OIL & GAS CONSERVATION COMMISSION
—MINUTES OF MEETING / OCTOBER 14, 2005
—STEVEN L RAUZI, OIL & GAS ADMINISTRATOR

NOTICE OF COMBINED PUBLIC MEETING AND POSSIBLE EXECUTIVE SESSION

OIL AND GAS CONSERVATION COMMISSION

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Oil and Gas Conservation Commission and to the general public that the Oil and Gas Conservation Commission will hold a meeting open to the public on October 14, 2005, at 10:00 a.m. in Room 321 of the State Land Department Building located at 1616 West Adams Street, Phoenix, Arizona 85007. As indicated in the agenda, pursuant to A.R.S. § 38-431.03(A)(3) or (4), the Oil and Gas Conservation Commission may vote to go into executive session, which will not be open to the public, for discussion or consultation with its attorney.

The agenda for the meeting is as follows:

- 1. Call to Order
- 2. Approval of Minutes of Meeting of July 29, 2005
- 3. Report of Oil & Gas Administrator about permits issued and wells drilled or plugged since the last meeting
- 4. Status of 2006 sunset review of Arizona Oil and Gas Conservation Commission
- 5. Status of Holbrook Energy wells 35-1 Hortenstine (Permit 919) and 17-1 NZ (Permit 924) and possible decision concerning request to extend temporary abandonment
- 6. Status of Ridgeway Arizona Oil Corporation wells 22-1X State (Permit 888), 11-21 State (Permit 895), 10-22 State (Permit 896), 9-21 State (Permit 897), 12-15-30 State (Permit 900), and 11-18 State (Permit 916) and possible report from a representative of Ridgeway
- 7. Call to the public
 - This is the time for the public to comment. Members of the Commission may not discuss
 items that are not on the agenda. Therefore, action taken as a result of public comment
 will be limited to directing staff to study the matter or scheduling the matter for further
 discussion and decision at a later date.
- 8. Announcements
- 9. Adjournment

The Oil and Gas Conservation Commission may vote to go into Executive Session, pursuant to A.R.S. § 38-431.03(A)(3) or (4), which will not be open to the public, to consult with its attorney and receive legal advice with respect to any regular agenda item listed on this agenda.

A copy of the agenda background material provided to Commission members (with the exception of material relating to possible executive sessions) is available for public inspection at the Oil and Gas Administrator's office, 416 West Congress, Suite 100, Tucson, Arizona 85701.

The public may be afforded an opportunity to comment on any item on the agenda; however, at the beginning of the meeting, the Commission may vote to set up a time limit on individual comments.

Dated this 4th day of October 2005

OIL AND GAS CONSERVATION COMMISSION

Steven L. Rauzi

Oil and Gas Administrator

SL Rains

Persons with a disability may request a reasonable accommodation such as a sign language interpreter, by contacting Steve Rauzi at (520) 770-3500. Requests should be made as early as possible to allow time to arrange the accommodation. This document is available in alternative formats by contacting Steve Rauzi at (520) 770-3500.

OIL AND GAS CONSERVATION COMMISSION

416 West Congress #100 Tucson, Arizona 85701

Minutes of Meeting July 29, 2005

Present:

Dr. J. Dale Nations, Chairman

Mr. Robert L. Jones, Vice-Chairman

Mr. Joseph J. Lane, Member

Mrs. Michele P. Negley, Member

Mr. Robert L. Wagner, Member

Mr. Steven L. Rauzi, Oil and Gas Administrator

Dr. J. Dale Nations, Chairman, called the regular Commission Meeting of July 29 to order at 10:00 a.m. in Room 321, State Land Department Building in Phoenix, Arizona.

APPROVAL OF THE MINUTES OF THE MEETING OF MAY 13, 2005

Mr. Jones moved, seconded by Mrs. Negley:

THAT THE MINUTES OF THE MEETING OF MAY 13, 2005 BE ACCEPTED AS PRESENTED

Motion carried unanimously.

REPORT OF THE OIL AND GAS ADMINISTRATOR

The activity report of Mr. Rauzi was sent to the Commissioners and has been made a part of these minutes. Mr. Rauzi discussed the permits issued and wells drilled or plugged since the last meeting on May 13, 2005.

STATUS OF FINAL RULEMAKING TO AMEND A.A.C. R12-7-103

Mr. Rauzi reported that the Governor's Regulatory Review Council approved the final rulemaking at its July 12, 2005 meeting. He noted the rule would become effective 60 days after filing with the Secretary of State.

