

OIL & GAS CONSERVATION COMMISSION
Meeting: January 26, 1979
Mr. John Bannister, Exec. Sec.



OFFICE OF
Oil and Gas Conservation Commission
STATE OF ARIZONA
1645 WEST JEFFERSON, SUITE 420
PHOENIX, ARIZONA 85007

A G E N D A

Meeting
January 26, 1979
1645 West Jefferson, Room 420
Phoenix, Arizona

10:00 A.M.

Call to order

1. ☒ Approval of minutes of meeting of September 15, 1978
2. ☒ Report of Executive Secretary
3. ☒ Report of Enforcement Section
4. ☒ Report of Geology Section
5. ☒ Old Business
6. New Business
7. Adjourn

OK on
B. B. S.
1/26/79

IF YOU ARE UNABLE TO ATTEND THIS MEETING, PLEASE NOTIFY
THIS OFFICE AS SOON AS POSSIBLE.

1/27/79
ad

OIL AND GAS CONSERVATION COMMISSION
1645 West Jefferson Street
Suite 420
Phoenix, Arizona 85007

Minutes of Meeting
September 15, 1978
Department of Transportation Building
Prescott, Arizona

Present:

Mr. Hal Butler, Vice Chairman
Mr. Robert A. Gallaher, Member
Dr. J. Dale Nations, Member
Mr. Johnny Gregovich, Member

Absent:

Mr. Ralph W. Bilby, Chairman

The regular Commission meeting of September 15, 1978 was called to order by Vice Chairman Hal Butler in the Conference Room of the Department of Transportation, Prescott, Arizona.

Vice Chairman Butler introduced Mr. Johnny Gregovich of the Inspiration Consolidated Copper Company. Mr. Gregovich is the new member of the Commission and is serving the remainder of the term of Mr. Norman Levitt, who has resigned.

Minutes of the June 29, 1978 regular meeting of the Commission were approved.

After discussion, it was ordered that the progress reports submitted to the Commission by the staff on a monthly basis now be submitted only prior to the regular meeting of the Commission.

The probability of the Thirty-fourth Legislature considering again the problem of a combined energy agency was discussed.

The Commission's budget for the 1979-80 fiscal year, as prepared by the Executive Secretary, was examined. The following changes were ordered by the Commission:

1. An additional \$500 be requested in Out-of-State Travel to allow Commissioner J. Dale Nations to attend one regular meeting of the Interstate Oil Compact Commission.
2. The request for one new geological position be dropped.
3. The request of the Geology Section for funds to conduct two investigations be dropped and alternative Plan A, i.e., request of the Geology Section for an additional \$4000 in State Travel funds with which to conduct on-site field investigations with four wheel drive vehicles, be adopted.

Minutes of Meeting
September 15, 1978
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It was moved, seconded and passed that the budget as hereinabove amended be approved.

The meeting was adjourned at 11:45 a.m. and immediately went into Executive Session.

Executive Session

The Executive Session of the Oil and Gas Conservation Commission was called to order at 11:45 a.m. on September 15, 1978 by Vice Chairman Hal Butler for the purpose of discussing the salary of the Executive Secretary for the fiscal year 1979-80.

It was moved, seconded and passed that the Executive Secretary be granted a merit increase of 7%, in addition to any cost of living increase which might be granted by the Thirty-fourth Legislature.

The meeting of the Executive Session adjourned at 12 Noon.

APPROVED



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ACTIVITY REPORT

January 18, 1979

John Bannister
Executive Secretary

The next meeting of Oil and Gas Conservation Commission will be Friday, January 26, 1979 at 10:00 a.m. If you will meet in my office, we will go to the conference room next door where the actual meeting will be held.

Mr. LeRoy A. Palmer of Taylor has been appointed to the Commission to succeed Mr. Robert Gallaher. This appointment is subject to confirmation by the Senate and as soon as this office is advised of this action we will contact Mr. Palmer. Mr. Gallaher will continue to serve in his present capacity until such time as the Senate confirms Mr. Palmer.

As you have been advised, the Natural Gas Policy Act of 1978 makes this Commission responsible for enforcing the regulations adopted by the Federal Energy Regulatory Commission under the act. Many problems are involved, the most pressing being the authority of the Federal Government to designate some state agency to enforce federal regulations. Prior to the passage of this act, the Department of Energy contacted Governor Babbitt for his appointing a state agency to enforce the regulations in question. Governor Babbitt advised that this Commission would be the responsible agency, consequently, when the Natural Gas Policy Act was passed, this agency was designated therein to act as the determining agency for the State of Arizona.

Under the provisions of the act, criteria were established which, when met, would automatically command a specified price for natural gas. The designated state agency is to make a factual determination and submit this to the FERC, at which time the stipulated price will go into effect. The FERC has no authority to overrule the state's determination unless it decides that there were not sufficient supporting facts available to the Commission upon which to make the determination.

Executive Secretary
January 18, 1979
Page 2

Pursuant to the Natural Gas Policy Act, this Commission filed with the FERC a document titled "Determination" wherein was spelled out the manner in which we would act. I have received a call from FERC indicating that our determination was most acceptable and well prepared.

It should be noted that in the determination the Commission agreed that it would act only on state and privately owned lands within Arizona and that inasmuch as this authority had not been spelled out by the State Legislature, it would file an alternate determination, if necessary, following granting of such authority. At the same time, letters were written to the United States Geological Survey in Albuquerque, New Mexico and Los Angeles, California (the agencies having federal regulatory authority within the state) spelling out that we would exercise our granted jurisdiction only on state and private land.

The Natural Gas Policy Act did not specify exactly what are federal lands, leaving such questions open as to authority on Indian reservations, national forests, monuments, etc.

The determination filed by this Commission and the letters to the USGS were discussed with and approved by the Attorney General.

In order to clarify the authority for this Commission to act in this capacity, House Bill 2079 has been introduced by the Committee on Natural Resources and Energy of the House. This bill specifically grants authority to this Commission to accomplish the purposes assigned to it under the Natural Gas Policy Act and spells out a simplified procedure. The bill carries the emergency clause. It is my feeling that the bill will pass both the Senate and House very quickly.

I would like to say that the actions of the Commission taken in respect to the Natural Gas Policy Act have been discussed not only with the Attorney General but with the Governor's Office and leaders of the Senate and House. Everyone is in agreement as to the steps this Commission has taken.

You will recall that the Interstate Oil Compact Commission had a meeting in Oklahoma City to familiarize the states with the requirements they would be expected to meet under the Natural Gas Policy Act. This was an extremely valuable experience and many common problems were noted. On December 13, 1978 an additional meeting was held with the Federal Energy Regulatory Commission, again in Oklahoma City. The purpose of this meeting was to discuss the legal ramifications of the Natural Gas Policy Act and, at the request of the Attorney General, I attended this meeting.

Executive Secretary
January 18, 1979
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It is anticipated that the IOCC will hold one additional "schooling" on the actual handling of a natural gas application. This, too, will be in conjunction with the FERC. The purpose of this will be, in effect, to actually walk an application through the entire process, beginning with the filing of the request for determination, through the state process, and follow it on up to and through the FERC's procedure. Should this school become a reality, I feel it is incumbent that Bill Allen and I attend.

You are probably aware that Governor Babbitt has relieved Mr. Andrew Bettwy of his duties as State Land Commissioner. It is my understanding that, in order to conform to state law, Governor Babbitt has nominated John Long as Land Commissioner, but has advised the Senate that he will substitute his choice for Mr. Long at such time as his decision is made and before the Senate will act upon this confirmation. I have heard no rumors as to whom Governor Babbitt may appoint.

