, 1989 through June 30, 1990).
- B. Letter Requesting Approval of Fourth and Fifth Modifications to the Plan of Development and Operations and Budget.
- C. Letter Approving Fourth and Fifth Modifications to the Plan of Development and Operations and Budget.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15601 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. CODE 15378 AND;
2. RATIFY THE APPROVAL OF THE FOURTH MODIFICATION OF THE PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1989 THROUGH JUNE 30, 1990.

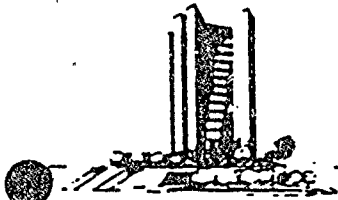


EXHIBIT "A"
CITY OF LONG BEACH
DEPARTMENT OF OIL PROPERTIES

330 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802 • (213) 590-5254 • FAX 590-6191

April 23, 1990

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

Subject: REQUEST FOR APPROVAL OF THE FOURTH MODIFICATION
TO THE PLAN OF DEVELOPMENT AND OPERATIONS AND
BUDGET, LONG BEACH UNIT (JULY 1, 1989 THROUGH
JUNE 30, 1990)

Dear Mr. Warren:

In accordance with the provisions of Part IV, Section A, of the 1989-1990 Plan and Budget, we are submitting for your approval the Fourth Modification of the Plan of Development and Operations and Budget of the Long Beach Unit covering the period July 1, 1989 through June 30, 1990.

The proposed Fourth Modification allows for the removal of asbestos materials from field locations due to environmental and safety concerns as described in Determination No. 46-90.

Those budget items affected will be adjusted as follows:

(Thousands of Dollars)

<u>ACCOUNT</u>	<u>DESCRIPTION</u>	<u>1989-1990 BUDGET</u>	<u>PROPOSED TRANSFER</u>	<u>ADJUSTED BUDGET</u>
25-962,	Leasehold Improvements Maintenance	\$ 3,525	\$200	\$ 3,725
21-900,	Direct Oil Well Charges	<u>12,077</u> \$15,602	<u>(200)</u> \$ 0	<u>11,877</u> \$15,602

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Charles Warren
April 23, 1990
Page Two

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

FIN 312.002

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EXHIBIT "B"

CITY OF LONG BEACH

OFFICE OF THE CITY MANAGER

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

MAY 10 1990

VKD
DJE
PVJ (213) 590-3711
PBM
WEP
CEP
BJR
WMT
JWW
ADW
FILE

May 9, 1990

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

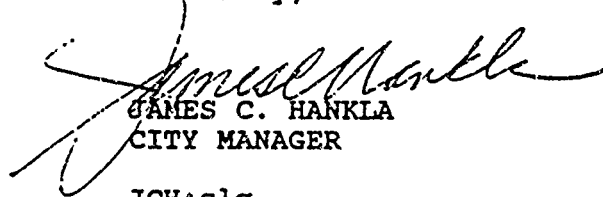
Subject: REQUEST FOR APPROVAL OF THE FOURTH AND FIFTH
MODIFICATIONS TO THE PLAN OF DEVELOPMENT AND
OPERATIONS AND BUDGET, LONG BEACH UNIT (JULY 1,
1989 THROUGH JUNE 30, 1990)

Dear Mr. Warren:

On April 23, 1990, we forwarded the proposed Fourth and Fifth Modifications (copies attached) of the Long Beach Unit Budget to your office. By his letter of May 4, 1990 (copy attached), the Extractive Development Officer indicated that the next State Lands Commission meeting is scheduled for June 12, 1990.

Because both of these proposed Modifications address matters which need to be considered in Fiscal Year 1989-1990, I request your concurrence with these proposed Modifications pursuant to Section 5(g) of Chapter 138, as discussed in the second paragraph of Mr. Thompson's letter.

Sincerely,


JAMES C. HANKLA
CITY MANAGER

JCH:slg

Attachments

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EXHIBIT "C"

STATE OF CALIFORNIA

STATE LANDS COMMISSION

LEO T. McCARTHY, Lieutenant Governor
GRAY DAVIS, Controller
JESSE R. HUFF, Director of Finance

GEORGE DEUKMEJIAN, Secretary

EXECUTIVE OFFICE
1807 - 13th Street
Sacramento, California 95814
CHARLES WARREN
Executive Officer
(916) 322-1505



May 14, 1990

Mr. James C. Hankla
City Manager
City of Long Beach
333 West Ocean Blvd., 13th Floor
Long Beach, California 90802

Dear Mr. Hankla:

In response to your letter of May 9, 1990, concurrence is given to our mutual approval of the Fourth and Fifth Modifications to the Plan of Development and Operations and Budget, Long Beach Unit (July 1, 1939 through June 30, 1990). These modifications under Section 5(g), Chapter 138 will be on the June 12 State Lands Commission meeting for ratification.

Sincerely,

James T. Warren
Charles Warren
Executive Officer

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