

OIL & GAS CONSERVATION COMMISSION  
Meeting: August 16, 1967  
Mr. John Bannister, Exec. Sec'y

JACK WILLIAMS  
GOVERNOR  
LYNN LOCKHART  
CHAIRMAN  
LUCIEN B. OWENS  
VICE CHAIRMAN  
HIRAM S. CORBETT  
MEMBER  
GEORGE T. SILER  
MEMBER  
KENNETH G. BENTSON  
MEMBER

OFFICE OF  
**Oil and Gas Conservation Commission**  
STATE OF ARIZONA  
ROOM 202  
1624 WEST ADAMS  
Phoenix, Arizona 85007  
PHONE: 271-5161

JOHN BAUMISTER  
EXECUTIVE SECRETARY  
J. R. SCURLOCK  
PETROLEUM GEOLOGIST

A G E N D A

Meeting  
August 16, 1967

Arizona Highway Department Auditorium  
206 S. 17th Avenue, Phoenix

9:30 a.m. Call to order

1. Approval of minutes of meeting of July 19, 1967.  
*corrections (typo)*
2. Executive Secretary's Report
3. Geologist's Report
4. Old business
  - a. Supplemental budget request
  - b. General Budget Request 1968-69 *(explain changes)*
5. New business
6. Adjourn

10:30 a.m. Continuation, Hearing, Case 26, to establish pool and special field rules for Dineh bi Keyah.

11:30 a.m. Hearing, Case 27, Application of Kerr-McGee Corporation to dispose of salt water in its Navajo No. 8 well, Dineh bi Keyah Field.

*9-14-67 at 9:00 a.m.  
Place to be announced.*

*Budget Hearing with Finance Commission  
Possibly some of Appropriations Committee  
will be present. But under present law hearings  
are with Finance who takes to legislature*

OIL AND GAS CONSERVATION COMMISSION  
1624 West Adams - Suite 202  
Phoenix, Arizona

Minutes of Meeting  
July 19, 1967

Present:

Mr. Lucien B. Owens, Vice Chairman  
Mr. George T. Siler, Member  
Mr. Kenneth G. Bentson, Member  
Mr. Ralph W. Bilby, Member  
Mr. John Eannister, Executive Secretary  
Mr. Ewell N. Walsh, Consulting Petroleum Engineer

Absent:

Mr. Lynn Lockhart, Chairman  
Mr. J.R. Scurlock, Geologist

Vice Chairman Owens called the meeting to order at 4:30 p.m. in the Arizona Highway Department Auditorium. Mr. Bentson moved, seconded by Mr. Siler, that the minutes of the meeting of June 21, 1967 be approved. Motion passed.

Reports of Executive Secretary and Geologist were received.

Mr. Bentson moved, seconded by Mr. Bilby, that the verbal plea of Mr. Richard F. Harless in Case No. 21 be denied, and that the Commission issue an order to be executed within 60 days of receipt that all wells involved in this case be plugged. Motion passed. Chairman Lockhart, contacted by telephone, concurred.

The proposed budget for 1968-69 was tentatively adopted and the Executive Secretary was directed to prepare, in final form according to the tentative budget, the budget for final review at the next regular meeting.

The commission directed that it be a matter of record that it expresses its deepest regret on the death of Mr. Hiram S. Corbett, and its admiration and respect for Mr. Corbett not only for his activity while a member of this commission but also for his contributions to the State of Arizona in the past.

The Commission also directed it be made a matter of record that it extended its best wishes to Chairman Lynn Lockhart who is absent from this meeting due to surgery.

The Executive Secretary was directed to evidence of the sympathy to Mrs. Corbett and its best wishes to Mr. Lockhart.

Meeting adjourned at 5:15 p.m.

APPROVED August 16, 1967

By \_\_\_\_\_



OFFICE OF

**Oil and Gas Conservation Commission**

STATE OF ARIZONA

ROOM 202

1624 WEST ADAMS

Phoenix, Arizona 85007

PHONE: 271-5161

JACK WILLIAMS  
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MEMBER

KENNETH G. BENTSON  
MEMBER

JOHN BANNISTER  
EXECUTIVE SECRETARY

J. R. SCURLOCK  
PETROLEUM GEOLOGIST

August 10, 1967

Memo to: Commissioners  
From: John Bannister

Re: Report of Activity

I would call your attention to the fact that there will be a Commission meeting at 9:30 a.m., Wednesday, August 16, in the High Department Auditorium, in the small meeting room adjacent. This will be followed by the remainder of the Dineh bi Keyah hearing in the Auditorium at 10:30 a.m. Immediately thereafter, Case 27 will be heard also.

Case 27 involves the request of Kerr-McGee to dispose of salt water in the Coconino formation in the Dineh bi Keyah field. We do not at this time know of any reason why this should not be allowed.

It is anticipated that the meeting and the two hearings can be concluded by noon or shortly thereafter and an afternoon session will not be necessary.

I have set up a pre-hearing conference with Kerr-McGee, Humble, U.S.G.S., the Navajo Tribe, and this office on the question of reservoir pressure tests in Dineh bi Keyah. I feel that by doing this we can pretty much arrive at an agreement prior to the official hearing and thus save the Commissioners much time.

This meeting will be held in the Commission office at 5:00 p.m. on Tuesday, August 15. Of course any Commissioner wishing to attend is more than welcome.

I feel that a brief meeting after the last of the two hearings can result in our reaching a decision in both Case 26 and Case 27.

There has been no activity on the part of Harless in attempting to comply with our plugging order. Immediately after I was instructed to issue the plugging orders, they were prepared and sent out by certified mail with return receipt.

To date Mr. Harless has accepted the orders as to himself only

and has returned the orders concerning Yavapai Oil Corp. and Cottonwood Oil Company. The bonding companies have all been notified as well as all other interested parties.

It is my feeling that it will be ultimately necessary to go to the bonding companies to secure performance of this work. Mr. Harless has been given a period of 60 days from receipt of the order in which to perform. It is my intention to wait until the end of this period at which time I will make demand upon the bonding companies. I feel then the bonding companies will be prepared to move to accomplish the plugging.

As you can see from the attached letter from Kerr-McGee, the one-millionth barrel of oil from Kerr-McGee sources was produced July 27, 1967. This does not include production from the Humble well. This of course definitely places this field in the magnitude of a major discovery.

An average of one in ten wells discovers any oil. An average of one in one thousand wells discovers oil in the magnitude of a million barrels. And an average of one well in ten thousand discovers oil in the magnitude of more than a million barrels.

On August 1 and August 2 I attended the trial in Yavapai County Superior Court wherein two investors in the Cottonwood Oil Company well were suing Harless for damages. The plaintiffs claimed that pursuant to an agreement with Mr. Harless their lease was placed in escrow and that Mr. Harless agreed to secure payment of rentals while the lease was in escrow but failed to do so.

The lease was cancelled for non-payment of rentals. Mr. Harless then secured a new lease on the acreage involved and this cut them out of any potential profit. Mr. Harless answered similarly to the answer he gave before the Commission in our hearing, that he merely recited how he "was taken" by Mr. Newton and in my opinion completely failed to answer the allegations of the plaintiffs.

This was heard before Judge Ogg and was not a jury trial. The plaintiffs were given 15 days in which to file their brief; Mr. Harless was given 15 days to file his answer; and an additional 5 days for either side to file anything additional. The decision is expected in late October.

The Skelly #Q-1 Navajo, NW NW 18-38N-30E, Apache County, approximately 15 miles north of our Dineh bi Keyah Field, was spudded at 8:00 a.m. on August 8, 1967. It is too early of course to make any prediction as to the outcome of this well.

The general outlook for drilling for the remainder of the year is greatly encouraging in that there are indications that much exploration drilling will be done on the Reservation, somewhat considerably south of the Dineh bi Keyah Field. And there are

indications of activity on the part of Gulf and Humble in Cochise County. In addition, many substantial individuals have contacted this office and indicated an interest in drilling wells in the near future in the central portion of the state.

Of course this indication of interest and drilling, if done, will be of great benefit to the state; and if successful, to our economy.

At present the Kerr-McGee pipeline from Dineh bi Keyah is carrying approximately 14,000 barrels of oil per day. The taxes being generated by this production will exceed \$50,000 per month.

As reported to you previously, this potential income has resulted in this office being asked to explain the 5% tax once proposed. Pursuant to Governor Williams request I have written letters to his office explaining this tax procedure. This was turned over to the Finance Commissioner. I have gone to great lengths to point out that this is not a tax proposal of the Commission.

I have been given a letter from Arizona Helium Corporation, dated July 31, 1967, a copy of which is attached, setting forth the plans for the new helium plant to be located in Navajo. The colmination of these plans will result in great benefit to the State and I expect increased activity in our helium area.



JACK WILLIAMS  
GOVERNOR  
LYNN LOCKHART  
CHAIRMAN  
LUCIEN B. OWENS  
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OFFICE OF  
**Oil and Gas Conservation Commission**

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Phoenix, Arizona 85007

PHONE: 271-5161

JOHN BARRISTER  
EXECUTIVE SECRETARY  
J. R. SCURLOCK  
PETROLEUM GEOLOGIST

August 9, 1967

Memo to: Commissioners  
From: J.R. Scurlock, Geologist  
Re: Report of Activities

July 27. Chino Valley.

Investigate slight show oil reported covering surface of swimming pool on the Robert Succetti ranch (located 1 mile SW of Chino Valley & 10 miles North of Prescott). Found slight scum of oil on pool. Impossible to collect enough of the oil to perform fractionation analysis to determine if this is crude or refined oil. Mrs. Succetti has since informed me by phone that John Meyer (geologist, Kerr-McGee) had identified the oil as crude. Will discuss this with Meyer on August 16th. I doubt this is crude; but if it is, this would certainly be a very favorable indication of the oil possibilities in western Arizona.

August 7-8-9: Dineh bi Keyah

Kerr-McGee has announced that its Dineh bi Keyah wells have produced 1 million B.O. (Humble, in addition, has produced approximately 50,000 B.O.). The posted price for crude by the Four Corners Pipeline is \$2.80. After deducting operating costs and royalty interests (1/6 or 16-2/3% - Navaj), the net profit is approximately \$2.00 per bbl.

Kerr-McGee pays its subsidiary, Kerr-McGee Pipeline Co., a gathering charge of 15¢ per bbl. plus 10¢ per bbl. for transit to the Four Corners Pipeline. Humble 138-1 has now tied in. The line presently delivers around 13,000 BOPD by gravity. Capacity of the 8 inch line is approximately 20,000 BOPD by gravity and 40,000 BOPD by pump.

# # #

Current Drilling:

Pico Drl. on Kerr-McGee #C-2 Navajo. Spudded 8-6-67.

Pico Drl. on Kerr-McGee #16 Navajo. Set 7" @ 3163'. Plan to drill in with cable tools and attempt open-hole completion.

Skelly #1-0 Navajo (15 miles north of Dineh bi Keyah)

NW NW Sec 18-38N-30E. Spudded 8-8-67; set 10-3/4" 350' in Chinle' top Chinle at 205'.

