

OIL & GAS CONSERVATION COMMISSION
Meeting: September 18, 1968
John Bannister, Executive Secreta



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

A G E N D A

Meeting

September 18, 1968

204 Arizona State Office Bldg.
1624 W. Adams St., Phoenix

10:00 a.m. Call to order.

OK-1. Approval of minutes of meeting of June 19, 1968

2. Executive secretary's report

3. Geologist's report

4. Old business *Fraser + Potter + Harless*

5. New business

a. Discussion of budget request for 1969-70

b. *Results of Navajo Springs Unit mtg.*

6. Recess *c. pipeline safety?*
d. 4 Corners Pipeline - El Paso vs. State Property Valuation

2:00 p.m.

Hearing, Case 33

Application from Crest Oil Company for 160-acre
gas well spacing from surface through Coconino
sandstone formation in 25-20N-27E, Apache County

Reconvene for closed executive session to con-
sider findings.

Adjourn.

*Texaco request for
full name.*

*State Resource
Plan*

Sep 29th

up trip

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

MINUTES OF MEETING
June 19, 1968

Present:

Mr. Lucien B. Owens, Chairman
Mr. G. T. Siler, Vice Chairman
Mr. Ralph W. Bilby, Member
Mr. John Bannister, Executive Secretary
Mr. J. R. Scurlock, Geologist
Mr. J. E. Clifford, Asst. Attorney General
Mr. J. M. Fraser, Salt Lake City, Utah
Mr. J. M. Potter, Flagstaff, Arizona
Mr. J. R. Pickett, Phoenix, Arizona
Mr. J. M. Vandiver, Farmington, N. M.

Absent:

Mr. Lynn Lockhart, Member
Mr. K. G. Bentson, Member

Meeting called to order at 9:30 a.m. by Chairman Owens.

Minutes of meeting of May 15, 1968, were approved. Executive secretary's report and geologist's report were discussed and accepted.

Assistant Attorney General Clifford discussed the current status and probable future action in the case of Harless vs Commission.

Meeting recessed at 10:10 a.m. for the Commission to immediately enter into hearing, Case 32.

Upon conclusion of this hearing, the Commission went into executive session to deliberate. Mr. Owens and Mr. Bilby voted in the affirmative, Mr. Siler dissented, to allow Mr. Fraser further time until midnight August 15, 1968, to develop or plug his well. Commission unanimously ordered Mr. Ferrin to file final reports on his operations by midnight July 2, 1968, and ordered Mr. Potter to plug his well and to file his final reports by midnight August 15, 1968. Executive secretary was directed to issue the order accordingly.

It was tentatively decided that no meeting would be called for the month of July, that the August 21st meeting would be in Flagstaff, the October meeting in Holbrook, and the November meeting in Bisbee.

Minutes of Meeting
June 19, 1968
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It was also directed that the agendas for forthcoming meetings include a reminder to the Commissioners to notify the office at their earliest convenience if they were not attending the meeting.

Meeting adjourned at 12:15 p.m.

APPROVED

By Lucien B. Owens, Chairman



OFFICE OF
Oil and Gas Conservation Commission
STATE OF ARIZONA
ROOM 202
1524 WEST ADAMS
Phoenix, Arizona 85007
PHONE: 271-5161

September 10, 1968

Memo to: Commissioners
From: John Bannister, Executive Secretary
Re: Report of Activity

As you have been notified, we have been requested by Crest Oil Company to hold a hearing to grant 160-acre spacing in Section 25 Township 20 North Range 27E for the drilling of helium wells.

This drilling program while being done by Crest is aimed at developing additional gas reserves for Arizona Helium Corporation. Arizona Helium has found that the Crest #8 Santa Fe well, located SE NW 25-20N-27E, which had been counted upon to deliver gas, would not produce due to water encroachment. Consequently this well is being plugged.

There is also another well in this section drilled to the Shinarump formation. This well likewise will be plugged prior to the commencement of further operations.

Arizona Helium Corporation has been in negotiation with Eastern Petroleum Company, unit operator of Navajo Springs Unit, to secure gas from this area. To the best of my knowledge negotiations have been successful and as near as I can determine Eastern Petroleum will have 500 feet or so of additional pipe to lay to tap gas from Navajo Springs.

You will find enclosed a report on the Indian sale held August 20, 1968, as prepared by Jim Lambert. I feel that Mr. Lambert has done an excellent job on this report. This was his first occasion in attending an Indian sale. I met with him on the day of the sale to guide him with the idea that this duty will be assigned to him. I will attend the next couple of sales with him in order that he is familiar with Arizona lands, policies and procedures, and meaning to the industry.

There has been no word from the Governor's Office concerning an appointment to cover Mr. Lockhart's unexpired term. It is my feeling that no action will be taken until after the general election in November.

There has been no significant change in our attempts to secure the plugging of the Harless wells. At the request of the bonding companies we have requested bids on this work. However to date only one company has replied and it declined to submit a bid. I will keep pushing this situation as far as is possible.

Since my last report, Mr. Jim Potter called in person in this office. Due to the heavy rains in the Flagstaff area after our hearing, Mr. Potter was not able to go into the area. Based upon this I took it upon myself to extend the deadline to September 15. Mr. Potter has been contacted recently and he has assured us the plugging will be accomplished by the deadline.

Mr. Fraser and Mr. Carson had contacted this office indicating that work would be commenced prior to the deadline of our order. However, upon investigating the well site work had not been started. Consequently this office made demand upon the bonding company that this well be plugged by September 21, 1968. I will inspect the site again and make a report.

The Executive Committee of Interstate Oil Compact Commission meets in Baton Rouge on September 16 and I plan to attend.

No new permits to drill have been issued.



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

September 4, 1968

To: Commissioners
From: James A. Lambert, Administrative Assistant

MEMORANDUM REPORT

Navajo Tribal Lands
Oil and Gas Lease Sale held at Window Rock, Arizona, August 20, 1968.

There were 342 tracts containing 215,943 acres offered at the sale. There were 263 bids; and, 126 tracts were sold. Perry K. Hurlbut was introduced as the new Mineral Officer for the Navajos officed at Window Rock. Harry Torres and Jeffry Henry were the two bid callers, and Louise Gem and Barbara Bennett were the two record clerks. Phil McGrath, Division Petroleum Engineer for USGS, was one of the officials present.

Arizona Lands

There were 195 tracts containing 123,763 acres. 109 tracts were sold containing 69,500 acres. The 109 tracts brought a total of \$591,717 to the Navajos plus a first year rental of approximately \$85,000.