STATUS OF HOLBROOK ENERGY WELLS 35-1 HORTENSTINE (PERMIT 919) AND 17-1 NZ (PERMIT 924)

Mr. Rauzi reported that Holbrook Energy drilled the 35-1 in September 2004 and was granted temporary abandonment through October 2005 to attempt a slim-hole completion. Mr. Rauzi indicated that to date the Commission had not received any subsequent information about the completion attempt.

Mr. Rauzi reported that Holbrook Energy drilled the 17-1 in February 2005 and was granted temporary abandonment through October 2005 to evaluate the hole. Mr. Rauzi reported that Holbrook Energy conducted a production test in mid May. He indicated that to date the Commission had not received any subsequent information about the production test.



STATUS OF RIDGEWAY ARIZONA OIL CORPORATION WELLS 22-1X STATE (888), 11-21 STATE (895), 10-22 STATE (896), 9-21 STATE (897), 12-15-30 STATE (900), AND 11-18 STATE (916), APACHE COUNTY AND POSSIBLE REPORT BY A REPRESENTATIVE OF RIDGEWAY

Mr. Rauzi reported that all of Ridgeway's wells were granted temporary abandonment through January 2006. Mr. White indicated that there was nothing to report at this time.

CALL TO THE PUBLIC

Mr. Rauzi reported that 44 parcels were offered at the BLM oil and gas lease held July 12 in Phoenix. He indicated that several parcels received bids as high as \$10 per acre.

ANNOUNCEMENTS

Mr. Rauzi announced that the sunset review of the Commission was scheduled for next year. He passed out a copy of a letter from the legislative committee of reference requesting information relating to the review. He noted that a response was requested by September 15.

The Commission scheduled its next meeting at 10:00 a.m. on October 14, 2005, in Room 321 at the State Land Department Building in Phoenix.

ADJOURNMENT

Mr. Wagner moved, seconded by Mrs. Negley:

THAT THE MEETING BE ADJOURNED

Motion carried unanimously. Time of adjournment was 10:50 a.m.

APPROVED

Dr V Dale Nations

Chairman

GUESTS IN ATTENDANCE

Richard Ahern

State Land Department Guest of Bob Jones

Jo Anne Jones Tom White

Ridgeway Arizona Oil Corporation



State of Arizona Arizona Geological Survey

416 W. Congress, Suite 100 Tucson, Arizona 85701 (520) 770-3500

www.azgs.az.gov



Director and State Geologist

October 4, 2005

To: Oil and Gas Conservation Commissioners

SLB

From: Steven L. Rauzi, Oil and Gas Administrator

Re:

Activity Report for the October 14, 2005, Meeting

Three permits to drill were issued, three wells were drilled, and five wells were plugged since your last meeting on July 29, 2005.

Arizona Public Service permitted three temperature gradient wells in the Clifton area in September. Drilling had not started at the time of this report.

El Paso Natural Gas Company drilled and plugged two stratigraphic wells in the Picacho Basin in August and September. These wells were drilled to collect subsurface information relative to a potential storage facility. All information from the wells is being held confidential in accordance with statute.

McCabe Energy drilled and abandoned its well north of Flagstaff in August. This well was an oil and gas test related to the oil source rock potential of Precambrian Chuar Group rocks. All information from the well will be held confidential in accordance with statute.

Gruy Petroleum plugged and abandoned both of its wells south of Sanders in August. These were the first of several wells that Gruy had planned to drill to determine if there was enough helium to justify rebuilding a helium extraction plant in the area.

Holbrook Energy LLC conducted a production test in its 17-1 NZ near Concho in mid May. To date the Commission has not received any subsequent information about the production test. The 17-1 was granted temporary abandonment through October 2005.

Holbrook Energy LLC requested temporary abandonment for its 35-1 Hortenstine at Pinta Dome to evaluate a slim-hole completion procedure in the well. To date the Commission has not received any subsequent information about the completion procedure. The 35-1 was granted temporary abandonment through October 2005.

