



## Legislation Text

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**File #:** 14-0432, **Version:** 1

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Approve the assignment of the Optimized Waterflood Program Agreement for the Long Beach Unit and all associated agreements from Occidental Petroleum Corporation to California Resources Corporation and authorize City Manager to execute the Assignment Consent Agreement; and

Occidental Petroleum Corporation (Oxy) is planning on creating California Resources Corporation, a new publicly-traded company that will own all of Oxy's existing California assets, including all of its existing operations in Long Beach. Oxy is requesting that both the City and California State Lands Commission consent to this transaction and the assignment of the documents described above. All agreements and releases will be contingent upon confirmation by the State Lands Commission that California Resources Corporation's finances are sufficiently strong to adequately cover any losses associated with the oil contracts.

This matter was reviewed by Deputy City Attorney Richard Anthony and by Budget Management Officer Victoria Bell on May 14, 2014.

City Council action on this matter is requested on June 10, 2014, so that the California State Lands Commission can consider the assignment of the interests at its next scheduled meeting on June 19, 2014.

No fiscal impact is anticipated from the requested action. Approval to execute the Assignment Consent Agreement allows for the continued operation of the Wilmington Oil Field.

CHRISTOPHER J. GARNER  
DIRECTOR OF LONG BEACH GAS AND OIL

APPROVED:

PATRICK H. WEST  
CITY MANAGER