The highest bid of the sale was \$107.12 per acre by Union Oil of California on two different Arizona tracts lying about 2½ miles northwest of the Dineh bi Keyah field. The lowest successful bidder was Thomas H. Connelly who bid \$2.50 bonus per acre for tracts No. 156, 157, and 158. The average bonus per acre bid was \$9.

At the beginning of the sale there were 15 persons present; but, the attendance increased to approximately 25 people before the sale was concluded.

Union Oil of California was an active bidder and was usually the high bidder on the tracts in which they were interested. Union Oil Company acquired 26 tracts; Kerr-McGee acquired 25 tracts; Texaco, 12 tracts; Gulf, 13 tracts. Corinne Grace acquired tract No. 61 bidding \$50.67. This is the same tract the Navajos refused to lease after Humble bid \$28.62 in the February, 1968, sale.

Humble and Kerr-McGee jointly bid on several tracts. Champlin Petroleum Company, D. J. Simmons (Ft. Worth, Texas), Sinclair, Buttes Gas and Oil,

Odessa Natural Gasoline, Pan American Petroleum, R. G. Berry, Jr. (Tulsa, Oklahoma), El Paso Natural Gas Company, Big Piney Oil and Gas Company (Salt Lake City, Utah), Monsanto, W. T. Blackburn, Curtis J. Little, and Consolidated Oil and Gas were other bidders.

R E C A P

Oil and Gas Lease Sale Navajo Tribal Lands Within Arizona August 20, 1968

Offered 195 tracts - 123,763 acres
Taken 109 tracts - 69,500 acres \$591,717

Total bids received 230
Total bids successful 109

Average price per acre \$9

Low bid: Thomas H. Connelly
\$2.50 per acre (\$1600.40)

High bid: Union Oil of California
\$107.12 per acre (68,556.80)

Some Successful Bidders--

Name	No. of Tracts	Total of Bids	Total Acres
Union Oil of California	26	\$251,623	16,244
Kerr-McGee	25	\$110,143	15,940
Gulf Oil	13	\$ 34,935	8,290
Texaco, Inc.	12	\$ 27,721	7,670
Big Piney	7	\$ 14,254	4,354
Corrine Grace	1	\$ 32,048	640

Tract No.

T. 31 N., R. 17 W., N.M.P.M. (P. D. approved 6-30-59)

Acres

72	Section 19 - All (Frac.)	631
73	Section 20 - All	640
74	Section 21 - All	640
75	Section 27 - All	640
76	Section 28 - All	640
77	Section 29 - All	631
78	Section 30 - All (Frac.)	632
79	Section 31 - All (Frac.)	640
80	Section 32 - All	640
81	Section 33 - All	

T. 32 N., R. 20 W., N.M.P.M. (P. D. approved 6-30-59)

82	Section 19 - All (Frac.)	623
83	Section 20 - All	640
84	Section 21 - All	640
85	Section 22 - All	640
86	Section 27 - All	640
87	Section 28 - All	624
88	Section 30 - All (Frac.)	625
89	Section 31 - All (Frac.)	640
90	Section 32 - All	640
91	Section 33 - All	640
92	Section 34 - All	

Navajo Tribal Lands - Apache County, Arizona

T. 3 N., R. 6 W., N. S. M. (Surveyed)

93	Section 1 - Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) (Frac.)	639.93
94	Section 2 - Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) (Irreg.)	640.16
95	Section 3 - Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) (Irreg.)	640.42
96	Section 4 - Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) (Irreg.)	640.72
97	Section 5 - Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) (Irreg.)	1,744.640.91 2.72
98	Section 6 - Lots 1, 2, 3, 4, 5, 6, 7, SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ (All) (Frac.)	2,571.633.01 4.06
99	Section 7 - Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$ (All) (Frac.)	2,571.634.33 "
100	Section 8 - All	2,571.640 "
101	Section 9 - All	1,740.640 2.72
102	Section 10 - All	640
103	Section 11 - All	640
104	Section 12 - All	640
105	Section 13 - All	640
106	Section 14 - All	640
107	Section 15 - All	1,741.640 2.72
108	Section 16 - All	2,571.640 4.06
109	Section 17 - All	2,571.633.22 "
110	Section 18 - Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$ (All) (Frac.)	

T. 3 N., R. 7 W., N.S.M. (Surveyed)

111	Section 1 - Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) (Irreg.)	2,401.640.60 4.06
112	Section 2 - Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) (Irreg.)	1,789.626.26 2.79
113	Section 11 - All	1,785.606.40 2.79
114	Section 12 - All	1,785.606.40 "
115	Section 13 - All	1,741.640 2.72

Tract No.

T. 4 N., R. 6 W., N. S. M. (Surveyed)

Acres

116	Section 20 - All	2,533.70	640 14.64
117	Section 31 - Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$ (All) (Frac.)		625.60
118	Section 32 - All		640
119	Section 33 - All		640

T. 4 N., R. 7 W., N. S. M. (P. D. No. 46 approved 2-11-60)

120	Section 35 - All	2,617.60	640 4.67
121	Section 36 - All		640

T. 21 N., R. 25 E., G. S. R. M. (Surveyed)

122	Section 1 - Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) (Irreg.)		641.54
123	Section 2 - Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) (Irreg.)		640.38
124	Section 3 - Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) (Frac.)		638.34
125	Section 4 - Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) (Irreg.)		640.31
126	Section 5 - Lots 1, 2, 3, 4, S $\frac{1}{2}$ N $\frac{1}{2}$, S $\frac{1}{2}$ (All) (Irreg.)		641.76
127	Section 6 - Lots 1, 2, 3, 4, 5, 6, 7, SE $\frac{1}{4}$ NW $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ (All) (Frac.)		638.03
128	Section 7 - Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$ (All) (Frac.)		637.50
129	Section 8 - All		640
130	Section 9 - All		640
131	Section 10 - All		640
132	Section 11 - All		640
133	Section 12 - All		640
134	Section 13 - All		640
135	Section 14 - All		640
136	Section 15 - All		640
137	Section 16 - All		640
138	Section 17 - All		640
139	Section 18 - Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$ (All) (Frac.)		637.28
140	Section 19 - Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$ (All) (Frac.)		636.82
141	Section 20 - All		640
142	Section 21 - All		640
143	Section 22 - All		640
144	Section 23 - All		640
145	Section 24 - All		640
146	Section 25 - All	1,600.40	640 2.50 +
147	Section 26 - All	1,600.40	640
148	Section 27 - All		640
149	Section 28 - All		640
150	Section 29 - All		640
151	Section 30 - Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$ (All) (Frac.)		637.42
152	Section 31 - Lots 1, 2, 3, 4, E $\frac{1}{2}$ W $\frac{1}{2}$, E $\frac{1}{2}$ (All) (Frac.)		639.38
153	Section 32 - All		640
154	Section 33 - All		640
155	Section 34 - All		640
156	Section 35 - All	1,600.40	640 2.50 +
157	Section 36 - All		640