This location lies six miles south of the Carrizo Mt. intrusive (igneous) rocks and 3½ miles east of the Pan Am V-1 Navajo, the recent wildcat which was drilled on a surface structural anomaly and encountered igneous rock through the interval 3358 ft. to total depth of 4445 ft. If Skelly reaches its proposed depth of 4650 ft., they very likely will penetrate an appreciable thickness of igneous sill material, such as represents the oil reservoir at Dineh bi Keyah.

The primary target horizons in this well are the Pennsylvanian igneous sill and limestone beds, the Devonian McCracken and Aneth formations, and the porous Mississippian carbonate section. All of these formations are productive in NE Arizona.

Being Completed. Kerr-McGee #13 Navajo. Swabbing Load oil.

Kerr-McGee #16 Navajo. Set 7" @ 3163'.  
Presently drilling in with cable tools;  
will attempt open-hole completion.

New Locations.

Humble #1-88 Navajo. SE SE Sec 25-36N-29E. Dineh bi Keyah Field. Preparing roads and location. (Road to this difficult location constructed for \$70,000.)

Dineh bi Keyah

	Kerr-McGee Navajo	#1
	"	#2
10 wells	"	#3X
currently	"	#4
producing	"	#6*
	"	#7*
	"	#9*
	"	#14
	"	#15
	Humble	#138-1

\*These wells making a small amount of water.

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4 New Completions. Kerr-McGee Nav. #4 (IP Pump 32149 BOPD)  
" #6 (IP Pump 163 BOPD + 4 bbls wtr)  
" #14 (IP Flow 301 BOPD)

Rumor: American Mining Co. of Salt Lake City will drill a farm-out from Superior located 1980 FNL and 1980 FWL Sec 28-T38N-R24E, in Apache Co. This will be a 6850' basement test drilled with support from Texaco.

A Mr. John E. Carson (Virginia Gas & Oil of Albany, Texas) has retained Dr. Pye to recommend a block of acreage for leasing and drilling.

Note: Another Navajo lease sale planned for this fall, probably the last two weeks in Sept. Approx 150 sections to be offered in Apache Co. - all on Navajo. Closest acreage to Dineh bi Keyah lies 15 miles to north and 15 miles to south of this field.

Projects in Progress

- (1) Structural map of Mohave Co.
- (2) Drilling Records for Oil and Gas in Ariz.  
These data are being compiled as a joint effort with Dr. "Wes" Peirce and will be published by the Ariz. Bureau of Mines.

Will show slides (3 minutes)



**KERR-MCGEE CORPORATION**

KERR-MCGEE BUILDING • OKLAHOMA CITY, OKLAHOMA 73102

215 Petroleum Center Building  
Farmington, New Mexico  
August 4, 1967

State of Arizona  
O&G Conservation Commission  
Room 202 - 1624 W. Adams  
Phoenix, Arizona

Attn: Mr. John Bannister

RE: Dineh-bi-Keyah Field  
Apache County, Arizona

Dear John:

We are pleased to notify you that according to our field production records, the 1,000,000th barrel of oil was produced from Kerr-McGee Navajo Lease on July 27, 1967.

Very truly yours,  
KERR-MCGEE CORPORATION

C. D. Williams  
Production Supt.

CDW/hs

cc: Nav. Tribe  
J.I. Fisher  
Lse. File  
RF





# ARIZONA Helium CORP.

P.O. BOX 14427 PHOENIX, ARIZONA 85031

31 July 1967

Mr. John Bannister, Executive Secretary  
Oil and Gas Conservation Commission  
1688 West Adams  
Phoenix, Arizona 85007

Dear Mr. Bannister:

In order to control to some degree the information released concerning the progress of Arizona Helium Corporation's new extraction plant in Navajo, Apache County, Arizona, we offer to you the following and fully authorize you to release any of this information that you deem to be of public interest:

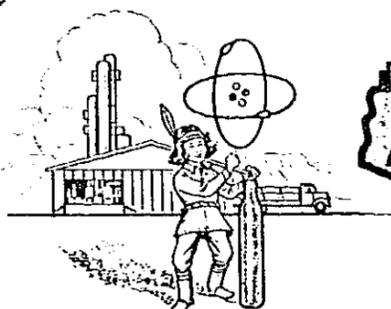
1. Process Unit:

Engineering, design and construction contract awarded to Industrial Cryogenics Corporation, Los Angeles, California. Mr. James K. LaFleur, President, has hired Mr. Dean Blanchard, a chemical plant, oil refinery and gathering system engineer as project manager. Process construction is approximately one third complete and scheduled to arrive on job-site skid mounted and ready for installation within 90 days. The basic unit is rated at 1,000 MCF per month of high purity helium with the ability to double itself twice with a minimum amount of capital expenditure.

2. Pipeline:

The pipeline will be installed by Arizona Helium Corporation with assistance in the form of consultants in the industry as required. Scheduled installation of the first phase (approximately eight miles) of the pipeline will start August 15th and should be completed in less than ten days. Today, July 31, the order for the first 42,000 feet of pipe for the pipeline was placed with the Carlon Products Corporation, E. W. Felty, District Sales Manager.





# ARIZONA Helium CORP.

P.O. BOX 14427 • PHOENIX, ARIZONA 85031

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### 3. Plant Site:

A check covering the balance of the monies due to R. C. Spurlock and Sons for the twenty acre plant site will be issued the first week in August.

The plant site has been prepared for the building and supporting facilities.

### 4. Plant Building:

A building 40' by 90' housing the process and plant offices has been designed and a contract for installation of the building will be awarded the first week in August. A covered loading area capable of handling two tube trailers simultaneously will add an additional 40' by 40' to the building making the overall size under one roof of 40' x 130'. An artist's conception of the all metal building complete with landscaping will be mailed to your attention as soon as it is received.

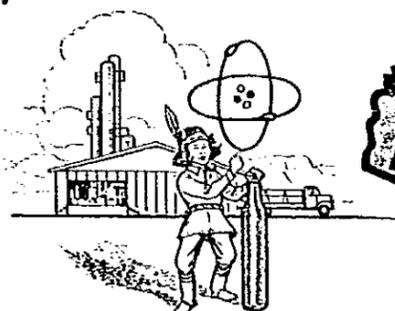
Contractors in Phoenix and Tucson are currently bidding on this building.

### 5. Production Wells:

Mr. C. T. Henderson of Apache Drilling will secure certificates of compliance and have available for production and ready to tie into enough wells to guarantee to Arizona Helium Corporation sufficient gas to run the plant. This phase of the operation is scheduled for completion prior to 1 September 1967.

### 6. Plant Manager:

The company has secured the services of Mr. Pierce A. McLaughlin, Tucson, Arizona as plant manager and construction supervisor for both the plant and the pipeline. Mr. McLaughlin has had a very successful career as a supervisory employee in constructing and operating refineries and chemical plants and will be a real asset to Arizona Helium Corporation.



**A** RIZONA *Helium* CORP.

P.O. BOX 14427 • PHOENIX, ARIZONA 85031

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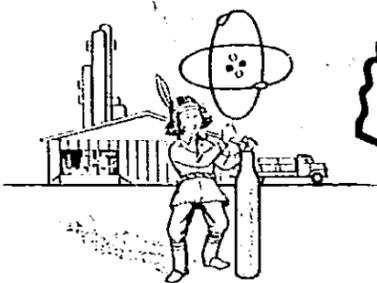
As further developments take place we will attempt to keep you informed immediately.

Thank you for your cooperation in this matter.

Very truly yours,

*Richard H. McDonald*  
Richard H. McDonald

RHM: jm



**A**RIZONA *Helium* CORP.  
FOUNDED 1917

8 August 1967

Mr. John Bannister, Executive Secretary  
Oil and Gas Conservation Commission  
1688 West Adams  
Phoenix, Arizona

Dear Mr. Bannister:

We are pleased to inform you of the progress made since our last report to you.

- A. A turnkey contract for construction of a 40' x 92' STAR Building with a 40' x 40' attached canopy has been awarded to CB Construction Company of 4010 West McDowell, Phoenix.

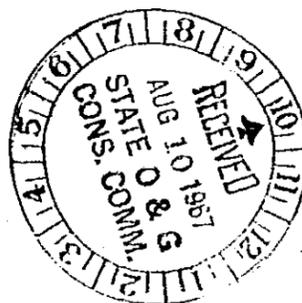
The concrete work will start on approximately 15 August 1967 with Building construction to follow shortly thereafter.

- B. P. A. "Mac" McLaughlin moved Arizona Helium's construction trailer on job site the eighth of August 1967 and is in the process of mapping the pipeline and staking out the plant location on the 5.82 acre site.

Very truly yours,

Richard H. McDonald  
President

RHM: jm



industry and the demand for gas to grow at an increasing pace in Europe," he said. "We expect many innovations and advances in gas technology to come from the laboratories of the Gas Council and Gaz de France which will be made available to AGA. They too will gain by drawing on the bank of technical knowledge we are continuing to develop in the United States."

**English view.** The Gas Council in its research on domestic gas appliances has put great emphasis on quietness and stability, Dr. Hebden said.

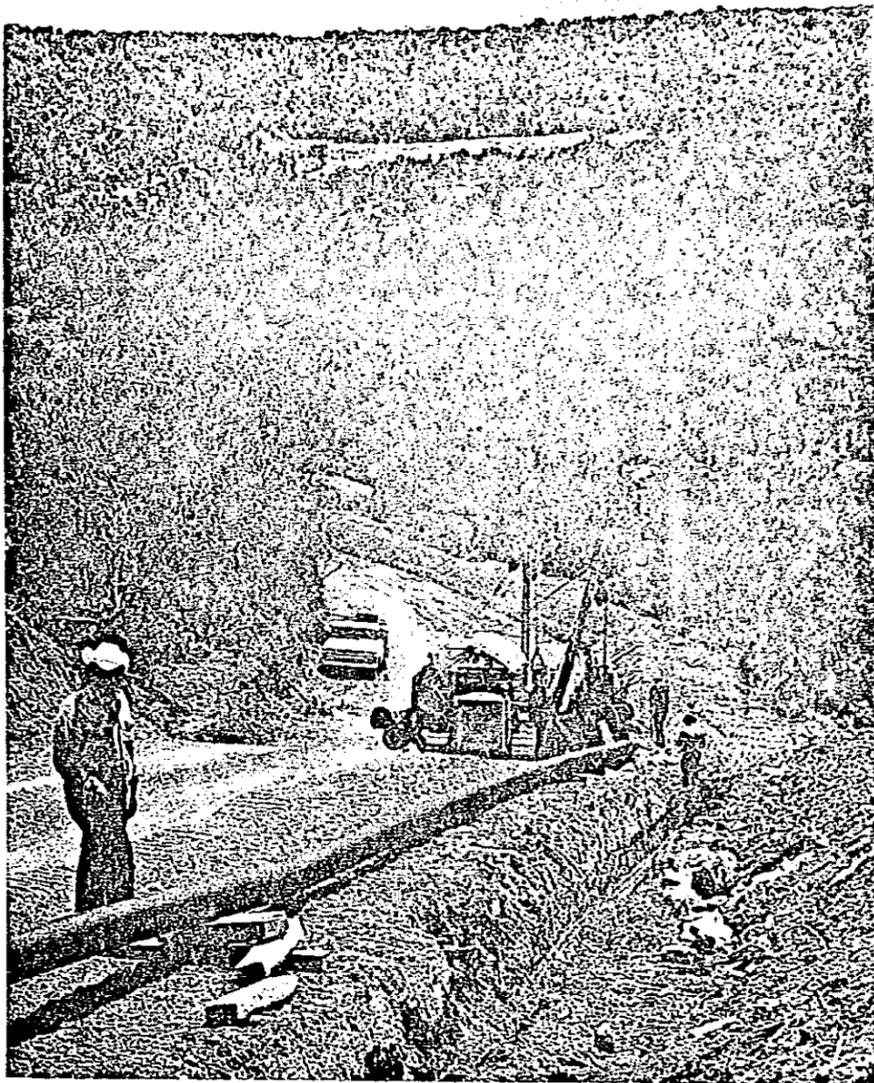
"Research of special interest is now being done on aerodynamics and noise," he added. "In the field of industrial utilization, the Gas Council has had a great deal of success with tunnel burners and oxy-gas burners and has recently done pioneer work on standards for automatic gas burners and on safety shut-off valves. Good progress has been made with the application of model techniques to furnace design."