REPORT TO THE COMMITTEE OF REFERENCE

On the

2006 SUNSET REVIEW

Of the

ARIZONA OIL AND GAS CONSERVATION COMMISSION

Submitted by

J. Dale Nations Chairman Arizona Oil and Gas Conservation Commission

And

Steven L. Rauzi Oil and Gas Program Administrator

August 19, 2005

EXECUTIVE SUMMARY

The Oil and Gas Conservation Commission (OGCC), pursuant to A.R.S. § 27-515, administers and enforces state laws relating to the conservation of oil, gas, and geothermal resources. The statutory definition of gas, A.R.S. § 27-501(9), includes helium and carbon dioxide.

Before 1959, the Office of Oil and Gas Conservation at the State Land Department administered state laws relating to oil and gas. The OGCC became a stand-alone agency in July 1959. In July 1991, in order to reduce General Fund expenditures, the Legislature eliminated the agency and attached the OGCC (governing board) and one FTE to the Arizona Geological Survey (AZGS). The OGCC retained statutory authority to set policy, promulgate rules, and issue orders on matters within its jurisdiction. Under this arrangement, the AZGS provides administrative and staff support needed to fulfill the mission of the OGCC. This has reduced expenditure of General Revenue funds on behalf of the OGCC from about \$190,000/year to about \$60,000/year, a savings of \$130,000/year.

The OGCC fulfills its mission by issuing permits for oil, gas, and geothermal wells; monitoring and inspecting wells and facilities for compliance with rules; maintaining rules in Title 12, Chapter 7 of the *Arizona Administrative Code*; collecting, compiling, and maintaining drilling, production, and subsurface data for public use; coordinating enforcement with the Attorney General; and preparing and publishing geologic studies to encourage and assist the exploration for and development of Arizona's oil, gas, and geothermal resources.

Arizona currently has 29 active oil wells, 14 active gas wells, and 14 hydrocarbon-storage wells. During the Sunset Review period (July 1996 through June 2005) the OGCC permitted 36 wells. All drilling, producing, and storage wells were inspected and monitored. All safety, environmental, or communication problems were resolved.

CONCLUSION

It is important that a commission of public members should set oil and gas regulatory policy and promulgate and maintain rules that govern the drilling and production of oil, gas, and geothermal resources in Arizona. The regulated community has access to the OGCC if disputes or special needs require resolution. The OGCC, the only governmental unit with appropriate statutory authority and technical expertise to perform these functions, should be continued.

Affiliation with the AZGS facilitates sharing of geologic data, maintaining subsurface and well information, and accessing expertise relative to the overall geologic character of Arizona's subsurface and potential for oil and gas resources.

REPORT TO THE COMMITTEE OF REFERENCE

The following information about the Arizona Oil and Gas Conservation Commission (OGCC) was compiled in response to a request from representative Michele Reagan, Co-Chair of the Committee of Reference. The sunset review period is from July 1, 1996 to June 30, 2006.

1. The objective and purpose in establishing the agency.

The OGCC was established to administer and enforce state laws relating to the conservation of oil, gas, and geothermal resources. The Arizona Geological Survey (AZGS) provides administrative and staff support needed to carry out this charge.

The OGCC conserves and prevents waste of oil, gas, and geothermal resources; provides for protection of owners of land wherein these resources lie; encourages responsible exploration and development of these resources; and safeguards the health, property, environment, and public welfare of the citizens of the State.

The above objectives are accomplished by issuing permits for oil, gas, and geothermal wells; monitoring and inspecting wells and facilities for compliance with rules; maintaining effective rules in Title 12, Chapter 7 of the *Arizona Administrative Code*; collecting, compiling, and maintaining drilling, production, and subsurface data for public use; coordinating enforcement with the Attorney General; and completing geologic studies to encourage exploration for and development of Arizona's oil, gas, and geothermal resources.

2. The effectiveness with which the agency has met its objective and purpose and the efficiency with which it has operated.

During the Sunset Review period (July 1996 to June 2005) 36 drilling permits were issued, 29 wells were drilled, and all OGCC rules were reviewed in conjunction with the Governor's Regulatory Review Council and amended as necessary. In addition, there are currently 29 active oil wells, 14 active gas wells, and 14 hydrocarbon-storage wells in Arizona. All drilling, producing, and hydrocarbon-storage wells were inspected and monitored. All safety, environmental, or communication problems were resolved.

The OGCC has effectively met its objective and purpose through close interaction with the regulated community and the Departments of Water Resources and Environmental Quality; timely inspections during drilling; periodic inspections of hydrocarbon-storage wells, and by keeping its rules consistent with current technology and environmental practices. This regulatory activity is carried out with expenditure of about \$60,000 of General Revenue funds. Examples of major activities completed are:

a. Enforced abandonment of two non-productive exploratory wells near Meteor Crater and Concho.