T. 34 N., R. 30 E., G. S. R. M. (P. D. #38 approved 2-11-60)

158	Section 1 - All	33,472.00	640 52.30
159	Section 2 - All	28,236.80	640 44.12

Tract No.	T. 35 N., R. 30 E., G.S.R.M. (P. D. #38 approved 2-11-60)	Acres
160 Union of Calif	Section 27 - All 47,976.80	640 75.12
161 Carrizo	Section 34 - All 22,048.60	640 50.67

T. 36 N., R. 26 E., G.S.R.M. (P. D. No. 37 approved 2-11-60)

162 Sinclair	Section 26 - All 2,570.00	640 5.61
163 "	Section 35 - All "	640 "

T. 36 N., R. 27 E., G.S.R.M. (P. D. No. 37 approved 2-11-60)

164	Section 1 - All	640
165 Gulf	Section 2 - All 1,843.20	640 2.58
166 Kern M. Gas	Section 3 - All 2,585.60	640 4.04
167 "	Section 4 - All "	640 "
168 "	Section 5 - All "	640 "
169 "	Section 6 - All (Frac.) 2,516.92	623 "
170 "	Section 7 - All (Frac.) 2,520.96	624 "
171 "	Section 8 - All 2,585.60	640 "
172 "	Section 9 - All "	640 "
173 "	Section 10 - All "	640 "
174 "	Section 11 - All "	640 "
175 "	Section 12 - All "	640 "
176 "	Section 19 - All (Frac.) 2,525.00	625 "
177 Chaplin	Section 20 - All 2,240.00	640 3.50
178	Section 22 - All	640
179	Section 24 - All	640
180	Section 26 - All	640
181	Section 28 - All	640
182	Section 33 - All	640
183	Section 34 - All	640
184	Section 36 - All	640

T. 36 N., R. 28 E., G.S.R.M. (P. D. #37 approved 2-11-60)

185 Union of Calif	Section 1 - All 2,726.40	640 4.26
186 "	Section 2 - All "	640 "
187 "	Section 3 - All "	640 "
188 Odessa Nat.	Section 4 - All 3,222.1	640 5.19
189 Union	Section 5 - All 2,726.40	640 4.26
190	Section 8 - All	640
191 "	Section 9 - All "	640 "
192 "	Section 10 - All "	640 "
193 "	Section 11 - All "	640 "
194 "	Section 12 - All "	640 "

T. 36 N., R. 29 E., G.S.R.M. (P. D. No. 38 approved 2-11-60)

195 Union	Section 3 - S $\frac{1}{2}$ 34,278.40	320 107.12
196 "	Section 6 - All (Frac.) 3,590.08	608 4.26
197 "	Section 7 - All (Frac.) 2,658.24	624 "
198 "	Section 8 - All (2,726.40	640 "
199 "	Section 10 - All 68,556.80	640 107.12

Tract No.	T. 37 N., R. 27 E., G.S.R.M. (P. D. #37 approved 2-11-60)	Acres
200 Gulf	Section 5 - All 2,163.20	640 3.38
201 "	Section 6 - All (Frac.) 3,149.68	636 "
202 Kern M ^c Gee	Section 12 - All 9,657.60	640 15.07
203 "	Section 13 - All "	640 "
204 "	Section 15 - All "	640 "
205 "	Section 22 - All "	640 "
206 "	Section 24 - All "	640 "
207 "	Section 29 - All 2,585.60	640 4.04
208 "	Section 30 - All (Frac.) 2,581.56	639 "
209 "	Section 31 - All 2,585.60	640 "
210 "	Section 32 - All "	640 "

T. 37 N., R. 28 E., G.S.R.M. (P. D. #37 approved 2-11-60)		
211 Kern M ^c Gee	Section 7 - All (Frac.) 6,433.70	637 10.10
212 Union	Section 8 - All 4,556.80	640 7.12
213 Kern M ^c Gee	Section 16 - All 1,939.20	640 3.03
214 Union	Section 17 - All 4,556.80	640 7.12
215 Kern M ^c Gee	Section 18 - All (Frac.) 7,051.59	637 11.07
216 "	Section 19 - All (Frac.) 7,062.60	638 "
217 Buttes	Section 20 - All 4,090.88	640 6.39
218 Union	Section 21 - All 2,726.40	640 4.26
219 "	Section 22 - All 4,556.80	640 7.12
220 R.G. Berry	Section 25 - All 5,006.08	640 7.82
221 Union	Section 26 - All 4,556.80	640 7.12
222 Buttes	Section 30 - All (Frac.) 4,972.70	639 7.78
223 Union	Section 31 - All 2,726.40	640 4.26
224 "	Section 35 - All "	640 "
225 "	Section 36 - All "	640 "

T. 37 N., R. 29 E., G.S.R.M. (P. D. #38 approved 2-11-60)		
226 Texaco	Section 27 - All 2,004.00	640 3.13
227 Union	Section 28 - All 4,556.80	640 7.12
228 "	Section 29 - All (Frac.) 4,357.44	612 "

T. 37 N., R. 30 E., G.S.R.M. (P. D. #38 approved 2-11-60)		
229	Section 3 - All	640
230	Section 4 - All	640
231	Section 5 - All	640
232 Gulf	Section 6 - All (Frac.) 6,420.96	637 10.08

T. 38 N., R. 27 E., G.S.R.M. (P. D. #37 approved 2-11-60)		
233	Section 5 - All	640
234	Section 6 - All (Frac.)	632
235	Section 7 - All (Frac.)	632
236	Section 8 - All	640
237	Section 10 - All	640
238	Section 16 - All	640
239	Section 17 - All	640
240	Section 18 - All (Frac.)	633
241 Kern M ^c Gee	Section 19 - All (Frac.) 1,921.02	634 3.03

(Continued,
T. 38 N., R. 27 E., G.S.R.M. (P. D. #37 approved 2-11-60)

Tract No.		Acres
242	Section 20 - All	640
243	Section 21 - All	640
244	Section 22 - All	640
245	Section 27 - All	640
246	EP Nat Gas Section 28 - All 2,284.80	640 3.57
247	" Section 29 - All "	640 "
248	Gulf Section 30 - All (Frac.) 2,146.30	635 2.28
249	" Section 31 - All (Frac.) "	635 "
250	Karr McGee Section 32 - All 6,470.40	640 10.11
251	EP Nat Gas Section 33 - All 2,284.80	640 3.57
252	" Section 34 - All "	640 "