The Gas Council now faces special problems of converting to natural gas following gas discoveries in the North Sea. It hopes to benefit from valuable experience of Gaz de France and AGA on the problems of transmission and distribution of gas on a large scale.

**French activity.** Gaz de France's marketing plans call for four out of five consumers in that country using natural gas by 1975. The current ratio is three out of five.

This market saturation will be possible, M. Lecoeur said, only with the successful conclusion of several research projects now under way. He listed the projects as: production of gas substitutes equivalent to natural gas; developments in liquefaction and transport of LNG; new storage techniques; new methods and materials for building distribution systems; and development of new appliances and applications.

Rutherford, meanwhile, noted that France and Britain both may well be interested in several major research projects of AGA. These include development of complete climate control for high-rise buildings, electricity from heat of gas combustion and various appliance improvements.



PIPE is laid through rugged terrain from Kermac's Dineh bi Keyah field.

## Kerr-McGee's Arizona field

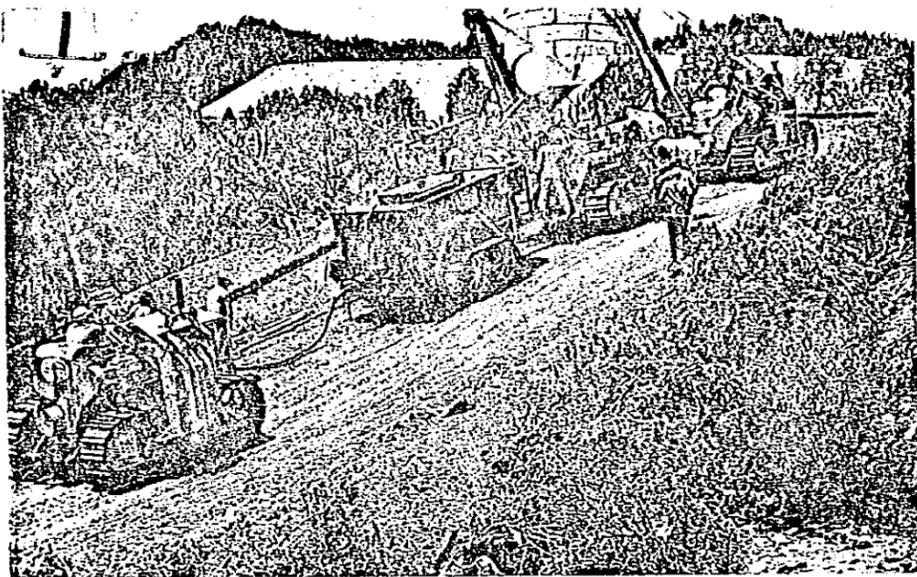
KERR-McGEE Corp. has tied its 5-month-old Dineh bi Keyah field in northeastern Arizona into the Four Corners pipeline.

Cumulative production figures for the field through July 12 were also released by Kermac, along with well and reservoir data.

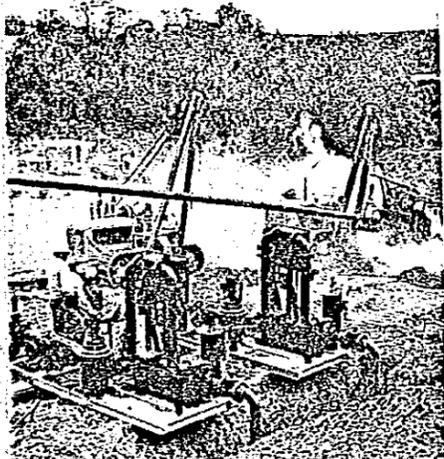
Kermac said initial production into its 33-mile 8-in. line from Dineh bi Keyah to the Four Corners line is expected to be around 14,000 b/d. Line capacity is 20,000 b/d by gravity flow, but it may be increased to 40,000 b/d by installing pump stations.

Kermac's line connects to the Four Corners line about 12 miles southeast of Shiprock, N.M. Previously, Dineh bi Keyah oil was trucked 39 miles to Shiprock. A 30,000-bbl storage tank has also been erected at the field.

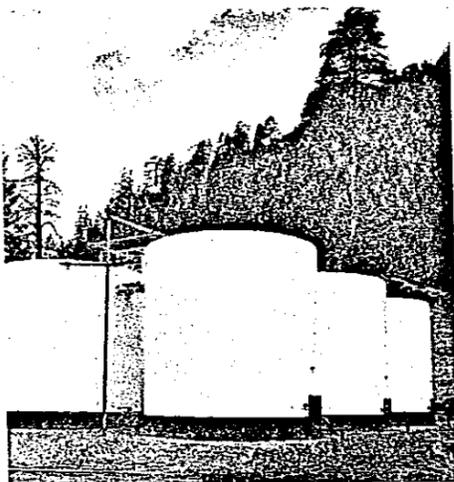
**How field produces.** Dineh bi Keyah production amounted to 857,886 bbl through July 12. Production in June alone amounted to 264,203 bbl. Kermac has completed seven oil wells in the Apache County field, is completing two others, and is drilling at two additional



COATING machine receives a pull from a tractor as it moves up a hill.



FINAL joint of line is laid.



STORAGE tanks ready to receive crude.



KERMAC'S 4 Navajo is logging.

## tied into Four Corners line; output soars

locations. The seven wells are capable of producing from 200 to 2,000 b/d each.

Kermac completed the Dineh bi Keyah discovery well in February, pumping 650 b/d. Field is located on the Lukachukai anticline in the Chuska Mountains, about 50 miles southwest of Farmington. The confirmation well—completed in March pumping 2,856 b/d—has produced 323,975 bbl to date, Kermac said.

Pay is a unique Miocene igneous sill that has intruded limestone and shales of Pennsylvanian age (OGJ, Apr. 3, p. 123). Producing zone

ranges from 60 to 134 ft thick, and is found at depths from 2,800 to 3,800 ft, Kermac said. Field is on 160-acre spacing.

Also in Dineh bi Keyah field, Kerr-McGee has completed a helium gas well and tested helium in another well. Helium was found in a formation 500 ft below the oil-producing igneous sill. Additional drilling is planned. Kerr-McGee owns a plant at Navajo, Ariz.—100 miles south of the field—which produces 99.995% pure gaseous helium.

Nearest oil production to Dineh bi Keyah lies 15 miles east in New

Mexico's Tocito field. Giant Aneth field, largest in the Four Corners, is about 60 miles northwest in Utah's Paradox basin.

In the Dineh bi Keyah play, Humble Oil & Refining Co. has one producing well, one dry hole, one location, and two holes temporarily abandoned.

Humble has also confirmed that it has found helium in possibly commercial amounts on the edges of the Apache County field. Dineh bi Keyah is in the midst of the biggest helium producing region in the U.S.



July 27, 1967

Mr. John Bannister  
State of Arizona  
Oil & Gas Conservation Commission  
Room 202 - 1624 W. Adams  
Phoenix, Arizona 85007

Mr. John P. Anderson  
United States Geological Survey  
Oil & Gas Division  
P. O. Drawer 1857  
Roswell, New Mexico 88201

Mr. Henry F. Pohlmann  
Minerals Supervisor  
The Navajo Tribe  
412 Petroleum Plaza Building  
3535 E. 30th Street  
Farmington, New Mexico 87401

Mr. P. T. McGrath  
United States Geological Survey  
Oil & Gas Division  
P. O. Box 959  
Farmington, New Mexico

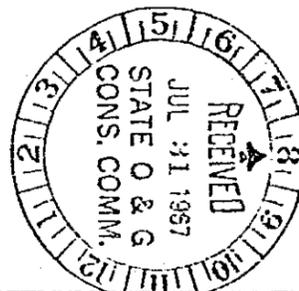
**IGNEOUS SILL RESERVOIR  
DINEH BI KEYAH FIELD**

Please find enclosed additional pressure information which we have acquired during the initial productive life of the subject reservoir.

Attachment No. 1 contains all of the shut-in pressure data which we have on wells which are presently producing. This data includes both original and subsequent shut-in pressures taken after each well's completion. Subsurface pressure bombs have been run on six of the nine wells which are presently producing. A data sheet and pressure plot was made for each bomb run by the technician in charge of the survey. This correspondence on four of the six wells (Nos. 2, 4, 7, 9, 14 and 15) on which this survey was conducted is also attached. The data sheets have not been received from the field on Nos. 4 and 15; however, the pressures recorded in these wells have been presented.

Attachment No. 2 contains shut-in pressure buildup data on five producing wells (Nos. 1, 2, 3X, 7 and 9). Please note the rapid pressure buildup characteristics of each well. In an effort to gain as much factual data and knowledge from this reservoir as possible; we are considering gathering additional pressure data.

Utilizing production history and pressure data the indicated producing mechanism at this time is probably solution gas drive.



July 27, 1967  
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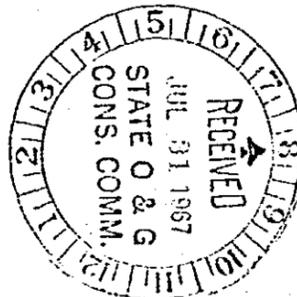
We hope this data will be beneficial to your consideration of  
this reservoir.

