

OIL & GAS CONSERVATION COMMISSION  
Meeting: November 20, 1968  
Mr. John Bannister, Executive Secy



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

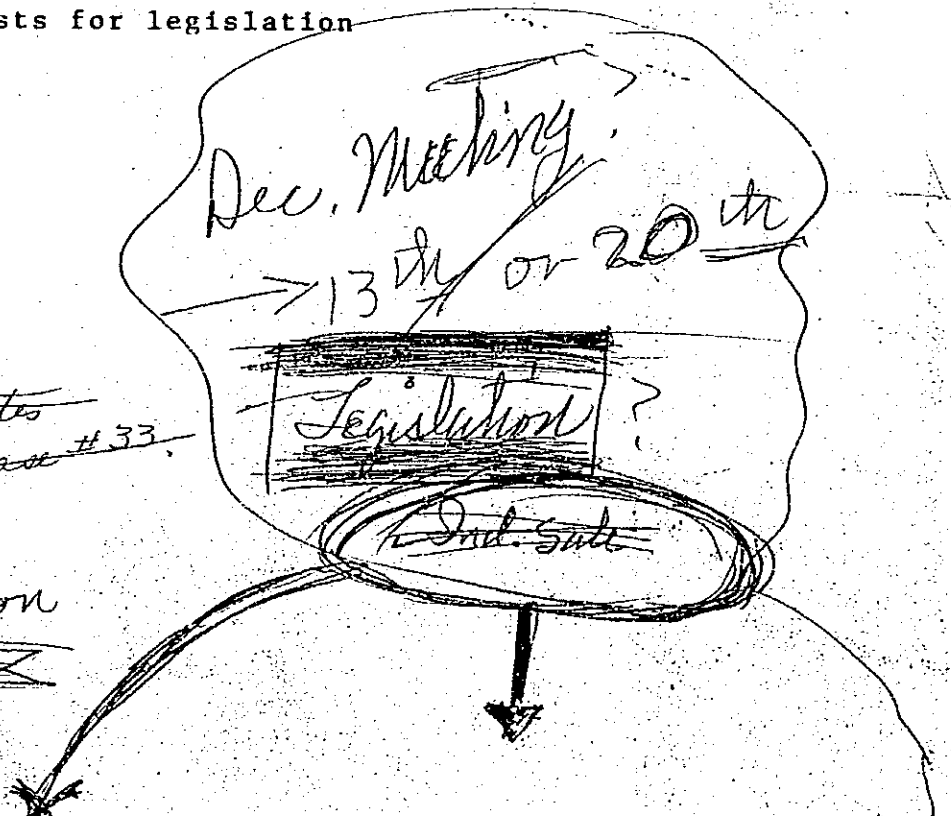
November 20, 1968  
 Room 204, Arizona State Office Bldg.  
 1624 W. Adams, Phoenix

10:00 Call to order

1. ✓ *OK'ed* → Mr. Stanley Womer, Administrative Assistant to Governor: Regional Energy Resources Project, Four Corners Regional Development Commission
2. ✓ Approval of minutes of meeting of Oct. 16, 1968
3. ✓ Old business
4. New business
  - a. Requests for legislation
5. Adjourn

*Mr. Owens: sign minutes  
 Create order, case #33.*

Prepare Legislation



Womer 4 Cor. Reg. Comm. (Roy Barber ← Farmington off)

Can have 100% funding

— Commission OK given —

Womer  
Bentson - absent

Murcopia  
Pumie  
Yume  
Santa Cruz  
Lochere  
Excluded

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

MINUTES OF MEETING  
October 16, 1968  
119 Science Bldg., Northern Arizona University  
Flagstaff, Arizona

Present:

Mr. Lucien B. Owens, Chairman  
Mr. George T. Siler, Vice Chairman  
Mr. Kenneth G. Bentson, Member  
Mr. Ralph W. Bilby, Member  
Mr. John Bannister, Executive Secretary  
Mr. J.R. Scurlock, Geologist  
Mr. J.A. Lambert, Administrative Assistant  
Dr. Agnes Allen, Director, School of Earth Sciences, Northern Arizona University,  
Dr. Richard W. Rush, Northern Arizona University  
Dr. DeForrest Smouse, Northern Arizona University  
Mr. Earl Huggins, Oil Discovery Corp., Sedona, Arizona  
Mr. Joe B. Barrett, Talley Industries, Mesa, Arizona  
Mr. Leonard N. Roberts, Talley Industries, Mesa, Arizona  
Mr. Michael Lane  
Mr. Louis E. Middelstore  
Ms. Charlotte Roberts  
Ms. Florence Huggins  
Ms. Pat Barrett  
Ms. Susan Barker  
Ms. Anita Aleen  
Ms. Donna Bannister

Chairman Owens called the meeting to order at 2:00 p.m. and introduced the members and staff of the Commission.