T. 38 N., R. 29 E., G.S.R.M. (P. D. #38 approved 2-11-60)

253	Big Piney Section 17 - All (Frac.) 1,988.16	608 3.27
254	" Section 20 - All (Frac.) 1,708.48	608 2.81
255	Odean Nat Section 25 - All 5,619.00	640 8.78
256	Section 26 - All	640
257	Section 27 - All	640
258	Section 28 - All	640
259	Big Piney Section 29 - All (Frac.) 1,711.29	609 2.81
260	" Section 32 - All (Frac.) 1,559.04	609 2.56
261	Section 33 - All	640
262	Section 34 - All	640
263	Gulf Section 35 - All 4,915.20	640 7.68
264	Odean Nat Section 36 - All 8,250.00	640 12.89

T. 38 N., R. 30 E., G.S.R.M. (P. D. #38 approved 2-11-60)

265	Section 21 - All	640
266	Section 22 - All	640
267	Big Piney Section 23 - All 2,278.40	640 3.56
268	" Section 24 - All 3,372.80	640 5.27
269	" Section 25 - All 1,638.40	640 2.56
270	Section 26 - All	640
271	Section 27 - All	640
272	Section 28 - All	640
273	Section 29 - All	640
274	Section 32 - All	640
275	Section 33 - All	640
276	Section 34 - All	640

T. 39 N., R. 28 E., G.S.R.M. (P. D. #37 approved 2-11-60)

277	Section 2 - All (Frac.)	613
278	Section 4 - All (Frac.)	613
279	Section 5 - All (Frac.)	613
280	Section 8 - All	640

T. 39 N., R. 29 E., G.S.R.M. (P. D. #38 approved 2-11-60)

281	Monsanto Section 2 - All 6,598.40	640 10.31
282	Cont. J. Little Section 4 - All 5,768.00	640 5.88
283	Texaco Section 24 - All 3,303.00	640 5.16

Tract No.		Acres
<u>T. 41 N., R. 29 E., G.S.R.M. (P. D. #38 approved 2-11-60)</u>		
284 Consolidated	Section 6 - All (Frac.) 3,765.50	634 6.75
285 "	Section 7 - All (Frac.) 3,651.25	635 5.75
286	Section 31 - All (Frac.)	639
<u>T. 42 N., R. 29 E., G.S.R.M. (P. D. #38 approved 2-11-60)</u>		
287 Consolidated	Section 31 - All (Frac.) 718.00	153 6.60
<u>Navajo Tribal Lands - San Juan County, Utah</u>		
<u>T. 40 S., R. 25 E., S. L. M. (Surveyed)</u>		
288	Section 25 - All	640
289	Section 26 - All	640
<u>T. 41 S., R. 26 E., S. L. M. (Surveyed)</u>		
290	Section 8 - All	640
291	Section 18 - All	640
<u>T. 42 S., R. 22 E., S. L. M. (P. D. #50 approved 3-7-61)</u>		
292	Section 35 - All	640
293	Section 36 - All	640
<u>T. 42 S., R. 26 E., S. L. M. (Surveyed)</u>		
294	Section 9 - All	640
<u>T. 43 S., R. 21 E., S. L. M. (P. D. #49 approved 3-7-61)</u>		
295	Section 13 - All	640
296	Section 14 - All	640
297	Section 23 - All	640
298	Section 24 - All	640
299	Section 25 - All	640
300	Section 26 - All	651
301	Section 36 - All (Irreg.)	
<u>T. 43 S., R. 22 E., S. L. M. (P. D. #50 approved 3-7-61)</u>		
302	Section 1 - All	640
303	Section 2 - All	640
304	Section 3 - All	640
305	Section 5 - All	636
306	Section 6 - All (Frac.)	637
307	Section 7 - All (Frac.)	320
308	Section 8 - N $\frac{1}{2}$	640
309	Section 28 - All	640
310	Section 29 - All Heavy bldg	639
311	Section 30 - All (Frac.)	646
312	Section 31 - All (Irreg.)	645
313	Section 32 - All (Irreg.)	644
314	Section 33 - All (Irreg.)	643
315	Section 34 - All (Irreg.)	



OFFICE OF

Oil and Gas Conservation Commission

STATE OF ARIZONA

ROOM 202

1624 WEST ADAMS

Phoenix, Arizona 85007

PHONE: 271-5161

TO: Commissioners
FROM: James Scurlock, Geologist

WILDCAT ACTIVITY

Apache County

Pan American #1 AF Navajo (SE NW Sec. 12-38N-30E)
Permit #468

The region surrounding the Carrizo Mountains should continue to draw interest from the industry in spite of the fact that these igneous sills and the igneous injections throughout the area represent a drilling obstacle. Pan American recently found a gas discovery in the Cutler Formation at a distance of about 20 miles to the northeast across the New Mexico line on a surface structure which is very similar to the one here. The subject well was scheduled as a base-ment test but was abandoned in the Mississippian because the structural relief had disappeared. A TD of 4809 feet was reached after drilling through the igneous material (approximately 800 feet thick) injected into the Molas Formation. This suggests that the structure itself which was very extensive on the surface had been caused by the injection of the igneous material.

Of course, the northeastern corner of the state still represents the most favorable oil prospecting area in Arizona, mainly because of the thick porous Pennsylvanian Limestones present in this area as well as the porous and permeable nature of the Mississippian and Devonian carbonates. This is in contrast to the tight; that is, relatively impermeable nature of these formations in the Black Mesa Basin proper.

In a conversation with Doctor Smouse at Northern Arizona University, he pointed out that even though many undrilled structures of large areal extent still were left in the Black Mesa Basin particularly on the Hopi and on the Navajo-Hopi joint use lands, he felt that this area would prove unproductive because of the lack of permeability of the strata. On the contrary, I feel that this area will, this fall or perhaps during the coming winter or spring, be drawn to the attention of the industry when the Navajo and

Page 2

James Scurlock, Geologist

Hopi Tribes offer leases for sale in this area for the first time. Certainly, the best geological prospects in the state today lie in the Ziltihjini Peak area which lies in the heart of the Balck Mesa Basin.

Hallett #1 State 10602 (SE NE Sec. 28-19N-26E)
Permit #451

Temporarily abandoned at TD 997. Plugged back to 888 feet. Top Coconino at 992. Results here look negative thus far, but Hallett plans to resume operations "in two or three weeks".
(Contractor: Tom Wheat) Confidential.