- b. Completed two 5-year reviews of oil and gas rules in Title 12, Chapter 7, Arizona Administrative Code in cooperation with the Governor's Regulatory Review Council (GRRC).
- c. Amended 7 rules in Title 12, Chapter 7, Arizona Administrative Code. The GRRC approved all amended rules.
- d. Completed an assessment of potential geologic carbon sequestration sites in Arizona for the U.S. Department of Energy.
- e. Microfilmed all oil and gas files to provide for disaster recovery.
- f. Prepared and published 12 geologic studies related to subsurface geology for the purpose of encouraging and assisting exploration for and development of Arizona's oil, gas, and geothermal resources.
- g. Digitized oil and gas well information on a CD that is available to the public.

3. The extent to which the agency has operated within the public interest.

The OGCC's rules, orders, and substantive policy statements are adopted to conserve oil, gas, and geothermal resources, and safeguard the health, property, environment, and public welfare of the citizens of the State. Ensuring proper drilling, completion, and production practices conserves resources and prevents pollution of ground water.

All meetings and hearings of the OGCC are open to the public. An agenda is posted two weeks before the meeting or hearing to advise the public on all matters to be considered. This ensures input and participation by all interested parties in any matter being considered.

The composition of the OGCC further ensures its operation in the public interest. The OGCC consists of six members, five of which are appointed from the general public by the Governor. The State Land Commissioner serves as the sixth, ex-officio member. Only the appointed, public members have voting rights, and no more than three members may be of the same political party.

4. The extent to which rules and regulations promulgated by the agency are consistent with the legislative mandate.

A.R.S. § 41-1054 requires an agency to conduct a review of its rules in cooperation with the GRRC every five years. This ensures that rules are up-to-date with respect to current technology in the regulated industry and the latest environmental protection practices. The review process ensures that each rule is:

a. Authorized by existing statutes;

- b. Effective in meeting its intended objective;
- c. Consistent with legislative mandate, other rules, and current enforcement policy; and
- d. Clear, concise, and understandable by the regulated industry and general public.

The OGCC cooperated with the GRRC in these reviews of its rules. Four rules were amended, and all were shown to be consistent with legislative mandate.

5. The extent to which the agency has encouraged input from the public before promulgating its rules and regulations and the extent to which it has informed the public as to its actions and their expected impact on the public.

All rulemaking activities of the OGCC are carried out in full compliance with the Arizona Administrative Procedures Act, reviewed by the GRRC, and adopted subject to certification by the Attorney General. GRRC meetings are open to the public and all rules sent to the GRRC must be accompanied by an economic, small business, and consumer impact statement.

All OGCC rulemaking activity is initiated in public meetings, published in the *Arizona Administrative Register*, and adopted after a public hearing on the proposed rulemaking. This process facilitates input and participation from the regulated industry and general public in the promulgation of all OGCC rules.

6. The extent to which the agency has been able to investigate and resolve complaints that are within its jurisdiction.

Few complaints have been received, and they have been resolved with input from the public. This is due to the right of any interested person to appear at any OGCC meeting and be heard on any matter within the jurisdiction of the OGCC. The OGCC encourages and welcomes public input, which is carefully considered before regulatory and policy decisions are made.

7. The extent to which the attorney general or any other applicable agency of state government has the authority to prosecute actions under the enabling legislation.

Pursuant to A.R.S. § 27-521, the Attorney General shall be attorney for the OGCC, and has full authority to prosecute actions under the enabling legislation. Enforcement options include prohibitory or mandatory injunctions, temporary restraining orders, and preliminary injunctions in addition to civil penalties of not more than one thousand dollars for each violation and for each day the violation continues.

Within the sunset review period, the OGCC successfully resolved two ongoing cases of noncompliance by closely coordinating enforcement with the Attorney General. Forfeiture of bond money and threat of prosecution by the Attorney General resulted in compliance before the cases were brought to suit.

8. The extent to which agencies have addressed deficiencies in their enabling statutes which prevent them from fulfilling their statutory mandate.

In late 1998 discussions with the state land department, regulated community, legislators, and the Attorney General resulted in HB 2332, which amended A.R.S. §§ 27-501, 27-516, 27-522, 27-653, and 27-661 in the 1999 legislative session. This bill clarified the definition of a gas well and extended the time frame for holding well information confidential from six months to one year from the completion of drilling.