From all indications, we should experience a tremendous increase in drilling applications through 1979. As you are aware, Mr. Murel Goodell has taken two applications for wells in the extreme northwest corner of Arizona. Mr. Goodell has ranching interests in southwestern Utah and has been successful in drilling several oil wells on his own. He is playing the Overthrust Belt Theory and feels he has an excellent chance of developing significant oil or gas reserves in this area.

Mr. Grant Sheretta, a reporter for the Arizona Republic, contacted me yesterday and said he had been in contact with a representative of San Jacinto Exploration, Inc., a Canadian corporation. He was advised that this company has secured in excess of 150,000 acres in the juncture of Pinal, Graham, Pima and Cochise Counties and that a 15-well drilling program will get under way shortly. A Canadian Company, Transcontinental, has a large lease block in this area and it is our understanding it has transferred this holding to San Jacinto. At this time there is no confirmation of this report.

As a result of the newspaper story published in the Arizona Republic on Sunday, January 14th, this office has had numerous requests for information.

On Monday, January 15th, I was called before a subcommittee of the Senate Appropriations Committee to discuss the Commission's proposed budget for 1979-80. This subcommittee was chaired by Boyd Tenney. Both the Governor's Budget Committee and the Joint Legislative Budget Committee had recommended substantial reductions in the budget as submitted by this Commission. As you know, Governor Babbitt requested that no full time state employees be hired, consequently, both committees recommended that the secretary requested by this Commission not be funded.

Executive Secretary
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In addition, the geological program requested was denied, inasmuch as both the Governor and the Legislature have decided that no new programs will be funded at this time.

In my appearances before the Senate Subcommittee it was pointed out that we could live with these restrictions of no new employees and programs, however, in view of the proposed state potential drilling development within the state, the reduced travel allowed by both was too restrictive. I feel that the Senate Subcommittee did approve my request for increased travel funds, as well as my request for capital expenditure for a geological stereoscope.

On Wednesday, January 17th, I appeared before the Subcommittee of the House Appropriations Committee, chaired by Mr. John Wettaw. My request to them was the same as to the Senate subcommittee, i.e., more travel funds and money for the stereoscope. Again, I feel that our request was heeded.

I would like to report that this Commission is respected for its budget request as being both realistic and not ballooned. We will not know the outcome of our budget request until adjournment.

As above mentioned, House Bill 2079 will grant the Commission authority to act under the Natural Gas Policy Act. This bill has been introduced and I will make the necessary appearances before the assigned committees.

In addition to this, House Bill 2080 will involve this Commission. This bill calls for the creation of the Arizona Energy Agency. I have not seen the provisions of this bill as yet but we will be called upon to appear as this bill progresses through committees.

I understand, but have not been able to confirm, that Governor Babbitt will also introduce a bill to create an Arizona energy agency combining several existing agencies. The Oil and Gas Conservation Commission, of course, will be one of these. If and when such bill is introduced, we will be involved in its progress through the various committees and I will advise you as soon as possible.

As soon as House Bills 2079 and 2080 are available, I will furnish copies to you.

Another bill will be introduced which will involve the Commission. This bill will seek funds for the purpose of updating the State Geological Map. This bill will call for an initial funding to the Oil and Gas Conservation Commission of \$258,000. With this money, we will contract with the Bureau of Geology and Mineral Technology (University of Arizona) to accomplish this purpose. Dr. Drescher,

Executive Secretary
January 18, 1979
Page 5

Dean of the College of Mines and Director of the Bureau, and I have contacted leaders in the Senate and House and the Governor's Office to explain the need of this bill. I feel that we have a stronger chance of securing passage this year than we did last. The Governor's Office was not "encouraging" but did indicate that if the bill passes the Governor will sign it. This bill will be introduced by the Natural Resources and Energy Committee of the House. As soon as this has been accomplished and a copy is available, I will furnish same to you.

As previously reported, in-state travel for the remainder of the fiscal year 1978-79 is most critical. State travel by the staff has been curtailed below necessary limits in order to conserve funds. It is my suggestion that we seek a supplemental appropriation to this Commission for the remainder of the fiscal year 1978-79 in the amount of \$2,500. As an example of our situation, in order to reach the two wells previously mentioned in northwestern Arizona, it is necessary to go into Las Vegas. This roundabout way of getting there will greatly increase travel expenses but this surveillance must be accomplished.

Bill Allen underwent surgery on January 16th to remove some spurs from his left kneecap. Apparently the surgery has been successful, although extremely painful. I have just been advised that Bill will return home today and, hopefully, he may be able to attend the forthcoming meeting.



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PHONE: (602) 271-5161

ACTIVITY REPORT

January 17, 1979

W. E. Allen
Enforcement Section

You are probably aware that a subsidiary of Peoples Gas Company of Chicago has acquired a 50% interest in Anschutz Corporation lease holdings in Arizona. In speaking of their previous successful venture with Anschutz in the Overthrust Belt, O. C. Davies, Chairman of Peoples Gas, said "Perhaps the most important of these, in the long run, will be a second agreement with Anschutz in which we acquired a 50 percent interest in oil and gas leases covering about 7,000,000 acres along the Overthrust Belt, running from Utah and Idaho down to Arizona and the Mexican Border. Some preliminary exploration efforts are already underway, but we expect our major effort to begin next year."

We understand that Anschutz, together with other interests, has three geophysical crews working in Arizona. The original target date for starting the first well was December 1, 1978. That date apparently got sidetracked somewhere along the way. Anschutz has submitted its blanket drilling bond.

Kerr-McGee Corporation has completed seven development wells in the Dineh-bi-Keyah field. The production from these wells varies from an indicated low of 400 barrels of oil a month to an apparent high of 5000 barrels per month. Their plans are to evaluate these wells until early summer and, if conditions warrant, they will drill an additional 13 more wells.

So far this month we have issued three permits to drill; one permit was issued to Exxcel Corporation of Denver for a 5200' Mississippian test located in the NW/SE/4 of Section 29, T38N, R24E, Apache County. This test is approximately two miles southwest of a well drilled by Tesora Petroleum in 1972. Two permits were issued to Murel Goodell, an independent operator from Utah. One of these wells will be a 1085' test located in the center

Enforcement Section
January 17, 1979
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of the N/2 of Sec. 16, T41N, R16W, Mohave County. The other is a scheduled 12,400' test located in the SW/SW/4 of Sec. 12, T41N, R16W, Mohave County. These tests are approximately 12 miles northwest of Littlefield, Arizona.

Energy Reserves Group is planning to take up its drilling program where it left off back in the winter of 1977-78. These wells will be stepouts in the Teec Nos Pos field of northeastern Arizona. This company will begin drilling as quickly as it satisfies the Navajos who hold the surface grazing lease.

Attached to this report are copies of two news items you may find interesting.

Tues., Nov. 14, '78 A-5
The Arizona Republic

Mexican oil find put at 100 billion barrels

CANCUN, Mexico (UPI) — A new petroleum field believed to contain more than 100 billion barrels of crude oil has been located near Tampico Pemex director Jorge Diaz Serrano reported during the weekend.

If this and other potential reserves are proven, they would make Mexico the leading oil nation in the world with reserves in excess of 300 billion barrels of crude. About 10 percent of this total has been proven.

The new field, also believed to contain more than 40,000 billion cubic feet of gas, is 80 miles long and 17.5 miles wide and is in the eastern states of Tamaulipas and Veracruz.

In the past, only small amounts of petroleum have been found in the Tampico area. This would be the first major oil discovery outside the oil-rich southeast.

Mexico currently produces more than 1.3 million barrels of crude daily and hopes to double this by 1982.

The official revealed the find during the inaugural of the second Latin American Congress on Petrochemicals that was inaugurated here Sunday by President Jose Lopez Portillo.