Mr. Bentson moved; Mr. Siler seconded, that the minutes of meeting of September 18, 1968 be approved as recorded. Motion passed.

Executive Secretary's report was accepted.

Dr. Richard Rush made a presentation of the geology of the Flagstaff area; and Dr. DeForrest Smouse detailed his presentation to geology on the Navajo Reservation.

Mr. Joe Barrett and Mr. Leonard Roberts made a factual and pictorial presentation concerning a new material for fracturing wells, an explosive slurry.

Meeting adjourned at 5:00 p.m.

APPROVED November 20, 1968

By \_\_\_\_\_  
Lucien B. Owens, Chairman



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

November 13, 1968

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

Following our October meeting at Northern Arizona University, I officially expressed the appreciation of the Commission to the University representatives and to Talley Industries for their participation in our program.

Although I had made myself available the day before that meeting and notified radio, newspapers, etc. that I would be available, I still feel we have not solved the problem of local publicity. We should give this some further thought. I do think that the next out-of-town meeting should be held in the evening as an experiment to see if this would increase public attendance. Should this be done we could arrive the afternoon of the meeting, stay the night, and return home the following morning. Your thoughts on this would be appreciated.

We have seen a spurt in exploration due to, primarily, I feel, the fact that budgets are being closed out and some last minute money is being spent by the exploration companies. However, the generated interest in northeastern Arizona is still there and still constant.

It is to be noted that another well is going down on the Hopi Reservation, the Pennzoil #1-11 Hopi, located NW NW 11-29N-14E, Coconino County.

Persistent rumors concern interest of various companies in Cochise County.

I attended the Public Land Law Review Commission meeting in Tucson November 7 through November 11. Congressman Wayne Aspinall is chairman of this commission and was present. Various meetings were attended by Representative Morris Udall, Senator Paul Fannin, Governor Williams, and many of our State officials.

In general, some 200 participants were there. I was somewhat disappointed in that some limited comments were allowed, but no new testimony was actually taken by the Commission. The prime purpose of the meeting was the two executive sessions each day, which were closed to the public.

I felt that the highlight of the meeting was a plane trip covering some 1100 miles, leaving Tucson and going north to the Springerville area, west to the borderline of the State, south over Salt River Project's chain of dams and lakes, and returning to Tucson. This flight was accompanied by an excellent narrative pointing out various needs of Arizona's public land use as well as our public land problems.

The Harless wells are now physically plugged and I anticipate that some time during the week of our meeting we will be able to bring these to a conclusion and terminate our existing bonds.

The Potter well, southwest of Flagstaff has a rig over the hole attempting to pull casing. As yet this attempt has not been successful. I am giving Mr. Potter every chance to recover whatever he can from this well. I feel sure it will be properly plugged out.

As to the Fraser well in Cochise County, Mr. Fraser has a rig over the hole; however, no work has been done in recent weeks. As you recall you gave Mr. Fraser an extension on our plugging order until November 21, 1968. He has been notified several times that this work must be done in the period designated.

The Interstate Oil Compact meeting is scheduled for December 5-6-7, 1968 in Miami. Mr. Owens and I are planning to attend this meeting.

The Navajo Indian sale will be November 21, the day after our meeting. The customary report will be made to you as soon as possible.

The State Land Department has recently increased its classification of land in known geological structures to encompass most of the townships around Pinta Dome and Navajo Springs. This simply means that further leasing in this area must be done on the basis of competitive bid rather than the first qualified applicant receiving the leases.

You will note from the agenda that the Governor's Office wishes to speak to the Commission concerning a proposal to secure geological studies for oil and gas. Inasmuch as Mr. Womer's time is rather critical at this time I have taken the liberty of scheduling him as first order of business on the agenda.

As you know, this Commission is deeply involved in the State's Civil Defense operations and an exercise has just been completed. During this exercise I was able to point out the critical position of Arizona should such a disaster strike.