KERR-MCGEE CORPORATION

*John I. Fisher*  
John I. Fisher  
Regional Production Manager

JIF/bes  
attachments

cc: C. D. Williams



Shut-in Pressure History Information

Navajo No. 1 - Perfs. 2860-85 (+4713 - +4688); Sensor: 2718 (+4842)  
Original (est. from fluid level):  
 2-4-67 650 psig @ 2872 (+4701 - cent. of perfs.)  
 718 psig @ +4500 datum

Additional:		SI Pressure (Psig)		
Date	Sensor	Perforations	+4500 Datum	
4-1-67	462	512	582	
4-28-67	462	512	582	
7-6-67	386	436	506	

Navajo No. 2 - Perfs. 3060-3114 (+4554 - +4500); Sensor: 2590 (+5014)  
Original (Sub-surface bomb):  
 3-10-67 645 psig @ 3097 (+4527 - cent. of perfs.)  
 654 psig @ +4500 datum

Additional:		SI Pressure (Psig)		
Date	Sensor	Perforations	+4500 Datum	
4-1-67	440	610	619	

Navajo No. 3X - Perfs. 3427-3457 (+4575 - +4545); Sensor: 2967 (+5040)  
Original (Sensor Pressure):  
 4-7-67 412 psig @ 2962 (+5040 - sensor location)  
 601 psig @ +4500 datum

Additional:		SI Pressure (Psig)		
Date	Sensor	Perforations	+4500 Datum	
5-10-67	344	512	533	
5-24-67	332	500	521	
7-6-67	284	452	473	

Navajo No. 4 - Open hole 2898-2960 (+4476 - +4414); Sensor: 2788 (+4573)  
Original (Sub-surface Bomb)  
 7-17-67 490 psig @ 2950 (+4411)  
 459 psig @ +4500 datum

Navajo No. 6 - Perfs. 3672-3726 (+4673 - +4619); Beam Pump - No Sensor  
Original (Est. from Fluid Level):  
 6-30-67 489 psig @ 3699 (+4633 - cent. of perfs.)  
 535 psig @ +4500 datum



Navajo No. 7 - Perfs. 3072-3112 (+4436 - +4396); Sensor: 2624 (+4334)

Original (Sub-surface Bomb):

4-18-67 612 psig @ 3092 (+4416 - cent. of perfs.)  
583 psig @ +4500 datum

Additional:

Date	SI Pressure (Psig)		
	Sensor	Perforations	+4500 Datum
7-10-67	316	480	451

Navajo No. 9 - Perfs. 3420-60 (+4474 - +4434); Sensor: 2947 (+4947)

Original (Sub-surface Bomb):

5-4-67 599 psig @ 3430 - bomb depth  
602 psig @ 3440 (+4454 - cent. of perfs.)  
586 psig @ +4500 datum

Additional:

Date	SI Pressure (Psig)		
	Sensor	Perforations	+4500 Datum
7-9-67	272	428	412

Navajo No. 14 - Open hole 3829-3920 (+4739 - +4648); No Sensor

Original (Sub-surface Bomb):

7-8-67 477 psig @ 3875 (+4680 - mid-way through O.H.)  
540 psig @ +4500 datum

Navajo No. 15 - Open Hole 3159-3225 (+4538 - +4472); Beam Pump - No Sensor

Original (Sub-surface Bomb):

7-14-67 462 psig @ 3191 (+4493 - mid-way through O.H.)  
460 @ +4500 datum



Shut-in Pressure Build-up Data:

Navajo No. 2 - Test date: 3-19-67

Original SIP on 3-10-67 was 645 psig at 3037 (+4527) or 654 psig at +4500 datum; Perforations: 3060-3114' (+4554-+4500'); Pressure Sensor at 2590 (+5014); Orig. SIP at Sensor 475 psig. Well SI 3-19-67 after producing at 2875 BOPD rate with 360 psig sensor pump pressure (530 psig at center of perfs.) Pressure build-up as follows:

11:50 AM - SI - Pump Press.	530 psig (cent. of perfs.)
11:55 AM -	600 psig
12:00 Noon -	600 psig
12:05 PM -	600 psig
12:10 PM -	610 psig
12:15 PM -	610 psig
1:15 PM -	610 psig

Navajo No. 1 - Test Period: 7-3 to 6-1967.

SIP on 4-28-67 was 462 psig at 2718 (+4842 - sensor location) or 582 psig at +4500 datum; Perforations: 2860-85 (+4713 - +4688) Sensor at 2718 (+4842). Well SI on 7-3-67 after pumping at 550 BOPD rate with 94 psig sensor pressure (214 psig at +4500 datum) Pressure build-up as follows:

<u>Time After SI</u>	<u>Pressure at +4500 Datum</u>
0 SI	214 psig
16 hours	445 psig
40 hours	488 psig
64 hours	506 psig

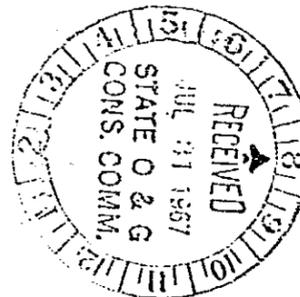
Note: Build-up test indicated that additional pay section should be opened. The well was subsequently recompleted by opening an additional 57 feet of pay and fracture treating. A threefold productivity increase was accomplished.

Navajo 3X - Test Period: 7-3 to 6-67

Original SIP on 4-7-67 was 580 psig at 3442 (perfs - +4560) or 601 psig at +4500 datum; Perforations: 3427-57 (+4575 - +4545); Pressure Sensor at 2962 (+5040). Well SI 7-3-67 after pumping at 2540 BOPD rate with 250 psig sensor pressure (439 at +4500 datum). Pressure build-up as follows:

<u>Time After SI</u>	<u>Pressure at +4500 Datum</u>	<u>% Change Fm. Last Press.</u>
0	439 psig	-
16 hours	463 psig	5.2%
40 hours	469 psig	1.3%
64 hours	473 psig	0.8%

Note: 97.9% of the wells 64 hour SIP was achieved after 16 hours.



Navajo No. 7 - Test Period: 7-6 to 10-67

Original SIP on 4-22-67 was 448 psig at 2624 (+4884 - pump sensor) or 583 psig at +4500 datum; Perforations: 3072-3112 (+4436 - +4396); Pressure Sensor at 2624 (+4884). Well SI 7-6-67 after pumping at 1165 BOPD rate with 200 psig sensor pressure (335 psig at +4500 datum). Pressure build-up as follows:

<u>Time After SI</u>	<u>Pressure at +4500 Datum</u>	<u>% Change From Last Pressure</u>
0	335 psig	-
24 hours	429 psig	21.9%
48 hours	439 psig	2.3%
72 hours	445 psig	1.3%
96 hours	451 psig	1.3%

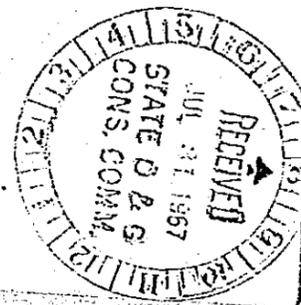
Note: 95.1% of the well's 96 hour SIP and 96.4% of the 72 hour SIP was achieved after 24 hours.

Navajo No. 9 - Test Period: 7-6 to 9-67

Original SIP on 5-4-67 was 430 psig at 2947 (+4947 - pump sensor) or 586 psig at +4500 datum; Perforations: 3420-60 (+4474 - +4434); Pressure Sensor at 2947 (+4947). Well SI 7-6-67 after pumping at 2000 BOPD rate with 246 psig sensor pressure (402 psig at +4500 datum). Pressure build-up as follows:

<u>Time After SI</u>	<u>Pressure at +4500 Datum</u>	<u>% Change From Last Pressure</u>
0	402 psig	-
24 hours	418 psig	3.8%
48 hours	426 psig	1.9%
72 hours	428 psig	0.5%

Note: 97.7% of the wells 72 hour SIP was achieved after 24 hours. Also note only 6% (26 psi) draw-down while producing at 2000 BOPD rate.



Navajo No. 7 - Test Period: 7-6 to 10-67

Original SIP on 4-22-67 was 448 psig at 2624 (+4884 - pump sensor) or 583 psig at +4500 datum; Perforations: 3072-3112 (+4436 - +4396); Pressure Sensor at 2624 (+4884). Well SI 7-6-67 after pumping at 1165 BOPD rate with 200 psig sensor pressure (335 psig at +4500 datum). Pressure build-up as follows:

<u>Time After SI</u>	<u>Pressure at +4500 Datum</u>	<u>% Change From Last Pressure</u>
0	335 psig	-
24 hours	429 psig	21.9%
48 hours	439 psig	2.3%
72 hours	445 psig	1.3%
96 hours	451 psig	1.3%

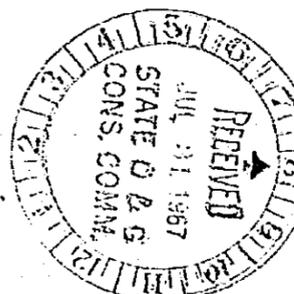
Note: 95.1% of the well's 96 hour SIP and 96.4% of the 72 hour SIP was achieved after 24 hours.

Navajo No. 9 - Test Period: 7-6 to 9-67

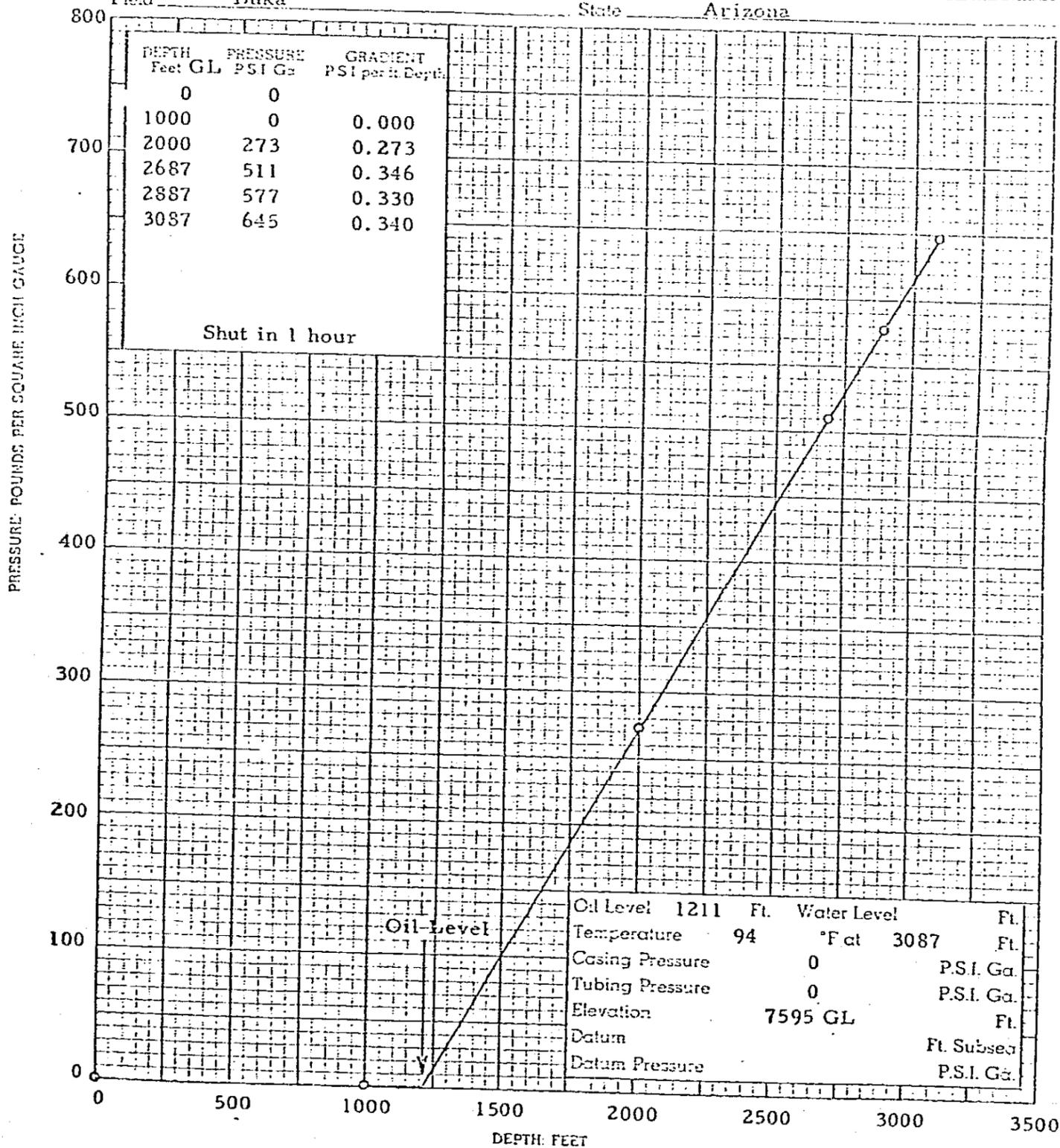
Original SIP on 5-4-67 was 430 psig at 2947 (+4947 - pump sensor) or 586 psig at +4500 datum; Perforations: 3420-60 (+4474 - +4434); Pressure Sensor at 2947 (+4947). Well SI 7-6-67 after pumping at 2000 BOPD rate with 246 psig sensor pressure (402 psig at +4500 datum). Pressure build-up as follows:

<u>Time After SI</u>	<u>Pressure at +4500 Datum</u>	<u>% Change From Last Pressure</u>
0	402 psig	-
24 hours	418 psig	3.8%
48 hours	426 psig	1.9%
72 hours	428 psig	0.5%

Note: 97.7% of the wells 72 hour SIP was achieved after 24 hours. Also note only 6% (26 psi) draw-down while producing at 2000 BOPD rate.



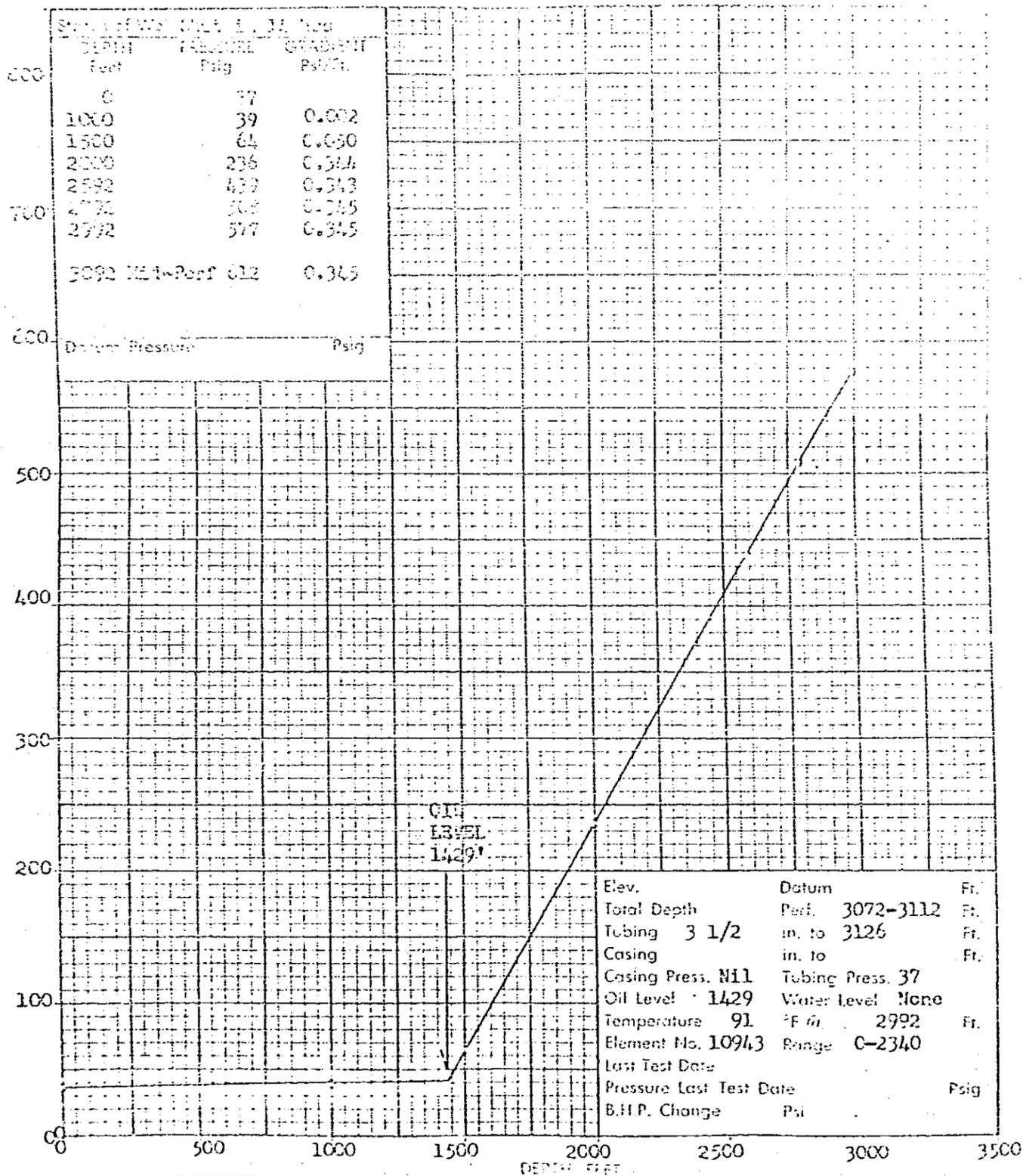
Company Kerr-McGee Corporation Formation Hermosa 3-10-67  
Well Navajo No. 2 County Apache  
Field Luka State Arizona



**STELLER, INC.**

Pressure Transmitters  
Flow Meters

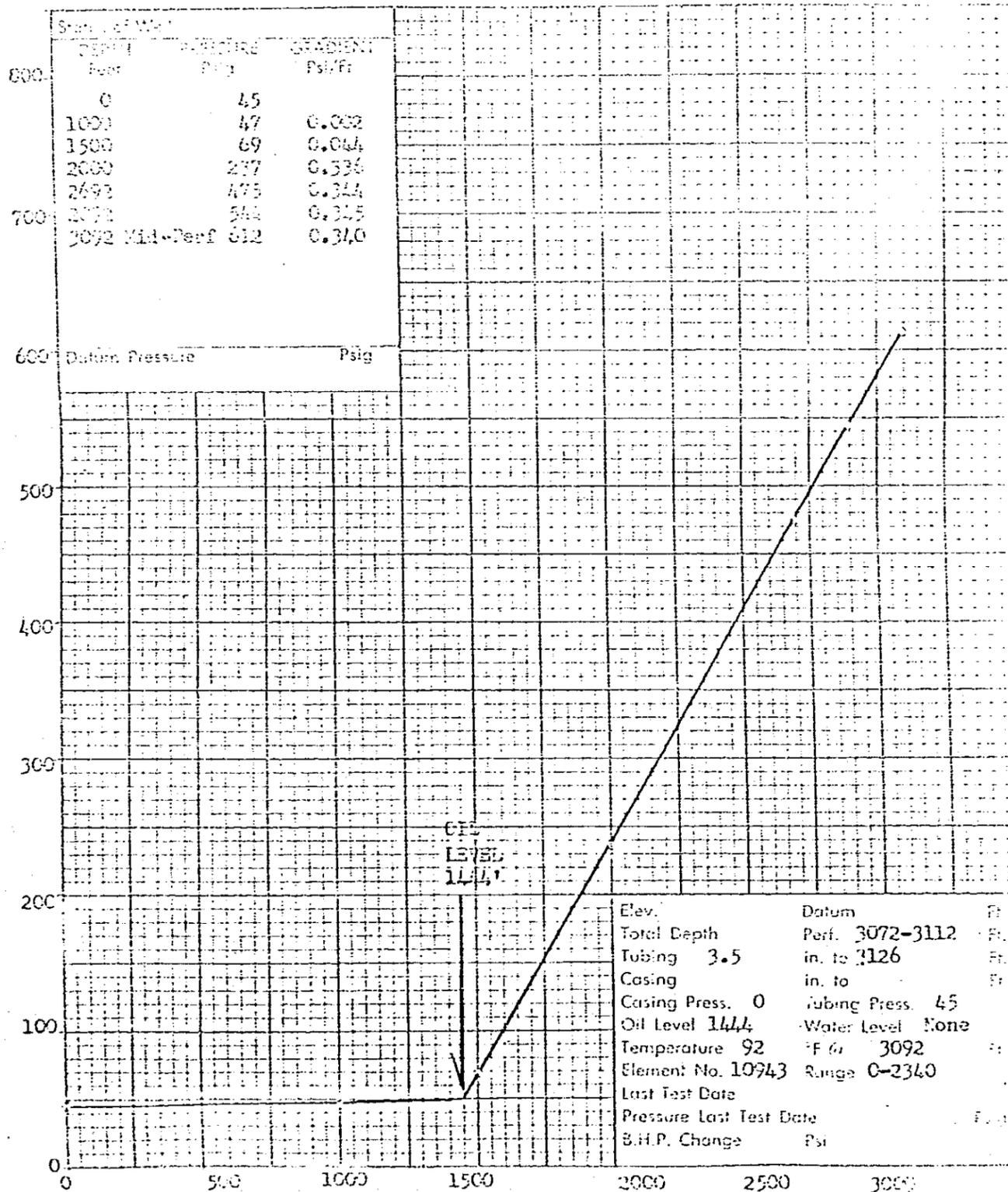
Company: **MEMPHIS DEVELOPMENT**      Location: **MEMPHIS**  
 No.: **1000**      Date: **APRIL 14, 1967**  
 Formation: **LEWIS & CLARK**



PRESSURE POUNDS PER SQUARE INCH GAUGE

WYLLIETON, INC.

