

MINUTE ITEM

This Calendar Item No. 47
was submitted for information
only, no action thereon
being necessary.

CALENDAR ITEM

A 57, 58

47

04/23/87

S 29

W 15060

Pace

REPORT ON REDUCTION OF RETROACTIVE EQUITY ADJUSTMENTS
LONG BEACH UNIT
(IMPLEMENTATION OF ASSEMBLY BILL 2568)

At 2:00 p.m. on March 31, 1987, a meeting was held in the City of Long Beach Main Library Auditorium to discuss problems associated with the implementation of Assembly Bill 2568 (Elder Bill). The Long Beach Oil Royalty Owners Inc. was represented at the meeting along with representatives from ARCO and Chevron. Also, present were members of the staffs of the Long Beach Department of Oil Properties and State Lands Commission.

Several topics were discussed, but it is believed that the main concern of the royalty owners was how much each individual royalty owner still owed and how much time would be required for each of the royalty owners to complete repayment of the amount that each owed. ARCO, which has approximately 7,500 Townlot royalty owners in the Long Beach Unit, promised to furnish the amount owed to anyone of their royalty owners upon the receipt of a written request from that royalty owner. A representative from Chevron promised to supply on a blanket basis an annual statement setting forth how much each of their 4,500 royalty owners had paid back and an estimate of the amount to be deducted in the future.

The consensus at the end of the meeting was that Assembly Bill 2568 could not be implemented. The President of the Long Beach Oil Royalty Owners Inc., Rose Buchholz, etc., expressed the opinion that it was time to put the Elder Bill to bed. Unless directed otherwise, staff proposes to close the file on this matter.