During the meeting, National Properties and Industrial Development Secretary Jose Andres de Oteyza announced that the government will invest nearly \$1 billion in the petrochemical industry.

DRILLERS THREATENED AT NAVAJO DRILL SITE

Tom Dugan of Dugan Production Co. of Farmington, N.M., and Baumgardner Oil Co. of Denver, Colo., were recently reported as being threatened at gun point at drilling sites on the Navajo Reservation.

Dugan was quoted as telling of being threatened by a woman accompanied by two men, he said, "She was violent, very angry, she wanted us to stop drilling, and so finally, she threatened to kill me...It wasn't worth having that kind of trouble, so we decided to leave. They (the woman and two men) blocked the road and wouldn't let us leave until we paid \$300.00, and then we left." The incident was reported to have taken place on Oct. 29th following reports by the Dugan driller that workers had been approached Sunday by opponents to the drilling.

Dugan also reported that all the necessary paper-work had been completed on the drilling project. The special officer for the Bureau of Indian Affairs Agency scheduled a meeting involving members of the Navajo Tribe that involved a second Dugan drill site. Evidently the whole incident was over a complaint some Navajos had in the area of the Baumgardner lease. The Indians had complained of damage allegedly done to some grazing land by road construction. And the Navajos felt "... they should be compensated because the well is on their grazing land." It was reported that four or five families reside in the area - having a portion of the area assigned to them for grazing.

The Indian Affairs special officer said Navajo police were assigned to the Baumgardner lease - where Loffland Brothers Co. was doing the drilling and no Navajo police were reported at the Dugan site "because Dugan had pulled out." Drilling at the Baumgardner well was resumed by Nov. 1.

The various Indian tribes in the southwest hold oil and gas lease bid sales from time to time and the leases go to the highest bidder - plus substantial bonus money. But drilling has been stopped quite often in recent years - until settlement of tribal complaints are settled. It was reported that this last bruhaha was settled before the end of the first week.



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ACTIVITY REPORT

January 16, 1979

J. N. Conley
Director, Geology Section

PUBLICATIONS

Publication sales since November 7, 1978, amount to \$313.25.

ENERGY RESOURCE LEASING & EXPLORATION

Oil and Gas. This past month Farrelly & Pendleton, Denver, assigned to Reading & Bates 35,000 acres of oil and gas leases on State lands in Cochise County. Also, this past month Anschutz Corp. had two seismograph crews and a magnetotelluric crew working in unreported areas in Cochise County. Anschutz Corp. is assigning an undivided 50% interest in its oil and gas leases on State lands to Narmco Corp. of Houston.

According to an unconfirmed report, approximately 4-million acres of oil and gas leases on Federal lands have been leased or application to lease filed with the Kingman office of the Bureau of Land Management. The area involved extends northward from the vicinity of Kingman in Mohave County to the boundary of the state with Nevada and Utah.

The Rocky Mountain district geologist for Home Oil Co., U.S.A., was in the office last month to examine the drill-bit cuttings of the two wells drilled by Pyramid Oil Co. southwest of Colorado City. A consulting geologist in Denver is evaluating a block of leases west of Home's lease block.

Geothermal. W. Richard Hahman, Sr., Geothermal Group, Arizona Bureau of Geology & Mineral Technology, reports in the December 1978 issue of FIELDNOTES that the U.S. Department of the Interior Bureau of Reclamation has joined the U.S. Department of Energy Division of Geothermal Energy as a participant in the geothermal energy, evaluation, and development program in Arizona. A portion of Hahman's report is attached.

Magma Power will bring on stream this year the nation's first power generation plant using geothermal energy which originates as hot water in an underground reservoir. The site of this plant is in the East Mesa geothermal field near El Centro, Calif. The location of this field and other large geothermal areas in the west, excluding two fields in New Mexico, are shown on the attached map.



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Activity Report
January 16, 1979
Page 2

The Administration has presented to the governors of Arizona, Colorado, New Mexico, Nevada, and Utah a plan for the reorganization of federal natural resources functions and programs. The new Department of Natural Resources would be divided into five functional areas: public land resources, ocean and atmospheric resources, water resources, natural resources sciences, and outdoor recreation resources. If submitted to and approved by Congress, the reorganization would involve many of the functions presently under the jurisdiction of such federal agencies as the Department of the Interior, the Department of Commerce, the Department of Agriculture, the Corps of Engineers, the Marine Mammal Commission, and the Water Resources Council.

The Administration claims that the reorganization would save approximately \$151 million and cause a reduction of 3,700 positions. If efficiently operated, it definitely would expedite exploratory efforts by industry and state agencies.

INVESTIGATIVE PROJECTS

Northeast Arizona. Most of the maps and illustrations for the report being prepared have been drafted in final form for printing. The report pertains to potentially favorable areas for future exploration for petroleum and geothermal energy resources in the northeast part of the state.

GENERAL

The publicity given the big lease play in the Basin and Range province of the state has created an increase in the sales of some of our publications, phone and mail requests for information about our publications and availability of geophysical and geological maps published by other agencies (federal and state), and more visitors interested in purchasing publications or inspecting our well records. Our stock of State of Arizona Well Location Map Four is about depleted. This publication is being reprinted.

JNC:os

JNC
J.N.C.

GEO THERMAL PIPELINE

Geothermal Group Grows and Moves

by Mr. W. Richard Hahman Sr.

We've moved again! Currently, we are located at 2405 N. Forbes Blvd., Suite 106, Tucson, Arizona 85705. We now have comfortable quarters with adequate room to expand should it become necessary. We are sorry that the Bureau family cannot stay together at the University but adequate space cannot be found there.

Mr. Michael Ciarochi has joined our staff as a geological technician. Mr. Ciarochi's prior experience with exploration and mining companies will be of benefit to our geological mapping, sampling, and drilling programs.

The U.S. Department of the Interior, Bureau of Reclamation, Region 3, Boulder City, Nevada has joined the U.S. Department of Energy, Division of Geothermal Energy as a participant in the geothermal energy exploration, evaluation and development program in Arizona. This program is designed to determine the possibility of water supply augmentation and water quality enhancement through the development of high temperature geothermal resources on Federal lands in Arizona. Such lands include Hyder Valley, Kingman, Palo Verde, Safford, Verde Valley, Willcox, Yuma, and other lesser known regions. Another Bureau of Reclamation supported program in progress involves assessing the high temperature geothermal energy potential in the Springerville-St. Johns and Clifton-Morenci areas in an attempt to augment water supply and improve water quality. These Bureau of Reclamation programs have been dovetailed with the low to moderate temperature geothermal energy studies supported by the U.S. Department of Energy, Division of Geothermal Energy, to negate duplication of funding and effort.

The Hyder area, to include the Palomas and Sentinel plains, is characterized by numerous shallow hot wells and a former hot spring, Agua Caliente. The area is situated over a deep sediment filled basin, several major gravity and magnetic anomalies, and the trace of the northeast trending Gila lineament, a probable major structural boundary or fracture zone. The Sentinel basalt field, active during the past 3 million years, is close by. Geothermometry of hot wells suggests Na-K-Ca and SiO_2 reservoir temperature estimates of around 100°C . These estimates are, however, likely to be low if deeper hot waters are mixing with colder near-surface waters.

Not as much preliminary information is available for the Kingman region. Existing geochemical geothermometer data indicate potential minimum reservoir temperatures in excess of $100^\circ - 150^\circ\text{C}$ and groundwater that may contain total dissolved solids in excess of 3000 parts per million. However, there are not enough data available to speculate on the mixing of cool water with thermal brines.