Company: WYLLIETON CORPORATION  
 Field: 10943  
 Formation: 10943  
 Date: APRIL 17, 1967

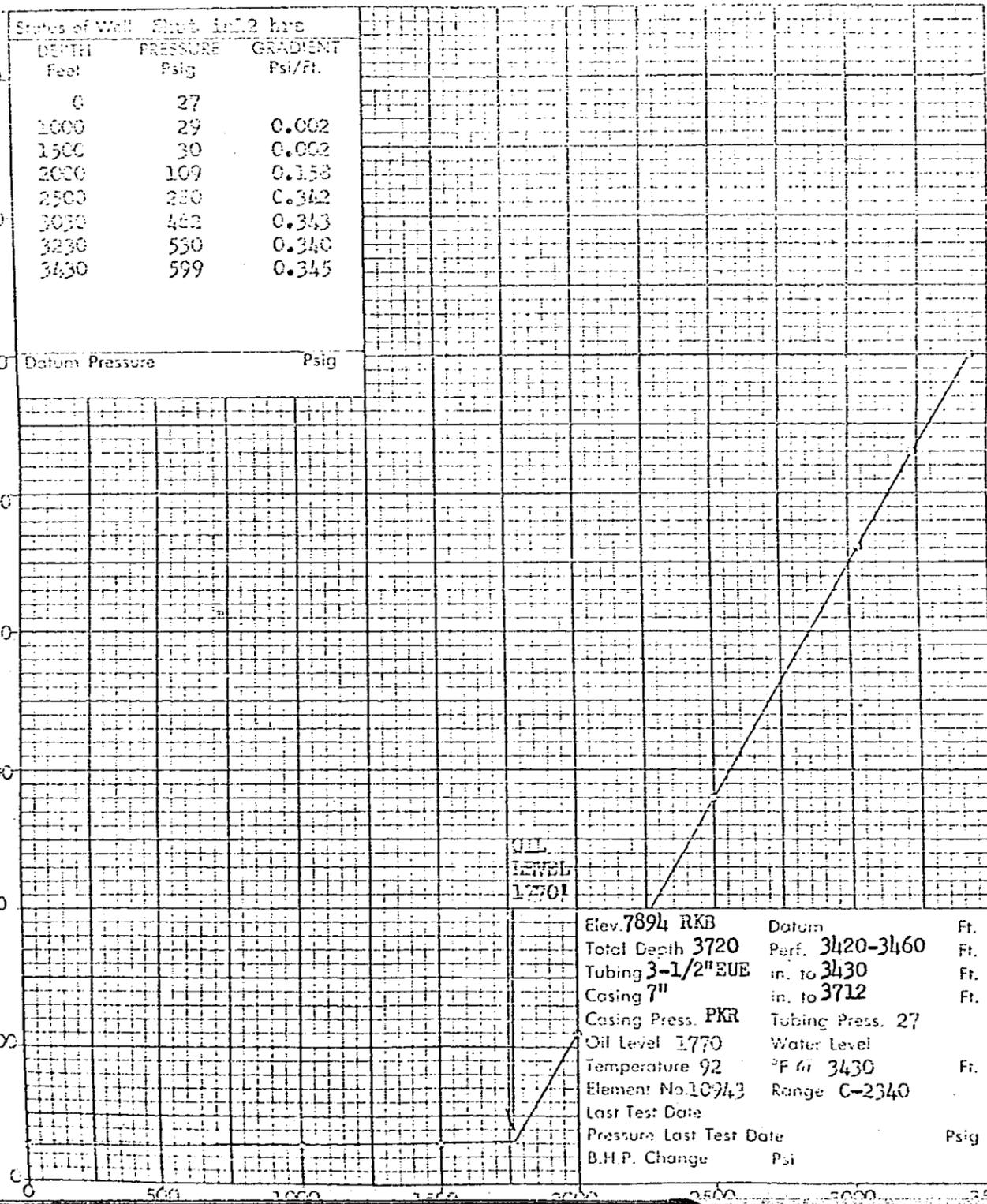


BEFTLELLER, INC.

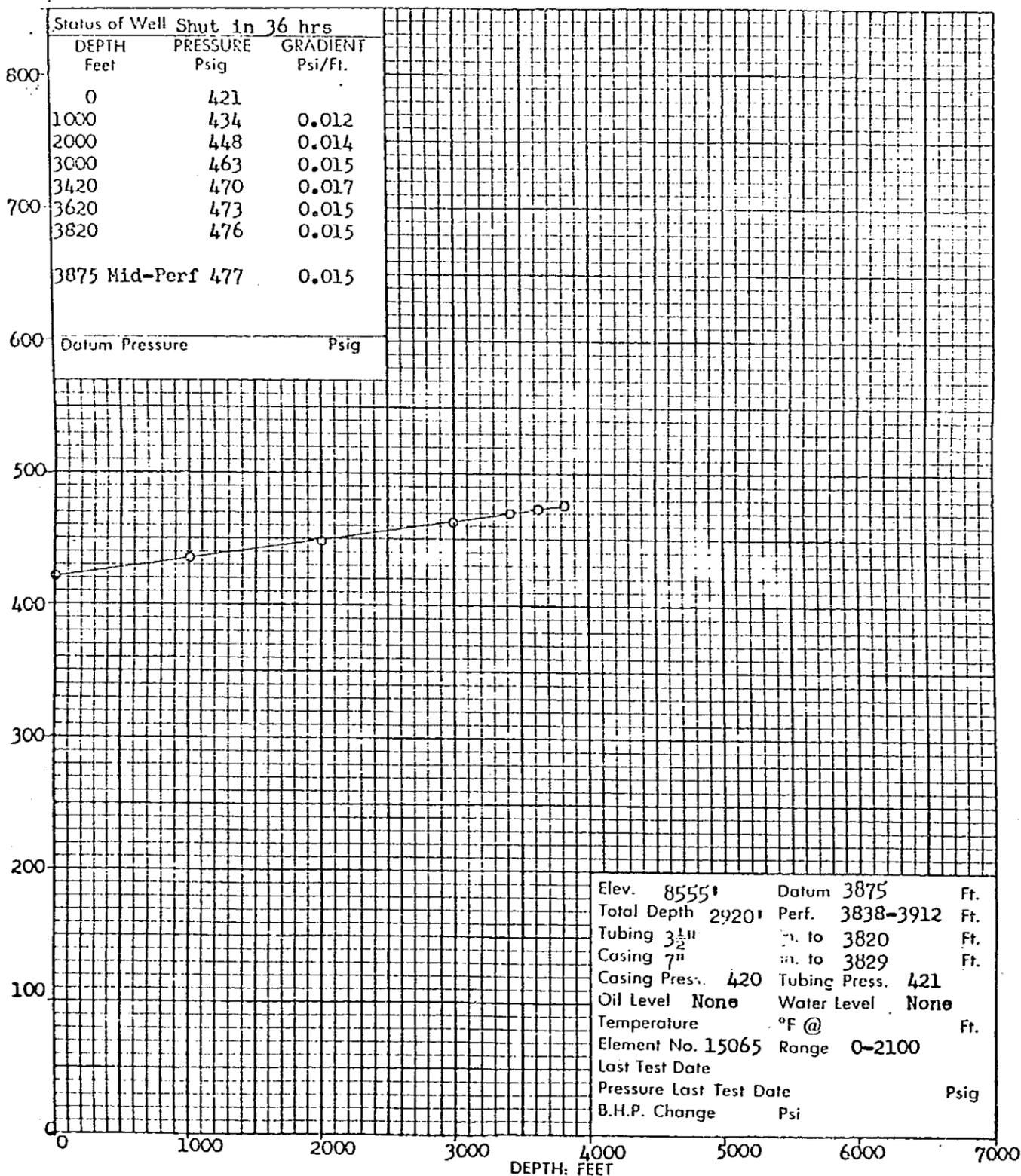
Manufacturers of  
Well Logs

Form 1  
Rev. 1-1-50

Company: WIND-NO. ONE CORPORATION Lease: NO. 10 Well No.: 10-10-1  
 Field: WIND County: ARMER State: INDIANA  
 Formation: BOONER SANDSTONE Test Date: MAY 4, 1957



Company KERR-McGEE CORPORATION Lease HAYAJO Well No. 14  
Field DINOH-BI-KAYAH County APACHE State ARIZONA  
Formation LOWER HERCOSA Test Date JULY 8, 1967



PRESSURE POUNDS PER SQUARE INCH GAUGE

JACK WILLIAMS  
GOVERNOR  
LYNN LOCKHART  
CHAIRMAN  
LUCIEN B. OWENS  
VICE CHAIRMAN  
HIRAM C. CORBETT  
MEMBER  
GEORGE T. SILER  
MEMBER  
KENNETH G. BENTSON  
MEMBER

OFFICE OF  
**Oil and Gas Conservation Commission**

STATE OF ARIZONA  
ROOM 202  
1624 WEST ADAMS  
Phoenix, Arizona 85007  
PHONE: 271-5161

JOHN BATHISTER  
EXECUTIVE SECRETARY  
J. R. SCURLOZZI  
PETROLEUM GEOLOGIST

August 16, 1967

Commissioner of Finance  
The Capitol  
Phoenix, Arizona 85007

Re: Request for 1967-1968 Supplemental Appropriation

Dear Sir:

The Oil and Gas Conservation Commission herewith transmits its request for supplemental appropriation for period October 1, 1967 to June 30, 1968, in the amount of \$16,190.00.

The Commission takes this opportunity to point out there is available in the Oil and Gas Conservation Fund (1-7-10-060-0000), subject to appropriation, the amount of \$10,320.25. This money has been accumulated from fees charged for oil and gas well drilling permits. Pursuant to ARS 27-523.B it is available incident to the administration of the Commission.

The requested additional money for salaries would allow commissioners to serve an additional 25 man-days during this period. Our regular monthly meetings consume 108 man-days of commissioner time. Our hearing schedule has grown considerably, as has the need for our commissioners to travel out-of-State to fulfill various committee appointments.

In addition, the spectacular development of Arizona's new oil field and necessity of many hearings in fulfillment of the statutes and rules and regulations has thrown a greatly increased burden on commissioner's time.

The fulltime staff has been so employed for a minimum of three years. There has been no money appropriated to this Commission since 1962 for salary increases for the staff.

I might point out that in 1964 one small raise was allowed. However, no money was appropriated; but in order to meet these raises it was necessary to use money allocated for "additional and vacation help." Prior to the granting of these raises the

Commissioner of Finance  
August 16, 1967  
Page 2

Commission secured permission from chairmen of the appropriations committees of both the House and Senate. The staff has voluntarily reduced actual vacation time away from the job and worked overtime to keep the workload current.

It should be pointed out that even if these requested raises are granted, the staff will still be considerably under the normal paid for similar work by other state conservation agencies as well as that paid by industry for employees of similar background experience and responsibility.

These raises are further justified inasmuch as this Commission has received no money for cost of living adjustments as have other departments over the years.

An additional employee, an administrative assistant, is requested. Inasmuch as the workload of this Commission has been steadily increasing for the past three years and with the advent of Dineh bi Keyah field, the work load has grown beyond reasonable expectation for the present staff to handle.

A great amount of time of the executive secretary and the petroleum geologist is demanded in field work. Frequently both must be absent from the office at the same time. An administrative assistant with industry background, well versed in the rules and regulations and office procedure be available when both the executive secretary and petroleum geologist are absent. In general, the office routine, file maintenance, statistical studies and analyses, will be placed under this man.