As you know, our gasoline products are brought into this state by pipeline, primarily, as well as by rail and truck. With these sources cut off the State would have only approximately a 12-day supply for its normal operations. A fuller report will be made at our meeting.

**New Permits:**

Pennzoil #1-11 Hopi, NW NW 11-29N-14E, Coconino County

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Buttes #1-23 Navajo, SE SE 23-37N-27E, Apache County

Union #1-166 Navajo, NW NW 20-6N-6W NSM, Apache County

Little #1 Navajo Tohotso, SW SW 25-35N-29E, Apache County

Hopkins #1X-34, SW NW 34-18N-5E, Yavapai County



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If you are unable to attend this meeting, please notify the office as soon as possible.



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Little #1 Navajo Tohotso, SW SW 25-35N-29E, Apache County  
Hopkins #1X-34, SW NW 34-18N-5E, Yavapai County



#### GEOLOGIST'S REPORT

From: James Scurlock  
To : Commissioners

#### YAVAPAI COUNTY

Hopkins #34-1 Federal  
T18N, R5E, G & SRM "TIGHT HOLE"  
Sec. 34: SW/4 NW/4  
Permit #469

Well was drilled to total depth of 500' with percussion hammer (with percussion hammer bit). Had water problem and forced to skid 12' south and respud with larger hole--#34-1X.

Hopkins #34-1X Federal  
T18N, R5E, G & SRM "TIGHT HOLE"  
Sec. 34: SW/4 NW/4  
Permit #479

Set 7 inch at 525 (no cement), top Mississippian 479'. Drilling at 847'.

Hopkins #28-1 Federal  
T18N, R5E, G & SRM "TIGHT HOLE"  
Sec. 28: SE/4 NE/4  
Permit #458

Nigger in the woodpile. Have discovered that Mr. Hopkins illegally entered this old hole which had been turned over to the Forest Service as a water well. He uncapped the well and swabbed fresh water and mud from hole. Found fluid level at 620'. Mr. Bannister has talked with Mr. Hopkins about this illegal re-entry over the telephone and since no damage was done to the well, is letting it pass this time. Hopkins has recapped the well.

#### Harless Wells

Mr. Ersel Garrison of Cottonwood, (working with Mr. Harless on these wells) has plugged the five outstanding Harless wells. Harless was not able

to furnish us with all required information but am satisfied that he gave us all the information available. Locations all cleaned up. Have made final inspection. All O.K. Mr. Bannister is releasing bonds.

COCONINO COUNTY

Pennzoil #1-11 Hopi  
T29N, R14E, G & SRM  
Sec. 11: NW/4 NW/4  
Permit #474

"TIGHT HOLE"

This well located on surface structure running 143' high to the Moore, Moore, and Miller wildcat which lies  $2\frac{1}{2}$  miles to the northeast. They have found no show of oil or helium so far. Top of the Mississippian at 5860. Drilling at 6080'. Proposed total depth of this well is 7,000'.

Eastern Petrol #1 Federal Moqui Bardo  
T14N, R11E, G & SRM  
Sec. 10: NW/4 SW/4  
Permit #464

"TIGHT HOLE"

Being drilled with cable tools. Making fair progress. Have set 7 5/8 inch casing at 1592 with 300 sacks. Beginning to have snow flurries in this area now. Drilling at 2450. Proposed depth is 4000'.

Pease #1 Federal  
T15N, R10E, G & SRM  
Sec. 21: SW/4 NW/4  
Permit #475

Located 9 miles north of Clint's well. Preparing location. Should start moving in soon.

Potter #1 State 8219  
T20N, R5E, G & SRM  
Sec. 24: SW/4 NW/4  
Permit #351

"TIGHT HOLE"

Perry Brothers rig on location. Cable tools are working with hydraulic jacks attempting to pull casing. So far unsuccessful. Time limit has run out on Potter's extension, but we are being patient with him as he seems to be cooperating now.

APACHE COUNTY

Buttes #1-23 Navajo  
T37N, R27E, G & SRM  
Sec. 23: SE/4 SE/4  
Permit #476

"TIGHT HOLE"

Proposed depth 4000'. Drilling at 2800 in Mississippian. No cores, no DST reports, no show thus far. Well supported by Pan American and Sinclair. Flying crews in here from Farmington.