Navajo County

Cree #1 Hunt Fee (SE SE Sec. 31-18N-20E)
Permit #470

Located 5 miles west of Holbrook and 100 feet north of the Besoil #1 Hunt, which was drilled to a TD of 1683 feet in the Ft. Apache Limestone in 1954. The Cree well was drilled on the strength of a report (apparently fictitious) of a flow of oil from the Besoil well. A core from the Ft. Apache was tight. The well was plugged and abandoned. Confidential.

Coconino County

Eastern Petroleum #1 Federal Moqui Bardo (NW SW Sec. 10-14N-11E) Permit #464

Located 10 miles northeast of Clints Well. Proposed 4000 foot basement test. Spudded in Kaibab Limestone with cable tools. Set 10 3/4 at 18 feet with 20 sacks of cement. Have now moved in larger cable tool rig and preparing to drill out with 10 inch hole. Plan to set 7 5/8 casing at 1100 feet. This will take two to three months to drill. Contractor Malcolm Kitchens (Farmington) will run two 12-hour towers. Crews will live on location. Well located on geology by Bob Lauth (Durango). Supported by Sun Oil.

Yavapai County

Hopkins 34-1 Federal (SW NW Sec. 34-18N-5E)
Permit #469

Location 4 miles northwest of Sedona and 1 mile south of Hopkins Operator #28-1 Federal which reached TD in granite at 1308. Proposed depth 1200 feet. Rumor is that this well will not begin for several weeks. Confidential.

SKUTTLEBUTT

Willard Pease is rumored to be preparing to drill in Sec. 21-15N 10E, Coconino County on a small surface structure. Prospect promoted by Bill Riddle of Albuquerque.



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

August 14, 1968

Memo to: Commissioners
From: John Bannister, Executive Secretary
Re: Report of Activity

The funeral of Senator Lockhart was well attended and proceeded without a hitch. His many contributions to this commission will be gravely missed. There has been no indication from the Governor's office as to a possible appointment for Senator Lockhart's unexpired term. At this time I do not anticipate such an appointment until probably after the elections. I will keep you advised as to the situation.

I am pleased to report that two new permanent members of the staff are now on duty. Mr. Jim Lambert has taken over the duties of Administrative Assistant. I have had the pleasure of working with him a number of years at El Paso and know his work to be impeccable. His personality is such that he is ideally suited to the position workwise and as to meeting the many members of the public that use our office.

Miss Jamie Francis came to us from Phoenix. This is Jamie's first full-time job. She came to us with the highest of recommendations and has proved to be a most willing and capable young lady. Her personality, too, ideally is of use to this office and to the public portions of our responsibility. You will find Jamie always willing to help, and please do not hesitate to call upon her when needed.

I am enclosing a new copy of the commission personnel showing names and addresses.

I am further enclosing a copy of my proposed 1969-1970 budget. This budget has been carefully considered by me, and I believe it is a fair representative of our needs. You will notice that I am asking to replace Scurlock's car. This car will have somewhere in excess of 75 thousand miles at the beginning of our next fiscal year. This car has been somewhat of a lemon since its acquisition. Not only the milage but the up-keep warrants its replacement.

We are also again asking for a calculator. This machine is needed in as much as we are called upon more and more to disseminate statistical type information, and our adding machine is not sufficient for many of the calculations necessary. Also, we are seeking to get a 19 inch carriage typewriter. This is needed in order that our monthly production reports can be made more effective as to the amount of information supplied. Our own typewriters do not have the carriage capacity to conveniently report some of this information. You are requested to review our proposed budget. As you are aware, this budget must be submitted to the Commission of Finance by September 1. Consequently, we ask that should you not approve or have any comments to make, they be made to the office no later than August 28. This will give us sufficient time to reflect your thoughts and to type up the final budget for signature at the time of the deadline. If we do not hear from you, we will assume that the budget meets with your approval.

In the latter part of July, at the request of Eastern Petroleum Company and Arizona Helium Company, I attended a meeting in St. Louis. This meeting was aimed toward allowing Arizona Helium to lay lines and to take gas from the Navajo Springs Unit. Being unfamiliar with unit agreement and unit operations, these companies requested my presence at the meeting so that necessary plans could be made within the unit framework. I anticipate that there will be one more meeting at a later date, and at that time I will probably be officially requested to attend again in the position of advising what can and cannot be done under a unit agreement. It is my feeling that Arizona Helium has come to the realization that they do not have sufficient gas to run their new plant at capacity and are now seeking a supplementary source. I contemplate that within the near future (sometime around the first of the year) Arizona Helium will begin a concentrated drilling program aimed at developing the acreage acquired from Apache Drilling Company. As always, Arizona Helium reports that the plant will be on production in the near future. The plant itself is now fully operative, however, and Arizona Helium has had considerable difficulty with the plastic gathering lines leading from the wells to the plant. A complete new gathering system is just about completed. I feel it is reasonable to assume that the plant will be on production sometime during the latter part of August or early September.

I have had no word as to Mr. Jim Potter attempting to comply with the commission's order to plug the Potter well southwest of Flagstaff. The deadline given by this commission was midnight on the 15th and a letter has been prepared making a demand upon the bonding company.

Mr. O. L. Carson of Salt Lake City called Tuesday (August 13) advising that work was beginning on the Fraser well in Cochise County. I advised him that as long as work was commenced prior to midnight on the 15th that the commission would allow him to proceed as agreed under Mr. Fraser's permit. I feel confident that this will be done. Our office will check this well on the 15th and make sure that our order is being complied with.

The Hopi Indians have requested that this office express its opinion as to the advisability of the Hopis again holding a public lease sale. Pursuant to this request, I wrote to the Tribal Chairman and expressed the opinion that the time is now opportune for the Hopis to again consider leasing and advising that interest has been expressed to this office in the Ziltahjini area.

As yet we have had no action from the bond company on the Harless wells. However, the Attorney General's office has contacted me this date and advised that the attorney representing the bonding company desires a meeting with this office so that there will be no misunderstanding as to our requirements. At present this meeting is tentatively scheduled for Thursday, the 15th. I will again advise you of this situation as it progresses.

New Permits:

- 469: Hopkins #34-1 Federal
SW NW 34-18N-5E, Yavapai County
- 470: Cree #1 Hunt
SE SE 31-18N-20E, Navajo County

I am contemplating taking a vacation from August 15 until the end of the month. Marge will be in the office during this period and, as you know, she is fully capable of handling most things that come up. I will be in frequent touch with the office by telephone and Marge will, of course, know where to reach me at all times.