Also, we are requesting money to hire a steno on a part-time basis. This again is a reflection of the vastly increased work load

It should be noted that at this time the Commission is not requesting additional capitol outlay funds for office equipment for these two requested positions, but will do so in the 1968-69 budget request.

The Commission is requesting an additional \$750.00 for out-of-State travel expenses. As you are aware various employees of this Commission have been placed on committees of Interstate Oil Compact Commission, Federation of Rocky Mountain States, which requires travel not contemplated in our original appropriation. In order to meet these commitments it is necessary that money be available.

For educational purposes this Commission must be kept abreast of technological advances as well as changes in federal policies which are being explained or demonstrated in various institutes

Commissioner of Finance  
August 16, 1967  
Page 3

around the country. Money should be available to take advantage of these.

The Commission is in need of the services of a petroleum engineer. In order to avoid undue expense at this time we are requesting additional money under Professional Services to place a petroleum engineer under a retainer status, thereby keeping him free of any conflicts of interest. He will be required to attend each of our regular meetings and hearings as well as be available for all special needs in this area.

In the near future, however, it will be necessary to request enough funds for a salary for the regular employment of a petroleum engineer.

It is felt at this time that by placing a petroleum engineer on a retainer basis is the most economical manner to handle this pressing need as of the present.

The Commission further would like to take this opportunity to point out that the revenue derived from the large volume of oil production now being generated will greatly exceed the contemplated cost of this Commission in direct benefits to the State and well as to the county. The production of course does not reflect such other monetary benefits to the State, such as payrolls, capitol investment; nor does it consider in any manner the increasing leasing activity, the increased contribution made directly to the general fund by the federal government for activity on federal lands, nor other sources of revenue directly reflecting our rapidly growing industry.

Very truly yours,

John Bannister  
Executive Secretary  
mr  
enc

SUPPLEMENTAL APPROPRIATION REQUEST  
 October 1967 - June 30, 1968  
 Oil and Gas Conservation Commission

Appropriated 1967-68	Supplemental Request	Supplemented 1967-68 Total
5 Commissioners	5 Commissioners	\$ 3,525.00
1 Executive Secretary	1 Executive Secretary	14,250.00
1 Petroleum Geologist	1 Petroleum Geologist	10,375.00
1 Secretary-bookkeeper	1 Secretary-bookkeeper	6,270.00
	1 Administrative Assistant	6,750.00
	1 Steno (part-time)	1,500.00
<b>Personal Services Total</b>		<b>\$42,670.00</b>
Travel-out of State Total		\$ 3,250.00
Professional Service Total		\$ 4,250.00
	<b>Total</b>	<b>\$16,190.00</b>
<b>TOTAL (entire budget)</b>		<b>\$68,295.00</b>

STATE OF ARIZONA  
BUDGET ESTIMATES AND REQUESTS

SCHEDULE 1  
Page 1 of 3

Agency Name Oil and Gas Conservation Commission

Item	Object Code	Expenditure Classification	(1) Actual Expenditures 1966-1967	(2) Estimated Expenditures 1967-1968	(3) Requested for 1968-1969	(4) Amount of Increase (Decrease)	(5) Recommendation Executive	(6) Recommendation Legislative
1		<b>PERSONAL SERVICES</b>						
2	100	Total Number of Positions .....	8	8	10	2		
		Salaries and Wages .....	29,499.00	42,670.00	49,350.00	16,680.00		
3	211	Postage .....	467.22	750.00	750.00			
4	212	Telephone & Telegraph .....	1,562.31	2,000.00	2,000.00			
5	215	Heat, Light Power & Water .....	4,739.27	5,000.00	6,000.00	1,000.00		
6	220	Travel - State .....	2,190.46	3,250.00	3,750.00	500.00		
7	230	Travel - Out of State .....	818.30	4,250.00	5,000.00	750.00		
8	240	Professional Services .....	105.28	115.00	115.00			
9	260	Maintenance & Repairs .....						
10	270	Care of Institutional Wards .....	662.70	1,500.00	1,500.00			
11	280-290	Other Contractual Services .....	10,545.54	16,865.00	19,115.00	2,250.00		
		<b>SUB-TOTAL</b>						
		<b>SUPPLIES, MATERIALS &amp; PARTS</b>						
12	310	Office Supplies .....	1,057.10	2,500.00	2,500.00			
13	321	Food .....						
14	322	Household Supplies .....						
15	324	Drugs, Medical & Surgical .....						
16	325-328	Other Institutional Supplies .....						
17	350	Vehicle Supplies .....	387.45	600.00	600.00			
18	360	Special Supplies .....	87.82	100.00	100.00			
19	370-390	Other Supplies, Materials & Parts .....	1,532.37	3,200.00	3,200.00			
		<b>SUB-TOTAL</b>						

STATE OF ARIZONA  
BUDGET ESTIMATES AND REQUESTS

SCHEDULE I  
Page 2 of 3

Agency Name Oil and Gas Conservation Commission

Item	Object Code	Expenditure Classification	(1)	(2)	(3)	(4)	(5)	(6)
			Actual Expenditures 1966-1967	Estimated Expenditures 1967-1968	Requested for 1968-1969	Amount of Increase (Decrease)	Recommendation Executive	Recommendation Legislative
CURRENT FIXED CHARGES								
20	411-417	Rent - Equipment .....	199.76	360.00	380.00	20.00		
21	418	Rent - Buildings & Offices .....						
22	424	Insurance - Bldgs. & Equipment .....						
23	425	Insurance - Liability .....						
24	421-429	Insurance - Other .....						
25	435	Employer Contribution - Retirement .....						
26	427	Employer Contribution - FOASI .....	165.65	180.00	165.00	(15.00)		
27	430	Subscription & Organization Dues .....						
28	440-490	Other Current Fixed Charges .....	365.41	540.00	545.00	5.00		
		SUB-TOTAL						
FIXED CHARGES								
29	520	Pensions & Relief Payments .....						
30	540	Apportionments .....						
31	510-590	Other Fixed Charges .....						
		SUB-TOTAL						
CAPITAL OUTLAY								
32	610	Equipment .....	2,091.07		1,432.00	1,432.00		
33	620	Buildings & Improvements .....						
34	630-660	Other Capital Outlay .....						
		SUB-TOTAL	2,091.07		1,432.00	1,432.00		

STATE OF ARIZONA  
BUDGET ESTIMATES AND REQUESTS

SCHEDULE 1  
Page 3 of 3

Agency Name Oil & Gas Conservation Commission

Item	Object Code	Expenditure Classification	(1) Actual Expenditures 1966-1967	(2) Estimated Expenditures 1967-1968	(3) Requested for 1968-1969	(4) Amount of Increase (Decrease)	(5) Recommendation Executive	(6) Recommendation Legislative
35	700-900	OTHER EXPENDITURES (SPECIFY) .....						
			2,500.00	2,500.00	2,500.00			
36	299	Arizona Bureau of Mines						
			2,500.00	2,500.00	2,500.00			
37	299	Museum of Northern Arizona						
			2,500.00	2,500.00	2,500.00			
SUBTOTAL			5,000.00	5,000.00	5,000.00			
TOTAL EXPENDITURES			49,033.39	68,295.00	78,642.00	10,347.00		

SOURCE AND DISPOSITION OF FUNDS

Source of Funds	
Balance Forward From Prior Year .....	54,450.00
General Appropriation .....	68,295.00
Special Appropriation .....	
Appropriated Receipts .....	
Federal Funds .....	
Other (Specify) .....	
TOTAL	54,450.00
Disposition of Funds	
Expenditures .....	49,033.39
Other (Specify) .....	68,295.00
Amount Reverted .....	5,416.61
Balance Forward To Next Year .....	
TOTAL	

**STATE OF ARIZONA  
OTHER CONTRACTUAL SERVICES**

SCHEDULE 1A

Agency Name Oil & Gas Conservation Commission

Object Code	Expenditure Classification	(1)	(2)	(3)	(4)	(5)	(6)
		Actual Expenditures 1966-1967	Estimated Expenditures 1967-1968	Requested for 1968-1969	Amount of Increase (Decrease)	Recommendation Executive	Recommendation Legislative
280	Trainees						
294	Other Contractual Services (Specify) <b>Legal Advertising</b>	403.16	1,000.00	1,000.00			
295	<b>Freight on well samples</b>	16.36	50.00	50.00			
299	<b>Blueprint copy service</b>	243.18	450.00	450.00			

SCEDULE 1-C

STATE OF ARIZONA  
OTHER SUPPLIES, MATERIALS & PARTS

Agency Name Oil and Gas Conservation Commission

Object Code	Expenditure Classification	(1) Actual Expenditures 1966-1967	(2) Estimated Expenditures 1967-1968	(3) Requested for 1968-1969	(4) Amount of Increase (Decrease)	(5) Recommendation Executive	(6) Recommendation Legislative
370	Construction and Maintenance Supplies	.42					
390	Other Supplies, Materials and Parts	87.40	100.00	100.00			

**SUMMARY OF POSITIONS AND SALARIES**

STATE OF ARIZONA

SCHEDULE II

Agency Name Oil and Gas Conservation Commission

Title of Position	1966-1967		1967-1968		Request for 1968-1969				
	No.	Actual Expenditures	No.	Estimated Expenditures	No.	Current Positions	Additional Positions	No.	Total Positions
Commissioner	5	2,775.00	5	3,525.00	5	3,750.00		5	3,750.00
Executive Secretary	1	12,000.00	1	14,250.00	1	15,000.00		1	15,000.00
Geologist	1	9,300.00	1	10,375.00	1	10,800.00		1	10,800.00
Secretary-bookkeeper	1	5,280.00	1	6,270.00	1	6,600.00		1	6,600.00
Administrative Asst.			1	6,750.00	1	9,000.00		1	9,000.00
Steno	1	144.00	1 (Part-time)	1,500.00	1 (Full time)	4,200.00		1	4,200.00

**TOTAL COST OF ADDITIONAL POSITIONS REQUESTED**

STATE OF ARIZONA

SCHEDULE II-A

Agency Name Oil and Gas Conservation Commission

Title of Position	No.	Salary	Employer Contributions	Other Costs		Total
				Expenditure Classification	Amount	
Senso (Full time)	1	2,700.00		Current expenditures other: 1 telephone move	10.00	2,710.00

Agency Name

Oil and Gas Conservation Commission

PERSONNEL POLICIES

STATE OF ARIZONA

SCHEDULE II-C

Policy	Description
Vacation	Accrued by a full time employee at the rate of 10 working days for the first twelve months of employment. Thereafter vacation will accrue at the rate of 20 working days per twelve months.
Sick Leave	Accrued by a full time employee at the rate of one working day per month up to a maximum of twelve working days. After twelve working days have been accumulated this amount will be available at any time. Cases of employees having more than one year's service who may require sick leave in excess of said accumulated twelve working days will be considered on an individual basis by the Commission
Overtime	Uncompensated inasmuch as the working force is so small we are unable to grant compensatory time off.

How many hours per day does each employee work?

Minimum of 8 hours per day.