Crest #1 Santa Fe  
T20N, R27E, G & SRM  
Sec. 25: SE/4 SE/4  
Permit #471

Well looks O.K. The structure is 120' high to the #8X. Wells appears to be capable of making good volume; good pressure, will make some water. Currently setting up separator in order to separate the gas from the water. Planning to lay line to new Arizona Helium Corporation plant immediately.

Crest #8X Santa Fe  
T20N, R27E, G & SRM  
Sec. 25: SE/4 NW/4  
Permit #473

Well is tied into plant for testing. Looks O.K. We hope that this well will produce about 200,000 to 300,000 CFG per day plus some water. Has separator connected to flow line to handle water.

Crest #2 Santa Fe  
T20N, R27E, G & SRM  
Sec. 25: C SW/4  
Permit #472

Running 100' low to the #8X well. Looks like a failure but too early to say for sure. Have fractured Shinarump, now prep to install pump in order to pull out frack water.

Crest Oil #1 Spurlock  
T17N, R26E, G & SRM  
Sec. 3: SW/4 NE/4  
Permit #442

"TIGHT HOLE"

Has moved Drake rig on location. Fracked with 1800 gallons of water and 1600 pounds of 10 to 20 mesh sand plus 10 gallons of Howco Suds (a detergent used to slick up the water in order to cut friction of flow). Well flowed back 50 barrels of water; died; now prep to circulate and clean well, will then swab. Well looks negative at this point.

Eastern Ancon Santa Fe Fee #21  
T20N, R28E, G & SRM  
Sec. 31: NW SE NW  
Permit #234

Well now tied into Arizona Helium plant for testing. Shinarump producer. Well was fracked with CO<sub>2</sub> which causes the gas to enter the plant at times with surges of excess CO<sub>2</sub> which is too much for the plant to handle. Well should be O.K. if the CO<sub>2</sub> (presumed to be from the frac job) is produced and mingled with the gas from the other wells. This well we hope will produce about 100,000 CFG per day when put on steady stream and working with line compressor. This well located 3 miles east of Navajo Springs.





JACK WILLIAMS  
GOVERNOR

OFFICE OF THE GOVERNOR  
STATE HOUSE  
PHOENIX, ARIZONA 85007

November 15, 1968

Mr. John Bannister, Executive Secretary  
Oil and Gas Conservation Commission  
202 State Office Building  
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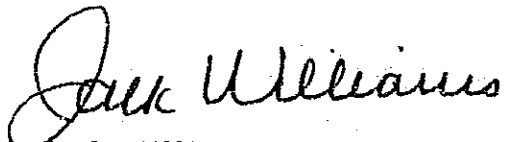
Dear John:

ARS 41-505 creates a state Inter-agency Economic Coordinating Council with the Director of the Department of Economic Planning and Development as chairman. This Council can be of great help in coordinating the activities of the various state agencies with the problems and objectives of the Economic Planning and Development Board.

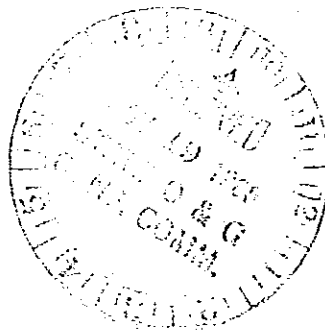
I will appreciate it if you will serve on this Council as representative of the Oil and Gas Conservation Commission.

The chairman will advise you in the near future of arrangements for the first meeting of the Council.

Sincerely,

  
Jack Williams

JW:dm:crk





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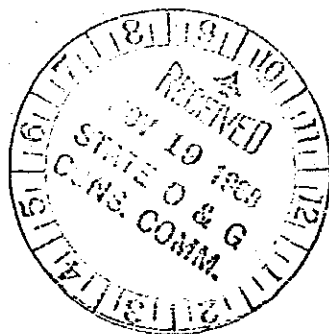
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Jack Williams

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November 12, 1968

Mr. Stanley Womer  
Administrative Assistant  
The Governor's Office  
Phoenix, Arizona 85007

Dear Mr. Womer:

Attached is the proposed agenda for this Commission's next regular meeting, November 20, 1968, 10:00 a.m.

You are most cordially invited to attend this meeting to explain the State's proposal to Four Corners Regional Development Commission.

Realizing that your time is most critical, we propose to place you first on the agenda. Will you please let us know if this is convenient to you.

Sincerely,

John Bannister  
Executive Secretary  
mr  
enc