The Palo Verde area in this study encompasses the Hassayampa and Rainbow valleys. Some of the highest heat flow measurements in Arizona have come from here. The

geothermometry from hot water wells in Rainbow Valley suggests Na-K-Ca temperatures of 120°C and SiO_2 temperatures of 180°C as minimum reservoir temperatures. Again, we are not able at this time to comment on various mixing possibilities.

The Safford area includes the Gila River Valley at Safford and the San Simon Valley. The region of interest is situated over a deep alluvial-filled graben which trends northwest. Several hot springs discharge near Fort Thomas and there are many hot saline artesian wells less than 1500 feet deep. Geochemical analyses of the hot water from these wells suggest minimum estimated reservoir temperatures of 60°C and 120°C using Na-K-Ca and SiO_2 , respectively. A deep convective system with temperatures greater than 150°C may exist and could provide the mechanism which heats the shallow artesian aquifers.

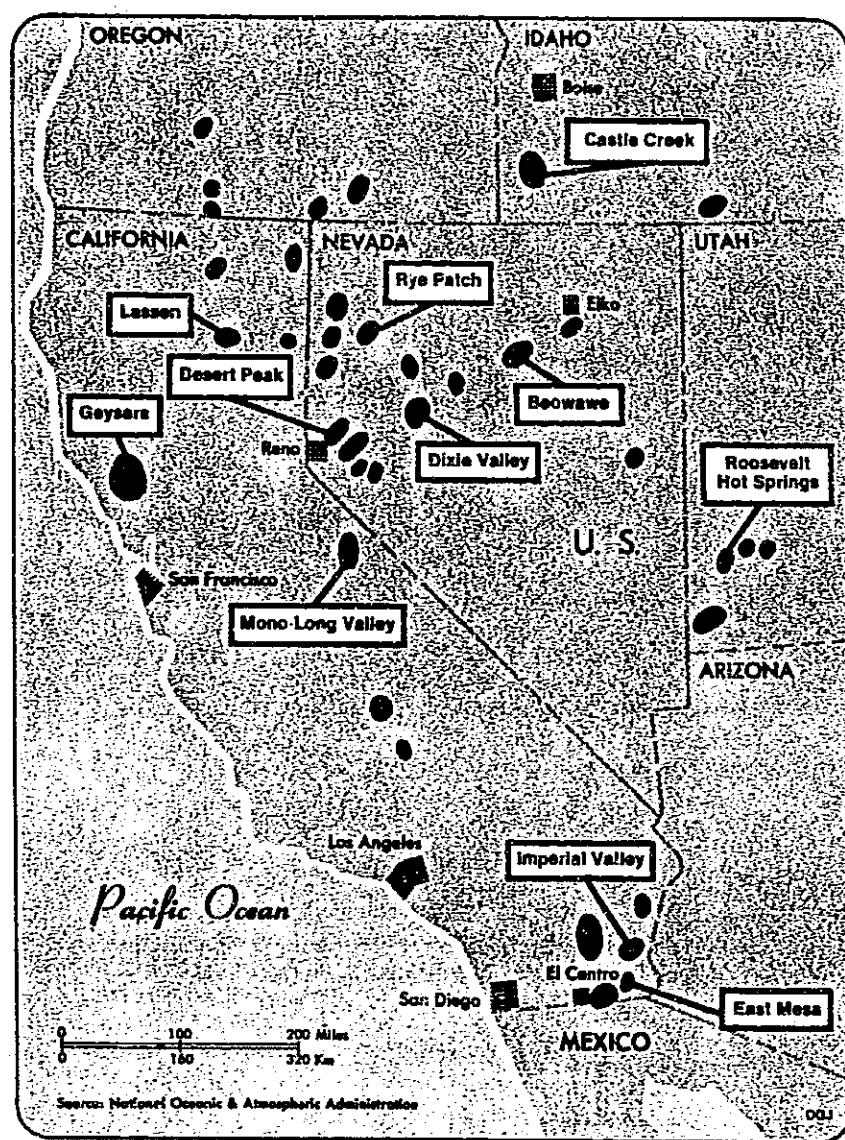
A geothermal resource in the Verde Valley is indicated at the northern part by Verde Hot Springs near Childs that has a surface temperature ranging from 38 to 41°C , and, in the southern part by Chalk Hot Springs, just north of Horseshoe Dam, that has surface temperatures of 36°C . The indicated minimum reservoir geochemical temperatures for Verde Hot Springs are 118°C (SiO_2) and 146°C (Na-K-Ca). It has been reported to our group that additional hot springs and seeps exist both along the river and in the flanking countryside.

High temperature gradient wells occur north of the town of Willcox and could indicate a high temperature geothermal resource. The area lies astride a possible northeast trending lineament that apparently controls the occurrence of some geothermal systems in both Arizona and New Mexico. The Sulphur Springs Valley contains a large quantity of saline ground water in storage that might be suitable for both domestic and agricultural use after desalination.

An oil test well drilled in the Yuma area to a depth of 3217 meters encountered temperatures up to 138°C . This is not an exceptionally high temperature for this depth but does indicate some potential that should be evaluated. Should a geothermal resource be developed in this region it might be possible to augment existing water supplies through the desalination of saline brines.

Added note: for the record I should like to comment that bill H.R. 12536 (Wild and Scenic Rivers) of the 95th Congress would remove several high priority geothermal resource areas from evaluation and development. These include portions of the valleys of: (1) the San Francisco River, (2) the Gila River, & (3) the Verde River. This is another example of the clash between single vs. multiple uses of land. Geothermal potential remains obscure and generally remote from the minds of most citizens and Congressmen. Hopefully, these lands will not be removed from geothermal study prior to adequate evaluation of their potential.

Some of the West's largest geothermal areas



(THE OIL & GAS JOURNAL, December 18, 1978)

MONTHLY FINANCIAL REPORT

1 RECEIPTS MONTH OF DEC 1978	2 RECEIPTS CLASSIFICATION	3 APPROPRIATED RECEIPTS	4 UNAPPROPRIATED RECEIPTS	5 TOTAL ALL RECEIPTS YEAR TO DATE
-0-	1 Permits to Drill			125 00
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	4			
	5			
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	8			
	9			
	10			
	11			
	12			
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	17			
-0-	TOTAL CURRENT MONTH RECEIPTS		-0-	XXXXXX
	TRANSFERS IN			
XXXXXX	BALANCES BROUGHT FORWARD		125 00	XXXXXX
-0-	TOTALS - MONTH AND YEAR TO DATE		125 00	125 00

6 CLAIMS PAID MONTH OF DEC 1978	7 EXPENDITURES FUND TITLES	8 TOTAL AMOUNT AVAILABLE YEAR TO DATE	9 CLAIMS PAID YEAR TO DATE	10 OUTSTANDING ENCUMBRANCES	11 UNENCUMBERED BALANCE
8,978 68	1 Personal Services	59,500 00	54,172 08		5,327 92
1,375 04	2 Emp. Related Exp.	11,200 00	9,016 87		2,183 13
636 00	3 Professional Services	1,643 00	1,595 51		47 49
	4 Travel - State	3,825 00	2,795 50	904 34	105 16
293 16	5 Travel - Out of State	2,000 00	937 81		1,062 19
557 51	6 Other Operating Exp.	8,379 18	6,635 26	364 96	1,378 96
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11,840 39	TOTALS		75,153 03	1,269 30	10,124 85