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

August 13, 1968

Memo to: Commissioners
From: J. R. Scurlock, Geologist

WILDCATS

Navajo County

Cree #1 Hunt Fee (SE SE Sec. 31-18N-20E) Permit #470.
This wildcat is located 5 miles west of Holbrook and 1 mile west of the Cree #1 Scorse Fee, which encountered granite at TD 3585 feet. The new well will test the Ft. Apache Limestone at 1600-1700 feet. Moving in rotary.

Apache County

Pan American #1 AF Navajo (SE NW Sec. 12-38N-30E)
Located on a surface structure 20 miles north of Dineh bi Keyah. Proposed 4800 pre-Cambrian test. Spudded 7-22-68. Slight show encountered in Hermosa. Attempted DST 2963-3040. Tool plugged. Currently drilling Upper Hermosa at 3164 feet.

Odessa #1 Navajo 1550 (SE SE Sec. 1-39N-30E)
A proposed 5350' pre-Cambrian test. Plugged at 2310'. Had drilling difficulty due to frequent encounter with stringers of hard igneous rock. Plugged at 2310 feet.

Hallett #2 State 10603 (SE NW Sec. 26-19N-26E)
8 miles south of Navajo. TD 1279. Top Coconino Sandstone at 1276. Plugged and abandoned. (Tight)

Hallett #1 State 10602 (SE NE Sec. 28-19N-26E)
Currently temporarily abandoned. Plans are to move rig (Tom Wheat) back on in a few days. Well has an 80-acre dedication, but they are looking primarily for helium. (Tight)

Coconino County

Eastern Petrol #1 Federal Moqui Bardo (NW SW Sec. 10-14N-11E)
Proposed 4000' basement test. Have spudded with cable tools. Now plan to bring in rotary. Waiting on tools.

Yavapai County

Hopkins 34-1 Federal (SW NW Sec. 34-18N-5E)

Location 4 miles northwest of Sedona. Proposed depth 1200 feet. (Permit not yet issued.)

Mohave County (Confidential)

Graham Campbell (geologist, Salt Lake) apparently has sold his deal in Mohave County. Proposed depth approximately 5000'. Rumored location: Sec. 3-38N-11W. Contractor will be O'Donnell-Ewing.

Scuttlebutt (Confidential)

Pan American and Pennzoil are negotiating with the Hopi on leases in the Hopi-Navajo "joint-use" (jointly owned) area north of Oraibi in the vicinity of Zil Tih Jini Peak (Approximately 32N-17E, Navajo County). This peak is underlain by a large undrilled structure with approximately 600 feet of closure. BIA has advised the Hopi to put the land up for public auction. Hopi and Navajo lawyers are having a pow-wow. No Tribal decision as yet.



OFFICE OF
Oil and Gas Conservation Commission
STATE OF ARIZONA
ROOM 202
1824 WEST ADAMS
Phoenix, Arizona 85007
PHONE: 271-5161

July 22, 1968

Memo to: Commissioners
From: John Bannister, Executive Secretary
Re: Report of Activity

Humble Oil & Refining Company requested permission for two salt water disposal wells, one located in Dineh bi Keyah and the other in East Boundary Butte. There was some concern expressed by U.S. Geological Survey to this office concerning the Dineh bi Keyah well. As a result a meeting was called in Farmington on July 10, 1968.

Humble showed to the satisfaction of all concerned that in all likelihood the sill in which they wished to inject the salt water was not connected to the main pool of the field. All concerned felt much was to be learned for possible future secondary recovery methods. As a result Humble's applications were approved.

Represented at this meeting, and concurring, were: U.S. Geological Survey, the Navajos, Humble, Kerr-McGee, Pan American, and from this office Jim Scurlock and me.

After the meeting in Farmington I returned to Flagstaff to attend the Rocky Mountain Mineral Law Institute. This organization is primarily one of attorneys interested in mining, oil and gas, and of land personnel of companies with similar interests.

I am enclosing a map indicating the area to be offered during the forthcoming Navajo lease sale, August 20, 1968, in Window Rock. Being offered are a total of 342 tracts comprising approximately 216,000 acres. The land being offered in Arizona in Apache County totals approximately 12,500 acres. I anticipate that this sale will result in active bidding with Arizona again being the center of attraction. This office will arrange to attend the sale and report the bid results of the Arizona acreage as usual.

We have tentatively made plans for our August meeting to be held in Flagstaff. However, it has been indicated there possibly may not be a quorum available for this meeting. Consequently you are requested to advise this office as early as possible whether or

not you will be available for an August 21st meeting.

It is reported that Arizona Helium Corporation now has its plant completed. However, it again lost its gathering pipe. I have been informed that the company is now engaged in laying two 2-inch lines rather than the one 4-inch line to gather the gas. Mr. McDonald, president, has advised that an excess of five miles of this new system has been layed and again advises that the plant will begin production shortly.

As you are aware, one of the prime deterrants in beginning production has been the failure of the plastic pipe used to gather the gas for transportation to the plant.

Odessa Natural Gasoline Company is seeking a permit for the exploration for helium in the area of the Airco plant near Teec Nos Pos. If results are successful, Airco has planned to build a large liquification plant in this area.

The Attorney General has made demands on the bonding companies representing Harless to proceed with the plugging of the Harless wells. The companies intend to make a joint effort in this endeavor.

Plans currently are that the companies will meet with this office some time this week. It is believed, that after learning what must be done, they will jointly secure the services of one service company to proceed with the plugging of all the wells.

Mr. Harless, however, has advised that he has worked out a deal involving further work in this area which includes initially the fulfilling of his obligations. The bonding companies may request an extension of time on their orders to allow Harless to work something out.

As you are aware, we have ordered Harold Ferrin and Jim Potter to proceed with the plugging of their wells. Mr. Ferrin has completed the obligations to this Commission. To date we have no information or word from Mr. Potter. Upon the expiration of the time allowed him, we will make demand upon his bonding company.

Mr. Fraser contacted this office on the morning of July 17 requesting an appointment for himself and Mr. Carson concerning his well, for that afternoon. However, a couple of hours later he advised he would be unable to make this appointment. You will recall that he was given until August 15 in which to develop his well or to plug it.

As you are aware, this Commission is a member of the State's Water Quality Control Council. This body met on July 18 and adopted formal rules and regulations concerning water pollution. These will go to Secretary of Interior Udall for final approval. It is hoped that these regulations are acceptable to the federal government and that enforcement of same will now proceed along normal lines.

Mr. Lockhart is in Room 408 Rehabilitation Wing, Good Samaritan Hospital. I am sorry to report there is no progress in his condition. I understand the doctor's order at this time is merely to keep him comfortable. Mrs. Lockhart has suggested that he have no visitors. Both Mr. Lockhart and Mrs. Lockhart has expressed appreciation of your concern and interest.