In late 1999 an independent operator had some concern with the existing time frame for holding well information confidential. Discussions with the operator, legislators, and the Attorney General resulted in HB 2492, which amended A.R.S. §§ 27-501, 27-515, and 27-522 in the 2000 legislative session. This bill clarified the definition of a completed well and extended the time frame for holding well information confidential from one year to not more than two years from the completion of drilling upon a showing of cause by an operator.

9. The extent to which changes are necessary in the laws of the agency to adequately comply with the factors listed in this subsection.

No changes are necessary at this time.

10. The extent to which the termination of the agency would significantly harm the public health, safety, or welfare.

The OGCC safeguards the health, property, environment, and public welfare of the citizens of the State as it relates to oil, gas and geothermal drilling and production activities. Termination of the OGCC would result in a vacuum because no other agency has statutory authority to address these needs. Not only is statutory authority required, the agency must also have properly qualified staff. Persons with such qualifications are not employed by any other agency.

Errors in judgement concerning blow-out-control equipment and tests; depth and integrity of casing strings; and construction, maintenance, and operation of hydrocarbon storage wells could result in pollution of groundwater or blow outs and major fire resulting in possible injuries or fatalities. Termination of the OGCC would clearly result in a serious risk to the health, property, safety, and public welfare of the citizens of the State.

11. The extent to which the level of regulation exercised by the agency is appropriate and whether less or more stringent levels of regulation would be appropriate.

The OGCC recently strengthened its performance bonding requirements. The current level of regulation exercised by the AZGS on behalf of the OGCC is appropriate with the current level of industry exploration and drilling activity.

12. The extent to which the agency has used private contractors in the performance of its duties and how effective use of private contractors could be accomplished.

The OGCC does not use private contractors in the performance of its regulatory duties. It would not be cost effective or efficient to use private contractors to handle the day-to-day collection and filing of production, drilling, and injection records maintained by this office. A full-time employee of the State most efficiently provides collection and filing of records, public relations, correspondence, and assistance to the regulated industry. All well data, samples, and files are available to the public. We encourage the use of these data in developing exploration programs.

ADDITIONAL WRITTEN RESPONSES

1. An identification of the problem or the needs that the agency is intended to address.

The OGCC was established to administer and enforce state laws relating to the conservation of oil, gas, and geothermal resources

2. A statement, to the extent practicable, in quantitative and qualitative terms, of the objectives of such agency and its anticipated accomplishments.

The objectives of the OGCC are to conserve and prevent the waste of oil, gas, and geothermal resources; provide for the protection of owners of land wherein these resources lie; and safeguard the health, property, environment and public welfare of the citizens of the state by encouraging responsible exploration for and development of oil, gas, and geothermal resources. The OGCC plans to continue close interaction with the regulated community and the Departments of Water Resources and Environmental Quality, the Arizona State Land Department and appropriate federal agencies. It will perform timely inspections during drilling, periodic inspections of hydrocarbon-storage wells, and maintain rules that are consistent with current technology and environmental practices.

3. An identification of any other agencies having similar, conflicting or duplicate objectives, and an explanation of the manner in which the agency avoids duplication or conflict with other such agencies.

The responsibilities of the OGCC do not overlap with any other agency or commission.

4. An assessment of the consequences of eliminating the agency or consolidating it with another agency.

Elimination of the OGCC would result in a void because no other agency has the statutory authority to administer and enforce laws relating to the conservation of oil, gas, and geothermal resources. The consequences of eliminating the OGCC would be a lack of regulation and supervision of drilling activities including: blowout control equipment and tests, depth and

integrity of casing strings, and construction, maintenance and operation of hydrocarbon storage wells that could result in pollution of groundwater, blowouts, or fires. Termination of the OGCC may also result in serious injuries or fatalities.

ADDITIONAL RESPONSES AND MOST RECENT ANNUAL REPORT

1. Describe any major activities/projects, accomplishments, or obstacles to success.

The major activities of the OGCC, pursuant to A.R.S. § 27-515, are administering and enforcing state laws relating to the conservation of oil, gas, and geothermal resources. These activities include issuing permits to drill oil, gas, and geothermal wells; monitoring and inspecting wells and facilities for compliance with rules; maintaining effective rules in Title 12, Chapter 7, of the *Arizona Administrative Code*; collecting, compiling, and maintaining drilling, production, and subsurface data for public use; coordinating enforcement with the Attorney General; and completing studies encouraging exploration for and development of Arizona's oil, gas, and geothermal resources.