AGENCY Oil & Gas Conservation Commission

DIVISION _____

IDENTIFICATION CODE NO. _____

1	2	3	4
CLAIMS PAID YEAR TO DATE	OBJECT CODE NO.	DISTRIBUTION OF EXPENDITURES CLASSIFICATION	CLAIMS PAID MONTH OF DEC 1978
12,460 56	71130	1 Salary: Appointed Official	1
300 00	71140	2 Per Diem: Commission Members	2
41,411 52	71150	3 Salaries: Staff	3
482 58	71510	4 Emp. Related: Workmens Comp	4
323 40	71520	5 Unemployment Insurance	5
2,129 97	71530	6 F.I.C.A.	6
3,771 24	71542	7 Retirement	7
1,408 00	71551	8 Health Insurance	8
360 00	71552	9 D & L Insurance	9
541 68	71570	10 Personnel Comm. Pro Rata Charges	10
84 50	72169	11 Professional Serv: Cartographic Symbols	11
1,473 51	72199	12 Cartographer	12
286 80	72511	13 Travel-State: Mileage - Private Vehicles	13
1,678 95	72512	14 Mileage - State Vehicles	14
739 90	72520	15 Subsistence	15
	72531	16 Air Fare	16
2 00	72543	17 Parking	17
87 85	72549	18 Misc.	18
240 16	72560	19 Travel-Out of State: Subsistence	19
586 00	72571	20 Air Fare	20
71 15	72574	21 Taxis	21
40 00	72581	22 Registration Fees	22
50	72589	23 Other-Telephone, etc.	23
2,500 00	72711	24 Occupancy: Office Rent	24
	72713	25 Warehouse Rent	25
	72821	26 Mtn. & Repairs: Furniture	26
	72823	27 Adders & Calculators	27
53 50	72824	28 Typewriters	28
	72826	29 Copy Machine, Other	29
315 60	72827	30 Mimeo, Reader-Printer, etc.	30
	73111	31 Office Supplies: Printed Stationery & Envelopes	31
	73113	32 Carbon & Ribbons	32
	73117	33 Reproduction Supplies	33
815 16	73119	34 Misc. & Blue Prints	34
	73259	35 Field Supplies: Logs, etc.	35
	73514	36 Printing - Large Maps, etc.	36
	73519	37 Misc.	37
	73524	38 Legal Advertising	38
	73531	39 Subscriptions: Newspaper	39
	73533	40 Technical Journals	40
218 00	73541	41 Postage Stamps	41
128 30	73551	42 Telephone Serv: Central System	42
428 25	73552	43 Equipment Rental	43
120 28	73553	44 Long Distance	44
135 97	73554	45 ATS Service Charge	45
1,530 00	73720	46 Organization Dues	46
75 80	73730	47 Technical or Reference Books	47
	73741	48 Insurance	48
250 00	79220	49 Revolving Fund	49
37 50	72167	50 Notary Renewal Fees	50
65 80	73770	51 Registration Fees	51
		52	52
		53	53
		54	54
		55	55
75,153 03		TOTAL	11,840 37



OFFICE OF
Oil and Gas Conservation Commission
STATE OF ARIZONA
1645 WEST JEFFERSON, SUITE 420
PHOENIX, ARIZONA 85007
PHONE: (602) 271-5161

January 3, 1979

Memo: Commissioners

From: John Bannister, Executive Secretary *JB*

Pursuant to our recent telephone conversations, this is to advise that the official January 1979 meeting will be held on January 26th at 10:00 a.m. at the Commission offices.

The regular Commission mailing will be made prior to that date.

Should you have any questions, please advise.



OFFICE OF
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ACTIVITY REPORT

November 8, 1978

John Bannister
Executive Secretary

Please note that the next Commission meeting will be held in Phoenix on November 17, 1978 at 10:00 a.m. It is hoped that a conference room now being prepared next door to the Commission office will be available for our future meetings. Should it be necessary to change the location of the meeting, you will be advised. Consequently, please plan to meet in the Commission office.

You have been furnished with the revised budget, submitted by this Commission subsequent to our September meeting in Prescott. In coordinating this budget with the Budget Committee, a few minor changes were made. However, in general the budget as presented to you stands firm. It should be added that the budget analyst feels that only a part-time secretary for Mr. Allen should be recommended. Both Mr. Allen and I feel that bringing a secretary in for half time would be more disruptive than productive. Consequently, it is my intention, should this meet with your approval, to request that the position be filled on a full-time basis or not at all.

You will note in the material furnished to you that Arizona Public Service has received approval from the Corporation Commission to pass the cost of a portion of its exploration for natural gas on to its customers. Earlier this year, I was requested by the Corporation Commission to comment upon the APS proposal. A copy of my response to the Corporation Commission is attached. It is my understanding that the original APS proposal was accepted by the Corporation Commission and that the cost of any unsuccessful well drilling by them in this program will be passed on to its customers. APS has indicated that it plans to spend in excess of \$40 million in this effort.

Executive Secretary
November 8, 1978
Page 2

As approved by you, I attended the Executive Session of the IOCC on September 27th in Wichita, Kansas. The highlight of this meeting was a presentation by the Federal Energy Regulatory Commission (FERC) concerning the then potential passage of a federal natural gas bill. As you are aware, this bill has now been passed by both houses, but not signed by the President. Chairman Charles Curtis and Vice Chairman Don Smith of FERC spoke to this group. Under the bill the state regulatory commission will have the job of certifying at what price new natural gas may be sold. There is a potential of 27 different price levels ranging from approximately \$0.67 per mcf to approximately \$2.09 per mcf. From the facts they gave us, if a well is concerned with only intrastate sales it will be controlled under the new bill.

FERC advised that it will develop an operating manual and guideline for the Commission in establishing the price which will be commanded for new natural gas and that contact will be made with the individual state commissions for this purpose. Chairman Curtis indicated that FERC would not try to establish uniform procedural methods. It is its intention to look at each commission, how records are kept, the information required, and if these appear to be satisfactory there should be little trouble in FERC approval. However, Chairman Curtis made it strongly clear that FERC could overturn the findings of any state agency.

Chairman Curtis indicated that FERC was aware that some of the states have limited resources with which to accomplish this duty and that some of the states would be unable to finance this effort. Apparently it will enact some method to help these states to cover the costs involved. Any gas well drilled after February 19, 1977 will come under this new regulation. However, stripper gas wells and wells apparently committed to interstate commerce are exempt from the provision of the act. It was pointed out to Chairman Curtis that many of the states feel that there is a federal interference in something that is purely a state matter and will perhaps lead to the ultimate takeover of state conservation efforts by the federal government.

As of this date, this requirement proposes little trouble or expense to this Commission. It is too early to say what problems might arise in Arizona should some of the new contemplated exploration result in production of natural gas. It is my feeling that the records and procedures now in effect in the Commission will more than satisfy the federal requirements and that for the foreseeable future we will be able to handle the requirements of FERC on an in-house basis. It is not known at this time whether these rates for a new producing gas well will have to be set at a formal hearing or whether an informal and less costly procedure will suffice.

Executive Secretary
November 8, 1978
Page 3

It is interesting to note that some of the major gas producing companies have supported the new natural gas regulations. They point out that new regulations will put more gas into interstate pipelines because they will then be able to compete pricewise with intrastate gas by having the advantage of offering producers a twelve-month market rather than seasonal.

Our state travel funds are quite low. It has been necessary that Mr. Allen make more frequent trips than planned to the Diné-bi-Keyah area due to the continued activity of Kerr-McGee. Consequently, I have severely restricted staff state travel in order to remain within our budget. As of this time, it appears that we will go into our next quarter, which begins January 1st, \$700 to \$800 in arrears. It is my feeling that by severely restricting travel, we will be able to stay in this budget. As you are aware, state travel has been a continuing problem to this Commission. I feel that the budget being considered by the legislature will be far more equitable travelwise in-state.