MONTHLY FINANCIAL REPORT

RECEIPTS
MONTH OF
Aug 1968

RECEIPTS
CLASSIFICATION

APPROPRIATED
RECEIPTS

UNAPPORTIONED
RECEIPTS

TOTAL
ALL RECEIPTS
YEAR TO DATE

50.00	1 Permits to drill		100.00	100.00
	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
	TRANSFERS IN			
XXXXXX	BALANCES BROUGHT FORWARD		11,545.25	XXXXXX
50.00	TOTALS - MONTH AND YEAR TO DATE		11,595.25	150.00

CLAIMS PAID
MONTH OF
Aug 1968

EXPENDITURES

TOTAL AMOUNT
AVAILABLE
YEAR TO DATE

CLAIMS PAID
YEAR TO DATE

OUTSTANDING
ENCUMBRANCES

UNENCUMBERED
BALANCE

3,700.00	1 Personal Services:				
	2 General Fund	* 9,087.50	6,350.00		2,737.50
220.56	3 Conservation Fund	* 2,250.00			2,250.00
140.85	4 Current Expenditures	* 1,503.75	589.81	519.24	394.54
195.75	5 Travel-State	5,545.00	154.73	1,545.27	3,845.00
	6 Travel-out of State	3,848.00	319.00		2,929.00
	7 Current Fixed Charges	525.00	28.75	22.00	474.25
100.00	8 Professional Services	2,000.00	100.00		1,900.00
145.60	9 Capital Outlay	582.00	352.56		229.44
	10 Museum N. Arizona	* 625.00		625.00	
	11 Arizona Bureau Mines	* 625.00	625.00		
	12				
	13				
	14				
	15				
	16				
	17				
	18				
	19				
	20				
	21				
	22				
	23				
	24				
	25				
	26				
	27				
	28				
	29				
	30				
7,502.76	TOTALS	25,991.25	8,519.85	2,711.51	14,759.89

FORIA 12-A POST AUDITOR

TO BE FILED WITH THE POST AUDITOR BY THE 15TH OF EACH MONTH

AGENCY Oil & Gas Conservation Commission

DIVISION

IDENTIFICATION CODE NO. 1-7 10-000-0000

CLAIMS PAID YEAR TO DATE	OBJECT CODE NO.	DISTRIBUTION OF EXPENDITURES CLASSIFICATION	
1,358.00	110	1 Salaries, wages: employees	
	150	2 Per diem: board members	
		3	
	211	4 Postage	
207.21	212	5 Telephone, telegraph	
100.75	221	6 Travel-State: meals and lodging	
	222	7 mileage reimbursed private cars	
	223	8 fares for planes, trains, etc	
13.88	224	9 State-owned auto expense	
	225	10 telephone, taxi, etc	
40.00	226	11 registration fees at meetings	
		12	
		13	
27.25	231	14 Travel-out of State: meals and lodging	
278.00	233	15 fares for plane, train	
3.00	234	16 State-owned auto expense	
0.75	235	17 telephone, taxi, etc	
	236	18 registration fee at meetings	
		19	
150.00	240	20 Professional services	
		21	
	262	22 Mntns/repairs to office equip., furniture	
	294	23 Legal advt., notary, court, recording fees	
	295	24 Transportation of things (well samples)	
627.03	299	25 Miscellaneous (blueprint service, Ariz Bu	
		26 Mines, Museum N. Arizona)	
		27	
		28	
15.78	310	29 Office supplies	
70.75	360	30 Scientific supplies	
	370	31 Mntns supplies (duplicate keys	
	390	32 Other supplies (film	
		33	
		34	
	411	35 Rent, office equip: copy machine	
		36	
14.50	421	37 Bond (notary public)	
14.25	430	38 Subscription/organization dues	
		39	
		40	
352.56	611	41 Office equipment/furniture	
		42	
		43	
		44	
		45	
756.00	995	46 To create revolv fund	
		47	
		48	
		49	
		50	
		51	
		52	
		53	
		54	
		55	
8,519.85		TOTAL	4,502.76

MONTHLY FINANCIAL REPORT

RECEIPTS
MONTH OF
July 1968
100 00

RECEIPTS

APPROPRIATED
RECEIPTS

UNAPPORTIONED
RECEIPTS

TOTAL
RECEIPTS
(SEE PAGE 1)

CLASSIFICATION
1 Permits to drill

100 00

100 00

100 00

TOTAL CURRENT MONTH RECEIPTS

XXXXXX

TRANSFERS IN

BALANCES BROUGHT FORWARD

11,445 25

XXXXXX

100 00

TOTALS - MONTH AND YEAR TO DATE

11,545 25

100 00

CLAIMS PAID
MONTH OF
July 19 68

EXPENDITURES

TOTAL AMOUNT
AVAILABLE
YEAR TO DATE

CLAIMS PAID
YEAR TO DATE

OUTSTANDING
ENCUMBRANCES

UNENCUMBERED
BALANCE

FUND TITLES

1 Personal Services:

2,650 00

2 General Fund

* 9,087 50

2,650 00

6,437 50

3 Conservation Fund

* 2,250 00

2,250 00

369 25

4 Current Expenditures

* 1,503 75

369 25

629 75

504 75

13 88

5 Travel-State

5,545 00

13 88

1,586 12

3,945 00

123 25

6 Travel-out of State

3,348 00

123 25

220 00

2,904 75

28 75

7 Current Fixed Charges

525 00

28 75

22 00

474 75

8 Professional Services

2,000 00

200 00

1,800 00

206 96

9 Capital Outlay

582 00

206 96

166 40

208 64

625 00

10 Museum N. Arizona

* 625 00

625 00

625 00

0

11 Arizona Bureau Mines

* 625 00

625 00

0

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

4,017 09

TOTALS

25,991 25

4,017 09

3,449 27

18,524 84

FORM 12-A POST AUDITOR

TO BE FILED WITH THE POST AUDITOR BY THE 15TH OF EACH MONTH

AGENCY Oil & Gas Conservation Commission

IDENTIFICATION CODE NO. 1-7-10-000-0000

DIVISION 1

CLAIMS PAID
YEAR TO DATE

OBJECT
CODE NO.

