

MINUTE ITEM
This Calendar Item No. 15
was approved as Minute Item
No. 15 by the State Lands
Commission by a vote of 2
to 0 at its 11-19-87
meeting.

CALENDAR ITEM

A 57, 58

15.

11/19/87
W 17091
Lammers

S 29

FIRST MODIFICATION OF THE 1987-88
PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET,
LONG BEACH UNIT, WILMINGTON OIL FIELD,
LOS ANGELES COUNTY

The City of Long Beach has requested approval of the First Modification of the 1987-88 Plan of Development and Operations and Budget, Long Beach Unit. This modification would modify the Plan to provide for a) the funding of a new waste disposal budget item in the Management Program for non-operating liabilities currently budgeted elsewhere, b) removal of \$99,000 from the budget for waste site cleanup not needed this year, c) the paving of the J-3 drillsite at a cost of \$166,000 to be funded by transfer. The total adjusted budget would be reduced to \$132,017,000.

Funds were provided in the Drilling and Development Program of the current budget for the cleanup of waste disposal sites used in prior years. It was previously determined that \$99,000 of these funds will not be needed this year and this amount will be removed from the budget (although the liability exists for future years). The balance of these funds will be transferred to a new waste disposal budget item in the Management Program to better reflect the nature of this type of expenditure. Only current waste disposal costs would be reflected in the ongoing drilling and development program.

The J-3 Drill Site is the only location that has never been paved. Paving would not only reduce operational problems with vehicles in the wet seasons, but more importantly would reduce problems with dust and dirt in switch gear and other electrical components during dry periods. The funding needed is available from direct well charges.

CALENDAR ITEM NO. 15 (CONT'D)

After this Modification, the affected budget items would be as follows: (Thousand of Dollars)

<u>Budget Item</u>	<u>Description</u>	<u>Current Budget</u>	<u>Transfer & Reduction</u>	<u>Adjusted Budget</u>
A.1.b.(7)	Waste Disposal	2,691	(210)	2,481
(10-989)	A/O	438	(8)	430
E.2.b.(7)	Waste Disposal	0	115	115
(50-989)	A/O	690	4	694
B.1.b.(1)	Direct Oil Well Charges	12,690	(166)	12,524
B.5.a.(4)	Leasehold Improvement/Maintenance	2,656	166	2,822

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 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. Adm. Code 15378.

2. Also in accordance with Part IV A. 4. a. and c., the following Plan Supplement is hereby reported to the Commission and incorporated into the plan. This reporting requires no action by the Commission.

Plan Supplement:

1. Provide for the replacement of influent line #2 at the J-2 Filter Plant - \$98,500.

AB 884:

N/A.

CALENDAR ITEM NO. 15 (CONT'D)

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE IT IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.
2. APPROVE THE FIRST MODIFICATION OF THE PLAN OF DEVELOPMENT AND OPERATIONS AND BUDGET, LONG BEACH UNIT, JULY 1, 1987 THROUGH JUNE 30, 1988.