MOST CONFIDENTIAL. As you have been advised, Dr. Drescher, Director of the Bureau of Geology and Mineral Technology, has been looking for a person to fill the position of State Geologist and to head the State Geological Survey of the Bureau. Dr. Larry Fellows of Rolla, Missouri, has at last been selected. Dr. Fellows received a Bachelor of Science degree from the Iowa State University, a Master's degree from the University of Michigan, and a Doctorate from the University of Wisconsin. He currently is working for the Missouri Geological Survey. Dr. Fellows has been interviewed by the Selection Committee and was their unanimous choice. It is anticipated that he will assume his duties in Tucson soon after January 1, 1979. No official announcement has been made as to his appointment at this time.

Executive Secretary
November 8, 1978
Page 4

November 9, 1978

As I explained to you, the regulatory states are meeting in Oklahoma City on November 16 and 17 with staff members of the Federal Energy Regulatory Commission to consider the responsibilities placed upon them by the Natural Gas Policy Act. Consequently, there will not be a Commission meeting in November.

Chairman Charles Curtis of FERC is calling a meeting of the regulatory states in Washington, D.C., on November 28, and has specifically invited me (Bill Allen will also attend) to this meeting. I have informed the Governor's Office of this meeting in Washington and his office has indicated they will seek money for this trip. As you are aware, there are no funds in our out-of-state travel to cover this expense.

Apparently the responsibility of the various states to set the price to be received by the operator for new natural gas will begin as of December 1. I will keep you informed of developments in this area. It is my feeling that after the Oklahoma City meeting the practices I will suggest for use by this Commission will be fairly solidified. I do not anticipate a large problem for our state in complying with the new law. As previously indicated, FERC feels that there will be some federal money available to the states to handle the unexpected expenses associated with the requirements of the new law.

Dr. William Dresher apparently has made a public announcement concerning the appointment of Dr. Larry Fellows as state geologist. Consequently, please disregard the request for confidentiality.

Beginning December 11 the telephone prefix for our office will be changed from 271 to 255. This will apply to all state offices on the capitol switchboard. Consequently, our number as of that date will be 255-5161.

The next meeting of the Commission will be on January 19, 1979, at the office. You will be reminded prior to the meeting.



OFFICE OF
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STATE OF ARIZONA
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ACTIVITY REPORT

November 8, 1978

W. E. Allen
Enforcement Section

With the passage of the Natural Gas Policy Act of 1978, it appears likely that the Commission staff will have some additional duties in the very near future. We are awaiting the Federal Energy Regulatory Commission's (FERC) rules which will govern the administration of this act. The act states that the state agency having control over drilling and production of natural gas will be the certifying agency for each well drilled or produced in its state.

Among other things, there are some 27 different ceiling prices for natural gas and these prices have varying escalation factors depending on age of gas, depth of wells, rate of production, etc. All in all, it's just a simple little piece of legislation which not even the FERC understands.

Why, after the success the airlines are reporting following almost complete government deregulation, the bureaucrats can't get the idea that the free market works if given the chance, is beyond me.

Anschutz Corporation have indicated that they plan to start their first well in Arizona about the first of December. The exact location of this well hasn't been announced but I'm predicting that it will be in Section 25, T3S, R11W, Yuma County. This is the same section where Exxon drilled the No. 1 State 14 to a total depth of 2653 feet. The well was plugged and abandoned at that depth.

I have had several meetings with representatives of Cal-Gas and Williams Energy concerning the design and installation of a flare system to be located on the brine discharge lines. We have approved Cal-Gas' design. Williams Energy hasn't decided on a system at the present time. I expect Williams to adopt

Executive Secretary
November 8, 1978
Page 2

the same system which Cal-Gas is going to install.

You are aware that following the hearing of April 21, 1978 Kerr-McGee was issued permits to drill seven additional wells in the Dineh-bi-Keyah field. They are now drilling on their fifth well. I was informed this week that they plan on drilling 13 more wells in the field - a decision hasn't been made as to whether drilling will continue through the winter or be suspended until the spring of 1979.

Pyramid Oil, the company which drilled two holes north of the Grand Canyon in Mohave County last year, is getting ready to plug the last hole drilled. There were several shows reported at depths ranging from 2200 to 2500 feet. Pyramid says it may come back next year and offset this well. The reason for plugging this hole instead of testing it is because Pyramid has been unable to recover a string of drill pipe stuck in the upper section of the hole.



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ACTIVITY REPORT

November 7, 1978

J. N. Conley
Director, Geology Section

PUBLICATIONS

Publication sales since September 5 amount to \$170.15.

ENERGY RESOURCE LEASING & EXPLORATION

Oil & Gas. No recent leasing activity has been reported. Most of the federal and state owned lands in nonmountainous areas in the Basin and Range province have been leased or applications to lease filed. Based on inquiries from owners of the mineral rights of privately owned lands, a considerable volume of such lands has taken place the past four months.

We have not had a confirmed report that the proposed seismograph exploration program across the Basin and Range province is underway. It was scheduled to start this past month.

Geothermal. No leasing or exploration activity by industry has been reported. However, studies and physical exploration by governmental agencies are being conducted. Most of the current physical exploration is being directed to the Springerville-St. Johns area in Apache County.

Uranium. Exploration for uranium continues to be active. St. Joe Minerals is planning to drill a series of shallow holes east and southeast of the Petrified Forest National Monument in Apache County. Mr. Wm. Allen has suggested to this company that the bottom-hole temperature of these holes be measured to further evaluate the geothermal energy potential of the area.

INVESTIGATIVE PROJECTS

Northeast Arizona. Salvatore Giardina has completed a study of thermal water wells and springs in northeastern Arizona. A report on the results of the study will be prepared later this fiscal year.

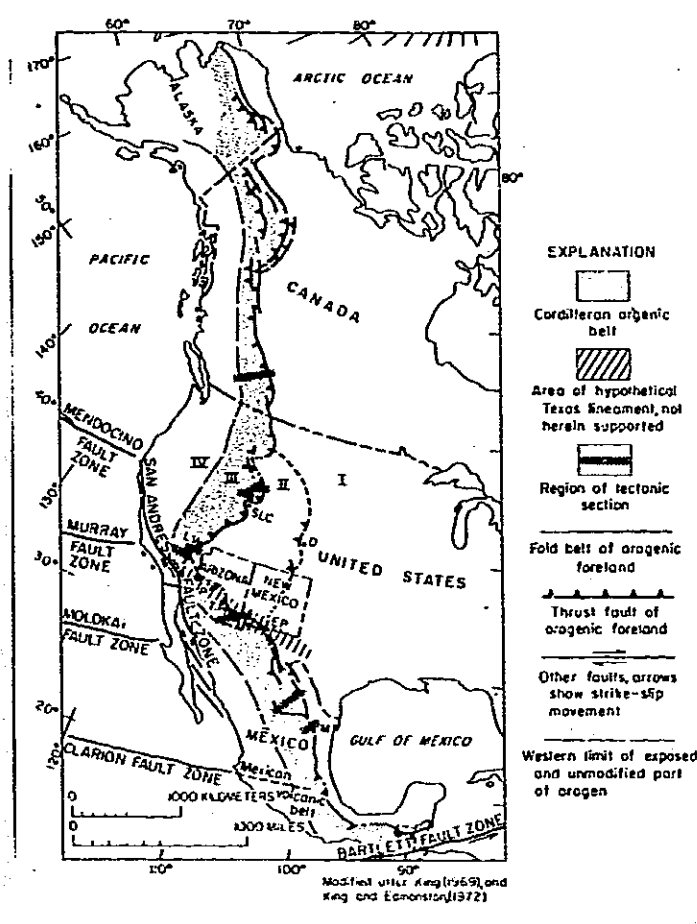
Most of the maps and tabulations of data pertaining to my investigation of the energy potential of northeastern Arizona have been completed in preliminary form.