DISTRIBUTION OF EXPENDITURES

CLASSIFICATION

2,650.00	110	1 Salaries, wages: employees	1	
	150	2 Per diem: board members	2	
		3	3	
	211	4 Postage	4	
119.25	212	5 Telephone, telegraph	5	
	221	6 Travel-State: meals and lodging	6	
	222	7 mileage reimbursed private cars	7	
	223	8 fares for planes, trains, etc	8	
13.88	224	9 State-owned auto expense	9	
	225	10 telephone, taxi, etc	10	
	226	11 registration fees at meetings	11	
		12	12	
		13	13	
10.00	231	14 Travel-out of State: meals and lodging	14	
108.00	233	15 fares for plane, train	15	
1.25	234	16 State-owned auto expense	16	
4.00	235	17 telephone, taxi, etc	17	
	236	18 registration fee at meetings	18	
		19	19	
	240	20 Professional services	20	
		21	21	
	262	22 Mntns/repairs to office equip., furniture	22	
	294	23 Legal advt., notary, court, recording fees	23	
	295	24 Transportation of things (well samples)	24	
625.00	299	25 Miscellaneous (blueprint service, Ariz Bu	25	625.00
		26 Mines, Museum N. Arizona)	26	
		27	27	
		28	28	
	310	29 Office supplies	29	
	360	30 Scientific supplies	30	
	370	31 Mntns supplies (duplicate keys	31	
	390	32 Other supplies (film	32	
		33	33	
		34	34	
	411	35 Rent, office equip: copy machine	35	
		36	36	
14.50	421	37 Bond (notary public)	37	14.50
14.25	430	38 Subscription/organization dues	38	14.25
		39	39	
		40	40	
206.96	611	41 Office equipment/furniture	41	206.96
		42	42	
		43	43	
		44	44	
		45	45	
250.00	995	46 To create revolv fund	46	250.00
		47	47	
		48	48	
		49	49	
		50	50	
		51	51	
		52	52	
		53	53	
		54	54	
		55	55	
		TOTAL		1,017.09

July 1968
2,650.00

119.25

13.88

10.00

108.00

1.25

4.00

625.00

14.50

14.25

206.96

250.00

MONTHLY FINANCIAL REPORT

2		4		5	
RECEIPTS MONTH OF	RECEIPTS CLASSIFICATION	APPROPRIATED RECEIPTS	UNAPPROPRIATED RECEIPTS	TOTAL ALL RECEIPTS YEAR TO DATE	
June 1968	1 Permit to Drill		75 00	1,125 00	
	2				
	3				
	4				
	5				
	6				
	7				
	8				
	9				
	10				
	11				
	12				
	13				
	14				
	15				
	16				
	17				
75 00	TOTAL CURRENT MONTH RECEIPTS		75 00	XXXXXX	
	TRANSFERS IN				
XXXXXX	BALANCES BROUGHT FORWARD		11,370 25	XXXXXX	
75 00	TOTALS - MONTH AND YEAR TO DATE		11,445 25	1,125 00	

6		7		8		9		10		11	
CLAIMS PAID MONTH OF	EXPENDITURES FUND TITLES	TOTAL AMOUNT AVAILABLE YEAR TO DATE	CLAIMS PAID YEAR TO DATE	OUTSTANDING ENCUMBRANCES	UNENCUMBERED BALANCE						
June 1968	1 Personal Services	29,500 00	29,355 00		145 00						
3,030 00	2 Current Expenditures	7,565 00	5,265 45		2,299 55						
570 74	3 Travel-state	5,000 00	4,254 08		745 92						
615 06	4 Travel-out of state	2,500 00	2,151 04		348 96						
337 50	5 Capital Outlay										
	6 Current Fixed Charges	540 00	463 91		76 09						
50 00	7 Professional Services	2,000 00	1,743 36		256 64						
56 00	8 Museum N. Arizona	2,500 00	2,500 00								
	9 Ariz. Bu Mines, UofA	2,500 00	2,500 00								
	10										
	11										
	12										
	13										
	14										
	15										
	16										
	17										
	18										
	19										
	20										
	21										
	22										
	23										
	24										
	25										
	26										
	27										
	28										
	29										
	30										
4,659 30	TOTALS	52,105 00	48,232 84		3,872 16						

FORM 12-A POST AUDITOR

TO BE FILED WITH THE POST AUDITOR BY THE 15TH OF EACH MONTH

AGENCY Oil & Gas Conserv. Commis.

DIVISION

IDENTIFICATION CODE NO. 1-7-10-000

CLAIMS PAID YEAR TO DATE	OBJECT CODE NO.	DISTRIBUTION OF EXPENDITURES CLASSIFICATION	CLAIMS PAID MONTH OF
27,730.00	110	1 Salaries, wages: employees	June 1968
1,625.00	150	2 Per diem: board members	2,930.00
		3	100.00
		4	
487.59	211	5 Postage	
1,528.03	212	6 Telephone, telegraph	94.02
4,254.08	220	7 Travel-state	109.93
2,151.04	230	8 Travel-out of state	615.96
1,743.36	240	9 Professional services	337.50
111.86	262	10 Mntns/repairs to office equip., furnitures	56.00
688.86	294	11 Legal Advt. notary, court, recording fees	53.84
30.91	295	12 Transportation of things (well samples)	108.48
5,062.82	299	13 Miscellaneous (blueprint service, Ariz Bu Mine)	34.42
		14 Museum N Arizona)	
		15	
		16	
1,265.21	310	17 Office supplies	
593.34	360	18 Scientific supplies: drafting, correlated logs	200.05
1.12	370	19	98.15
495.71	390	20	
		21	122.75
		22	
		23	
		24	
280.00	411	25 Rent, office equip: copy machine	
21.11	417	26	
		27	
		28	
162.80	430	29 Subscriptions/organizations dues	
		30	50.00
		31	
		32	
		33	
	995	34 To create revolv fund	
		35 (Returned Revolv Fund)	250.00
		36	
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48,232.84		55 TOTAL	4,659.30

OFFICE

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FIELD

copy to Bureau of Safety

(Continued on Page 2)

Natural Gas Pipeline Safety Measure Is Signed by Johnson

Special to The OIL DAILY

AUSTIN — President Johnson Tuesday signed into law the Natural Gas Pipelines Safety Act which recently cleared Congress.

The law will affect, primarily, interstate gas lines and local distribution lines, and requires adoption within two years of minimum safety standards patterned after a federal code.

States will have to demonstrate that their safety programs comply with the federal standards, or else the federal code will prevail.

The secretary of Transportation under the new law can adopt existing state standards as interim minimum federal safety standards within three months. If no state standard exists, then the federal government will establish interim federal standards for that state.

Within two years, the federal code will become the minimum on which state standards would have to be based. The states, in some cases, will also have to enact new state laws to bring their compliance and penalty provisions into line with those set forth in the federal law.

The new act exempts from the safety rules gas gathering lines in rural areas, and treatment lines along such lines. These are owned, in the main, by independent gas producers, not the interstate pipelines.

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