Do you have written job descriptions for each position?

No.

Do you have written salary ranges for each position?

No.

STATE OF ARIZONA  
 1968-1969 REQUEST FOR TRAVEL-STATE

SCHEDULE III

Agency Name Oil and Gas Conservation Commission

Purpose	Cost of Travel				Total
	State Owned Vehicle Expense	Mileage Reimbursement	Subsistence	Other	
Staff: well-site inspections of drilling, testing, logging and production operations; Rocky Mountain Mineral and Production Institute; panel presentations of industry/Land Institute; panel presentations of industry/regulatory conservation practices and Arizona's potential for chambers of commerce and civic groups; participate in ASU conservation workshops; industrial defense and disaster planning workshops; water quality control council meetings and hearings  Commissioners: Regular meetings; hearings; infrequent well inspections as above	2,000.00	500.00	1,000.00	100.00	3,600.00
		1,300.00	1,000.00	100.00	2,400.00
					<u>6,000.00</u>

STATE OF ARIZONA  
1968-1969 REQUEST FOR TRAVEL - OUT OF STATE

SCHEDULE IV

Agency Name Oil and Gas Conservation Commission

Destination	Purpose	Number of		Transportation	Cost of Trip			Total
		Days	People		Subsistence	Other		
Unannounced as yet	Gov.'s representative to Federation of Rocky Mtn. States energy study committee	4	1	130.00	60.00	10.00	250.00	
Okla. City (probably)	Interstate Oil Compact Commission: Executive Committee mtg	2	2	260.00	60.00	20.00	340.00	
Unannounced as yet	Winter meeting	5	2	360.00	150.00	60.00	570.00	
"	Executive Committee mtg	2	1	260.00	30.00	20.00	310.00	
"	Spring meeting	5	2	520.00	150.00	60.00	730.00	
" (Dallas?)	Energy Resources Subcommittee joint w/U.S. Oil & Gas Office)	3	1	150.00	45.00	10.00	205.00	
Farmington, N.Mex., Four Corners area	Meet key personnel of companies operating in Arizona: pipeline company, entry to Dinah bi Keyah Field	15	2	220.00	450.00	10.00	680.00	
Unannounced as yet	American Assoc. of Petroleum Geologists annual meeting (educational)	6	1	180.00	90.00	25.00	295.00	
Unannounced as yet	Independent Petroleum Assoc. of America (educational)	6	1	260.00	90.00	20.00	370.00	
							<u>3,750.00</u>	

Sites are determined and announced during current year's meetings. Estimates of transportation costs based upon median of extended those invitations that have been extended.

STATE OF ARIZONA  
1968-1969 REQUEST FOR PROFESSIONAL SERVICES

SCHEDULE V

Agency Name Oil and Gas Conservation Commission

Type of Service	Purpose of Service	Amount of Request
Court Reporter	ARS 27-517 provides that any interested persons shall have the right to a hearing and that a court reporter shall be present throughout.	1,800.00
Laboratory Analysis	To confirm oil/gas samples	200.00
Petroleum Engineer	Consultant, on retainer basis. To compile and evaluate technical data for defining pools and for utilization plans; perform reserve evaluations; recommend and advise concerning testing, injection programs; mechanics in drilling, reworking, or recompletions or secondary recovery programs to increase production, thereby fulfilling charge of conservation; be present at hearings wherein will be presented or discussed	3,000.00

Agency Name

Oil and Gas Conservation Commission

STATE OF ARIZONA

1968-1969 REQUEST FOR RENT-EQUIPMENT

SCHEDULE VI

Description	Period of Rental	Reason For Rental	Amount
Dennison Copier	annual	A copy machine is a necessity to properly and efficiently function. However the volume does not justify the purchase price of \$2,376.50. (Annual rent of \$840.00 is shared with the Board of Directors for Junior Colleges and the Pharmacy Board.)	280.00
U-Haul Trailers	periodic as needed	To haul well samples to processor	100.00

STATE OF ARIZONA  
**1968-1969 REQUEST FOR RENT-EQUIPMENT**

Agency Name

Oil and Gas Conservation Commission

SCHEDULE VI

Description	Period of Rental	Reason For Rental	Amount
Dennison Copier	annual	A copy machine is a necessary to properly and efficiently function. However the volume does not justify the purchase price of \$2,376.50. *(Annual rent of \$840.00 is shared with the Board of Directors for Junior Colleges and the Pharmacy Board.)	280.00
U-Haul Trailers	periodic as needed	To haul well samples to processor	100.00

Agency Name OIL AND GAS CONSERVATION COMMISSION

STATE OF ARIZONA  
 1968-1969 REQUEST FOR SUBSCRIPTIONS & ORGANIZATION DUES

SCHEDULE VIII

Name of Publication	Amount	Name of Organization	Amount	Total Amount
The Oil Daily	50.00	Amer. Assoc. Petroleum Landmen	15.00	
Ariz. Weekly Gazette	14.25	Amer. Assoc. Petroleum Geologists	18.00	
Phoenix Gazette	18.20	Oil & Gas Assoc. of Ariz.	<u>20.00</u>	
The Ariz. Republic	18.20		53.00	
Oil & Gas Journal	9.00			
World Oil (3 yrs. \$9.00. Expires 8-1970)				
Western Oil Reporter	3.00			
	<u>111.65</u>			<u>164.65</u>



STATE OF ARIZONA  
RECEIPTS

SCHEDULE XIV

Agency Name OIL AND GAS CONSERVATION COMMISSION

Description	Actual	Estimated
	1966-1967	1967-1968
PERMITS TO DRILL (@ \$25.00 each)	1,575.00	2,500.00
		2,500.00

NOTE: ARS 27-523 provides that all monies collected by the commission shall be deposited in a special fund (Oil and Gas Conservation Fund, 1-7-10-060-0000) and expenditures therefrom must be by legislative appropriation. Balance as of June 30, 1967 is \$10,320.25

**MONTHLY FINANCIAL REPORT**

1 RECEIPTS MONTH OF	2 CLASSIFICATION	3 RECEIPTS	4 APPROPRIATED RECEIPTS	5 UNAPPROPRIATED RECEIPTS	6 TOTAL ALL RECEIPTS YEAR TO DATE
July 1967	1 Permit to Drill			50.00	50.00
50.00	2				
	3				
	4				
	5				
	6				
	7				
	8				
	9				
	10				
	11				
	12				
	13				
	14				
	15				
	16				
	17				
50.00	TOTAL CURRENT MONTH RECEIPTS			50.00	XXXXXX
XXXXXX	TRANSFERS IN				
	BALANCES BROUGHT FORWARD			10,320.25	XXXXXX
50.00	TOTALS - MONTH AND YEAR TO DATE			10,370.25	50.00

6 CLAIMS PAID MONTH OF	7 EXPENDITURES FUND TITLES	8 TOTAL AMOUNT AVAILABLE YEAR TO DATE	9 CLAIMS PAID YEAR TO DATE	10 OUTSTANDING ENCUMBRANCES	11 UNENCUMBERED BALANCE
July 19 67	1 Personal Services	7,375.00	2,215.00		5,160.00
2,215.00	2 Current Expenditures	1,891.25	434.22	18.00	1,439.03
434.22	3 Travel-state	5,000.00	119.96	217.11	4,662.93
119.96	4 Travel-out of state	2,500.00	147.79		2,352.21
147.79	5 Capital Outlay	0			
8.00	6 Current Fixed Charges	540.00	8.00		532.00
289.00	7 Professional Services	2,000.00	289.00	75.00	1,636.00
625.00	8 Museum N. Arizona	625.00		625.00	
	9 Ariz. Bu Mines, UofA	625.00	625.00		
	10				
	11				
	12				
	13				
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	27				
	28				
	29				

Year to date			Month of July 67	
2,215.00	110	1 Salaries, wages: employees	1	2,215.00
	150	2 Per diem: board members	2	
		3	3	
		4	4	
	211	5 Postage	5	
123.08	212	6 Telephone, telegraph	6	123.08
119.76	220	7 Travel-state	7	119.76
147.79	230	8 Travel-out of state	8	147.79
289.00	240	9 Professional services (court reporting, Petrol. eng)	9	289.00
	262	10 Mntns/repairs to office equip., furnitures	10	
	294	11 Legal Advt. notary, court, recording fees	11	
	295	12 Transportation of things (well samples)	12	
625.00	299	13 Miscellaneous (blueprint service, Ariz Bu Mine)	13	625.00
		14 Museum N Arizona )	14	
		15	15	
		16	16	
1.87	310	17 Office supplies	17	1.87
59.27	360	18 Scientific supplies: drafting, correlated logs	18	59.27
		19	19	
		20	20	
		21	21	
		22	22	
		23	23	
		24	24	
	411	25 Rent, office equip: copy machine	25	
		26	26	
		27	27	
		28	28	
8.00	430	29 Subscriptions/organizations dues	29	8.00
		30	30	
		31	31	
		32	32	
		33	33	
250.00	995	34 To create revolv fund	34	250.00
		35	35	
		36	36	
		37	37	
		38	38	
		39	39	
		40	40	
		41	41	
		42	42	
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		48	48	
		49	49	
		50	50	
		51	51	
		52	52	
		53	53	
		54	54	
		55	55	
3,838.97		TOTAL		3,838.97

OFFICE  
AUDIT:

(DO NOT WRITE BELOW THIS LINE)  
TYPED:

FIELD  
AUDIT:

BY: \_\_\_\_\_ DATE: \_\_\_\_\_

BY: \_\_\_\_\_ DATE: \_\_\_\_\_

BY: \_\_\_\_\_ DATE: \_\_\_\_\_

DATE RECEIVED: \_\_\_\_\_

BY: \_\_\_\_\_

July 24, 1967

Mrs. Hiram S. Corbett  
826 W. Prince Road - 11A  
Tucson, Arizona 85705

Dear Mrs. Corbett:

At the Commission's meeting of July 19, 1967 a resolution was entered into the record expressing the sorrow of the Commissioners at the passing of Mr. Hiram S. Corbett, one of its members.

The Executive Secretary was instructed to send an expression of the respect and admiration of the individual members of the Commission for Mr. Corbett, not only as a member of the Commission but also as an individual who devoted so much of his time and effort to the betterment of the State of Arizona. Mr. Scurlock, Mrs. Rushton, and I join in this expression of sympathy and respect.

Please rest assured that if at any time any of us may be of help to you, you have but to ask.

Most sincerely,

John Bannister  
Executive Secretary  
mr

July 21, 1967

Mr. Lynn Lockhart, Chairman  
Oil and Gas Conservation Commission  
525 W. Orchid Lane  
Phoenix, Arizona 85021

Dear Lynn:

The Commissioners, during the regular meeting of July 19, 1967, went on record as expressing their best wishes to you for a speedy recovery.

I would also like to report than many complimentary things were said by many concerning you.

It is a delight for Marj and me to see such expressions of the universal respect in which you are held. May we add our heart-felt expression for your speedy recovery.

Most sincerely,

John Bannister  
Executive Secretary  
mr