Southeast Arizona. Salvatore Giardina has completed a structure map of Cochise and portions of adjacent counties. Copy for printing the map is being drafted currently.

Activity Report
November 7, 1978
Page 2

GENERAL

Hingeline-Overthrust Play. I have mentioned in previous reports that Anschutz Corp. was basing its large lease play in the Basin and Range province of Arizona, New Mexico, Utah, and Nevada on the possibility of finding oil and gas accumulations comparable to those found along a belt extending from Mexico northward to Alaska. The small map on this page shows the location of the Cordilleran orogenic belt. Prolific oil and gas fields have been found along this belt.



Definition of Geology. Numerous definitions of geology have been made in past years. The Association of Professional Geological Scientists (APGS) is proposing the following definition for acceptance or rejection to its membership:

The Science of the earth and its constituent rocks, minerals, fluids and gases; processes and history by which scientists can predict, locate and evaluate the occurrence of minerals, sources of energy and naturally occurring phenomena and apply that knowledge to the benefit of mankind.

Activity Report
November 7, 1978
Page 3

Until recently most people have had no concept as to what a geologist does. The common belief seemed to be that he "pounded on rocks." Actually, there are numerous fields of practice. The APGS lists 300-plus fields. Attached to this report is a list of the various fields of practice.

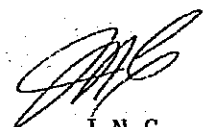
Fifth Anniversary of Oil Embargo. The week of October 20 marked the fifth anniversary of the Arab oil embargo. Since 1973 crude oil imports have grown from 26% of total crude used in the U.S. to over 40% thus far this year. Domestic production is 3% below 1973 levels.

New Federal Energy Bill. Congress has finally passed some legislation designed to reduce our dependence upon imported oil and gas. Relative to the Natural Gas Policy Act of 1975 there are diverse opinions concerning it. Industry doesn't like it because it doesn't do enough and consumer groups don't like it because they think it will cost too much.

Its principal weaknesses according to most industry spokesmen and some governmental authorities are:

1. Establish no less than 17 separate prices for 17 categories of gas and vastly complicate the entire regulatory procedure. The bill may be unenforceable.
2. Put unregulated intrastate gas under federal controls for the first time, when the unregulated intrastate market has contributed significantly to profits, increased drilling and the finding of new reserves.
3. Only decontrol a few categories of "new" natural gas ... and no earlier than 1985.
4. Significantly increase controls on all gas.
5. Impose incredible regulatory costs and procedures on both industry and government.

JNC:os


J.N.C.

ASSOCIATION OF PROFESSIONAL GEOLOGICAL SCIENTISTS
LIST OF FIELDS OF PRACTICE

This list was compiled from information submitted by members of the Association over a period of years. You will note that there are gaps in the numerical sequence that will allow us to make additions to the list. If your Field of Practice is not listed here, please type or print it plainly on the part of the dues statement to be returned to this office.

100 Acid mine drainage	259 Earth dams	426 Government relations
103 Active faults	262 Earth sciences	429 Gravity
106 Administration	265 Earthquakes	431 Ground vibration
109 Aggregate sources	266 Ecology	432 Ground water
112 Airborne geophysics	268 Economic geology	435 Ground water contamination
113 Air pollution control	271 Editing	436 Ground water geochemistry
115 Alluvial deposits	274 Education	438 Ground water geology
118 Applied geochemistry	277 Electromagnetics	441 Ground water hydrology
121 Applied geology	280 Energy resources	
124 Applied geophysics	283 Engineering	444 Hard metal exploration
127 Applied micropaleontology	286 Engineering geology	447 Hard mineral exploration
130 Applied mineralogy	289 Engineering geophysics	450 Hard rock geology
133 Applied stratigraphy	292 Engineering seismology	453 Helium exploration
136 Appraisals	295 Environmental conservation	456 Highway geology
139 Aqueous geochemistry	298 Environmental geochemistry	459 Hydrogeology
142 Aquifers	301 Environmental geology	460 Hydrography
145 Areal geology	304 Environ. Impact statements	462 Hydrology
147 Automotive emissions	307 Environmental planning	
	310 Evaluation	465 Igneous petrology
148 Base metal geophysics	313 Evaporites	468 Image interpretation
149 Base metals	316 Exploration	471 Industrial geology
151 Basement geology	319 Exploration geochemistry	474 Industrial minerals
154 Basin studies	322 Exploration geology	477 Industrial seismology
157 Bauxite	325 Exploration geophysics	480 Industrial sites
160 Bio-lithostratigraphy		483 Industry affairs
163 Biostratigraphy	328 Ferrous metals	486 Invertebrate paleontology
166 Blasting seismology	331 Field geology	489 Investments
169 Blast vibrations	333 Field mapping	490 Investment analysis
172 Borehole testing	336 Flood control	492 Iron ores
175 Business management	339 Fluorspar	
	342 Fluvial processes	495 Kerogen analysis
178 Carbonates	345 Forensic geology	
181 Carbonate exploration	348 Formation evaluation	498 Land administration
184 Carbonate petrography	351 Fossil fuels	501 Land reclamation
187 Carbonate sedimentology	354 Foundation engineering	504 Land use
188 Carbonate stratigraphy	357 Fuels	507 Law
190 Cartography		510 Leasable minerals
193 Civil engineering	357 Gas deliverability	513 Leasing
196 Clastic sedimentation	360 Gas exploration	516 Lignite exploration
199 Clay mineralogy	363 Gas production	519 Limestone economics
201 Coal development	366 Gas reserves	522 Limnology
202 Coal economics	369 Gas storage	
205 Coal exploration	372 General geology	525 Magnetism
208 Coal gasification	375 Geochemistry	527 Management
211 Coal geology	378 Geodesy	528 Marine geology
214 Coastal engineering	381 Geohydrology	531 Marine geophysics
217 Coastal geology	384 Geologic hazards	534 Marine geotechnics
220 Coastal processes	387 Geological engineering	537 Marine mining
223 Computer applications	390 Geological pedagogy	540 Marketing
226 Computer geology	393 Geology	543 Materials engineering
229 Concrete petrology	396 Geomechanics	546 Materials testing
232 Construction materials	399 Geomorphology	549 Metal extraction
235 Copper exploration	402 Geophysical data processing	552 Metal mining
	405 Geophysical diagnostics	555 Metallic minerals
238 Dam construction	408 Geophysical interpretation	558 Metallogenesis
241 Depositional systems		561 Metallurgy
244 Detrital exploration	411 Geophysics	564 Metals exploration
247 Development geology	414 Geotechnical engineering	567 Metamorphic petrology
250 Diatoms	417 Geotechnics	570 Micropaleontology
253 Disposal wells	420 Geothermal exploration	573 Mine development
254 Drainage	423 Glacial geology	576 Mine engineering
256 Drilling supervision		579 Mine management

