

MINUTE ITEM  
This Calendar Item No. C18  
was approved as Minute Item  
No. C18 by the State Lands  
Commission by a vote of 2  
to 0 at its 4/2/91  
meeting.

A 57, 58

S 29

CALENDAR ITEM

C 1 8

04/02/91

W 12028

G. Scott

CITY OF LONG BEACH  
CONSENT TO MODIFICATION OF COOPERATIVE  
WATER INJECTION AND GENERAL FACILITIES AGREEMENTS  
FAULT BLOCK IV UNIT AND FAULT BLOCK V RANGER ZONE UNIT  
WILMINGTON OIL FIELD, LOS ANGELES COUNTY

The Wilmington oil field is divided geologically into fault blocks that extend from the tidelands into the adjacent uplands. In the earlier developed part of the field, each of these fault blocks is unitized for oil and gas development. Among these units are the Fault Block IV Unit and the Fault Block V Ranger Zone Unit. The City of Long Beach, as tidelands trustee, is the Unit Operator of the tidelands segment (Segment I) of these Units. Mobil Oil Corporation is the Unit Operator of the uplands segment (Segment II) of these Units.

Mobil has sold all of its interests in Segment II of these Units and will resign as Unit Operator. The working interest owners in each of the Units will be selecting the City of Long Beach, in its proprietary capacity, as the Unit Operator for Segment II of each Unit to replace Mobil. The City will be selected because of its proprietary ownership of uplands parcels in these Units.

There exist numerous cooperative agreements involving the Fault Block IV Unit and the Fault Block V Ranger Zone Unit concerning water injection along parcel boundaries and the sharing of general facilities. There are nine (9) cooperative agreements which relate to oil operations on the tidelands and these are listed in Exhibit "A" which is attached. As a result of the replacement of Mobil by the City as Unit Operator for Segment II, the City in its proprietary capacity will succeed to Mobil's interests in these cooperative agreements.

Under section 10(b) of Chapter 29, Statutes of 1956, First Extraordinary Session, any modification of a contract or other agreement relating to the drilling for, developing, extracting, taking or removing, or disposition of oil, gas or other

CALENDAR ITEM NO. C 1 8 (CONT'D)

hydrocarbons from the Long Beach tidelands must receive the consent of the State Lands Commission. The nine cooperative agreements for water injection and general facilities listed in Exhibit "A" are such agreements. Therefore, the assumption of the City of the interests previously held by Mobil under these agreements requires the Commission's consent.

AB 884:

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 the CEQA because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

**EXHIBIT:**

- A. List of Cooperative Agreements for Water Injection and General Facilities, Fault Block IV Unit and Fault Block V Ranger Zone Unit.

**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. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. SECTION 21065 AND CAL. CODE REGS. 15378.
2. CONSENT TO THE MODIFICATION OF THE COOPERATIVE AGREEMENTS LISTED IN EXHIBIT "A" THAT RESULTS IN THE CITY OF LONG BEACH IN ITS PROPRIETARY CAPACITY SUCCEEDING TO THE INTERESTS OF MOBIL OIL CORPORATION.

EXHIBIT "A"

COOPERATIVE AGREEMENTS FOR WATER INJECTION AND GENERAL FACILITIES

1. Cooperative Agreement for Water Injection Operations (East Boundary, Middle Section, Fault Block V Ranger Zone Unit). April 12, 1965. (DOP No. 175)
2. Cooperative Agreement for Water Injection Operations (Fault Block V Ranger Zone). June 17, 1964. (DOP No. 192)
3. Cooperative Agreement for Water Injection Operations (Fault Block IV Unit and Parcel "L"). March 21, 1969. (DOP No. 162)
4. Cooperative Agreement for Water Injection Operations (Long Beach Unit and Fault Block V Ranger Zone Unit). January 3, 1967. (DOP No. 185)
5. Cooperative Agreement for Water Injection Operations (Fault Block V Ranger Zone Unit and Parcel "L"). May 8, 1964. (DOP No. 125)
6. Cooperative Agreement Concerning the Mainland Pool of General Facilities, March 17, 1976. (DOP No. 161)
7. Cooperative Agreement Concerning the Islands Pool of General Facilities. March 17, 1976. (DOP No. 40)
8. Cooperative Agreement Concerning the Mobil Pool of General Facilities. March 17, 1976. (DOP No. 130)
9. Cooperative Agreement Concerning Champlin General Facilities. March 17, 1976. (DOP No. 53)