The AZGS provides staff support. Affiliation with the AZGS facilitates sharing of geologic data and library, maintaining subsurface and well information, and accessing expertise relative to the overall geologic character of Arizona's subsurface and potential oil and gas resources.

Recent accomplishments of the OGCC include:

- a. Enforced abandonment of two non-productive exploratory wells. One well was near Meteor Crater, and the other was near Concho.
- b. Amended 7 rules in Title 12, Chapter 7, *Arizona Administrative Code*, which were approved by the Governor's Regulatory Review Council.
- c. Issued permits for 36 wells during the review period (July 1996 through June 2005). (34 wells were permitted in the previous review period from July 1984 through June 1994)
- d. Provided expertise on subsurface salt in Arizona as related to natural gas storage in a meeting with Speaker Flake, Representatives Nelson and Gray, and constituents.
- e. Provided expertise on subsurface salt in Arizona as related to natural gas storage in a meeting with Senator Binder and constituents.
- f. Completed an assessment of potential geologic carbon sequestration sites in Arizona for the U.S. Department of Energy.
- g. Microfilmed all oil and gas files to provide for disaster recovery.
- h. Digitized oil and gas well information on a CD that is available to the public.

- i. Prepared and published 12 geologic studies related to subsurface geology for the purpose of encouraging and assisting exploration for and development of Arizona's oil, gas, and geothermal resources.
- 2. Provide the committee of reference with the most recent annual report (attached), including financial data that outlines the fee structure, expenditures and revenues, and number of FTEs.
- a. The OGCC was attached administratively to the AZGS in July 1991 to reduce expenditure of General Revenue funds. One FTE at the AZGS, the Oil and Gas Program Administrator, handles day-to-day oil and gas functions and conducts regulatory activities on behalf of the OGCC.
- b. Expenditures on behalf of the OGCC were reduced from about \$190,000 a year as a standalone agency to about \$60,000 a year after the OGCC was attached to the AZGS. The current funding level reflects the current level of drilling and storage-well activity.
- c. There are no direct revenues to the OGCC. Related, non-direct revenues, which currently go to the General and State Reclamation Funds, include application fees, oil and gas lease rentals, and severance and property taxes on oil and gas production and equipment. Application fees are a function of the number of drilling permits issued and have recently averaged \$130 a year. Lease rentals are a function of the amount of acreage under lease and have recently averaged \$441,000 a year. Taxes are a function of production levels and have recently averaged \$53,000 a year. The Arizona State Land Department administers leasing on State Trust Land. The U.S. Bureau of Land Management administers leasing on Federal and Indian Lands.
- d. Application fees are structured to balance the need to cover the cost of processing drilling applications and encouraging exploration in Arizona, which, in turn, increases the probability for a discovery. A discovery of oil or gas will create jobs and increase general fund revenue for the state.
- e. The OGCC collects a \$10,000 to \$20,000 performance bond, depending on depth of hole, for each well permitted. These funds include surety, certificates of deposit, or cash; are custodial in nature and are owed to individuals. They are returned upon completion of a drilling project or may be forfeited by the OGCC for noncompliance with rules.
- 3. The composition and manner of appointment of the commission including number of members, number of public members and method of appointment.
- a. The OGCC consists of six members. The Governor appoints five members from the general public. The State Land Commissioner serves as the sixth, ex-officio member. Only

the appointed, public members have voting rights, and no more than three members may be of the same political party.

b. Current appointed members from the general public include Mr. Robert Jones, a retired petroleum geologist in Sun City West; Mr. Joseph Lane, a retired legislator in Phoenix; Dr. Dale Nations, a retired geology professor at Northern Arizona University in Flagstaff now living in Tucson; Ms. Michele Negley, a business management consultant in Phoenix; and Mr. Robert Wagner, a retired city manager in Yuma now living in Mesa. The sixth, exofficio member is Mr. Mark Winkleman, State Land Commissioner.

Respectfully submitted by:

L Dale Nations, Chairman

Oil and Gas Conservation Commission

Steven L. Rauzi

Oil and Gas Program Administrator

Stevent Raiz

Arizona Geological Survey

8/19/05

Date

Date

8-19-05

ADGCC MTG 10-14-05

Name Replesenting
Ridgeway