582 Mineral appraisals	744 Radioactive wastes	922 Waste disposal
584 Mineral development	747 Reclamation	925 Water
585 Mineral engineering	750 Records management	928 Water chemistry
588 Mineral evaluation	753 Refractory raw materials	931 Water pollution
591 Mineral exploration	755 Regional geology	934 Water resources
593 Mineral production	756 Regional mapping	937 Water quality
594 Mineral valuation	757 Regional planning	940 Water well design
597 Mineral wastes	759 Regional structure	943 Well log analysis
600 Mineralogy	762 Regulations	946 Well logging
603 Mining geology	765 Remote sensing	949 Well supervision
606 Mining geophysics	768 Research	
	771 Reserve estimation	
609 Natural gas	774 Reservoir analysis	
612 Natural gas storage	777 Reservoir engineering	
615 Natural resource management	780 Reservoir evaluation	
618 Nonferrous metals	783 Reservoir geology	
621 Nonferrous minerals	786 Resources	
624 Nonmetallic minerals	789 Risk analysis	
	792 Rock mechanics	
627 Oceanography	795 Sales management	
629 Oil & Gas conservation	798 Salt domes	
630 Oil & Gas development	801 Secondary recovery	
633 Oil & Gas exploration	804 Sedimentary petrology	
634 Oil & gas production	807 Sedimentation	
636 Oil shale	810 Sedimentology	
639 Ore deposits	813 Seismic data processing	
642 Ore deposits evaluation	814 Seismic exploration	
645 Ore deposits valuation	816 Seismic interpretation	
648 Ore microscopy	819 Seismology	
651 Organic geochemistry	822 Shallow geophysics	
	825 Smelter byproducts	
654 Paleoecology	828 Soil mechanics	
657 Paleontology	831 Soil science	
660 Palynology	834 Soil stratigraphy	
663 Petrography	837 Solution mining	
665 Petroleum development	840 Solution problems	
666 Petroleum engineering	843 Speleology	
669 Petroleum evaluation	847 Spills	
672 Petroleum exploitation	850 Stability studies	
675 Petroleum exploration	853 Statistics	
678 Petroleum exports & imports	856 Stratigraphic geophysics	
681 Petroleum geochemistry	859 Stratigraphy	
684 Petroleum geology	862 Structural geology	
687 Petroleum geophysics	865 Subsidence	
690 Petroleum management	868 Subsurface development	
693 Petroleum operations	871 Subsurface geology	
696 Petroleum production	874 Subsurface resources	
699 Petroleum publications	877 Sulphur exploration	
702 Petroleum regulation	880 Surface faulting	
705 Petrology	883 Surface geology	
708 Phosphates		
711 Photogeology	886 Tar sands	
714 Planktonic microfossils	889 Tax appraisals	
715 Pleistocene geology	892 Teaching	
717 Potash	895 Tectonics	
720 Production	898 Tunnels	
721 Production management		
723 Project management	901 Underground construction	
726 Property evaluation	902 Underground storage	
729 Property management	904 Unitization	
732 Prospect evaluation	907 Uranium exploration	
735 Prospect origination	910 Urban geology	
738 Public policy		
741 Public relations	913 Volcanic stratigraphy	
	916 Volcaniclastics	
	919 Volcanology	

MONTHLY FINANCIAL REPORT

1 RECEIPTS MONTH OF SEPT 1978	2 CLASSIFICATION	3 APPROPRIATED RECEIPTS	4 UNAPPROPRIATED RECEIPTS	5 TOTAL ALL RECEIPTS YEAR TO DATE
-0-	1 Permits to Drill			75 00
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	16			
	17			
-0-	TOTAL CURRENT MONTH RECEIPTS		-0-	XXXXXX
-	TRANSFERS IN			
XXXXXX	BALANCES BROUGHT FORWARD		75 00	XXXXXX
	TOTALS - MONTH AND YEAR TO DATE		75 00	75 00

6 CLAIMS PAID MONTH OF SEPT 19 78	7 EXPENDITURES FUND TITLES	8 TOTAL AMOUNT AVAILABLE YEAR TO DATE	9 CLAIMS PAID YEAR TO DATE	10 OUTSTANDING ENCUMBRANCES	11 UNENCUMBERED BALANCE
13,768 02	1 Personal Services	27,462 00	27,230 04		225 96
2,301 84	2 Emp. Related Exp.	5,202 00	4,851 81		350 19
181 38	3 Professional Services	893 00	370 13		522 87
563 06	4 Travel - State	1,875 00	811 84	941 41	121 75
	5 Travel - Out of State	2,880 00		333 00	1,667 00
280 89	6 Other Operating Exp.	6,511 86	5,382 90	373 43	755 53
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	30				
17,095 19	TOTALS	43,943 86	38,652 72	1,673	3,643 30

AGENCY Oil & Gas Conservation Commission

DIVISION IDENTIFICATION CODE NO.

1	2	3	4
CLAIMS PAID YEAR TO DATE	OBJECT CODE NO.	DISTRIBUTION OF EXPENDITURES CLASSIFICATION	CLAIMS PAID MONTH OF SEPT 1978
6,230.38	71130	1 Salary: Appointed Official	3,115.14
300.00	71140	2 Per Diem: Commission Members	300.00
20,705.76	71150	3 Salaries: Staff	10,352.88
242.58	71510	4 Emp. Related: Workmens Comp	121.77
161.70	71520	5 Unemployment Insurance	80.85
1,505.57	71530	6 F.I.C.A.	690.74
1,885.62	71542	7 Retirement	942.81
640.00	71551	8 Health Insurance	256.00
144.00	71552	9 D & L Insurance	72.00
272.34	71570	10 Personnel Comm. Pro Rata Charges	137.67
35.25	72169	11 Professional Serv: Cartographic Symbols	
297.38	72199	12 Cartographer	181.38
204.30	72511	13 Travel-State: Mileage - Private Vehicles	204.30
36.45	72512	14 Mileage - State Vehicles	
568.24	72520	15 Subsistence	357.76
	72531	16 Air Fare	
2.00	72543	17 Parking	1.00
85	72549	18 Misc.	
	72560	19 Travel-Out of State: Subsistence	
	72571	20 Air Fare	
	72574	21 Taxis	
	72581	22 Registration Fees	
	72589	23 Other-Telephone, etc.	
2,500.00	72711	24 Occupancy: Office Rent	
	72713	25 Warehouse Rent	
	72821	26 Mtn. & Repairs: Furniture	
	72823	27 Adders & Calculators	
53.50	72824	28 Typewriters	
315.00	72826	29 Copy Machine, Other	
	72827	30 Mimeo, Reader-Printer, etc.	
	73111	31 Office Supplies: Printed Stationery & Envelopes	
	73113	32 Carbon & Ribbons	
	73117	33 Reproduction Supplies	
322.83	73119	34 Misc. & Blue Prints	119.50
	73259	35 Field Supplies: Logs, etc.	
	73514	36 Printing - Large Maps, etc.	
	73519	37 Misc.	
	73524	38 Legal Advertising	
	73531	39 Subscriptions: Newspaper	
	73533	40 Technical Journals	
115.00	73541	41 Postage Stamps	
52.87	73551	42 Telephone Serv: Central System	28.77
121.30	73552	43 Equipment Rental	85.65
49.28	73553	44 Long Distance	20.04
53.12	73554	45 ATS Service Charge	26.93
1,500.00	73720	46 Organization Dues	
	73730	47 Technical or Reference Books	
	73741	48 Insurance	
250.00	79220	49 Revolving Fund	
37.50	72122	50 Court Reporter	
37.50	72167	51 Notary Charge	
		52	
		53	
		54	
		55	
38,652.72		TOTAL	17,095.19

OFFICE

FOR UNIT SERVICE BEFORE THIS DATE

FIFTH

32x11



OFFICE OF
Oil and Gas Conservation Commission
STATE OF ARIZONA
1645 WEST JEFFERSON, SUITE 420
PHOENIX, ARIZONA 85007
PHONE: (602) 271-5161

October 3, 1978

Memo: Commissioners

From: John Bannister
Executive Secretary

JB

I apologize for all the confusion concerning the date of our next meeting. November 10th is a State holiday and all facilities will be closed, consequently we have repolled the Commissioners and November 17th will now be the firm date for the next Commission meeting in Phoenix.