

OIL AND GAS CONSERVATION COMMISSION

Minutes of Meeting

October 26, 1960

The October 26th meeting of the Oil and Gas Conservation Commission was called to order by Chairman Wharton, at which time the following persons were present:

Mr. Wharton, Chairman; Dr. Kalil, Vice Chairman;  
Mr. Deddens, Member; Mr. Walden, Member; Mr. Jerome;  
Mr. Maule; Mr. Ross, Assistant Attorney General;  
Mr. L.H. Bell, Petroleum Engineer; Dick Thomas, of  
the Gazette; Bill King, of the Republic.

The Minutes of the meeting of September 28 were approved. Pursuant to the Agenda, discussion was held regarding Lydia Johnson matter by Mr. Ross, at which time the following motion was made by Mr. Walden:

"I move that the position of this commission remain unchanged and that there be no additional evidence introduced, except for that evidence which was taken as indicated by the two motions by Mr. Deddens at the September 28 meeting, and that the two motions of Mr. Deddens are effective as made 30 days from date of notice."

MOTION FAILED FOR LACK OF A SECOND AND WAS WITHDRAWN BY  
MR. WALDEN.

Mr. Maule reported the applications and abandonments and copies of the list were made for each commissioner.

After a demonstration of the UHER Universal Recorder & Dictating Machine, although there was no formal motion made, the commission directed Mr. Jerome to purchase this machine, with foot control, ear-phones and tapes, and necessary equipment, from Bruce's World of Sound Inc., 2711 E. Indian School Road, Phoenix, Arizona. (This machine was subsequently purchased for the sum of \$354, including the miscellaneous equipment, tapes, etc.)

Upon discussion of Mr. L.H. Bell's services and the fee for same, motion was made by Dr. Kalil that L. H. Bell & Associates bill be paid. This motion was seconded by Mr. Walden, and was unanimously approved and carried.

After lunch, the meeting was resumed, ~~in the form of a hearing~~, at 2:30 p.m., at which time Messrs. Adams of Kerr-McGee Oil Industries, and Mr. Dean of Eastern Petroleum Co., were given an opportunity to speak before the members of the commission.

*SUMMARY OF STATEMENTS*

The ~~hearing~~ was recorded on the UHER Recorder, during which time Mr. Deddens made the following motions with regard to Kerr-McGee:

1. "I move that the application be granted subject to the appropriate order." Seconded by Mr. Walden, approved and carried unanimously.

2. "Mr. Chairman, in view of the prior motion of the commission, adopting the motion that the application be granted subject to the proper preparation of the order, I now move that the commission direct the attorneys for Kerr-McGee to prepare an appropriate order showing the proposed findings of fact and order heretofore submitted to the commission with the following changes and amendments:

that Paragraph 4 of the findings be amended to include the figures \$20,000.00, in the blank space at the end of the paragraph, as it presently appears in the proposed amendment;

that a semi-colon be added after the figure \$20,000.00, and the following words be added to the paragraph: "nothing in this finding shall prevent this commission from determining the proper costs under Section 27-505-A, A.R.S., if interested parties are unable to agree on such costs."

Secondly, that both the findings and the order be amended to include an appropriate finding relative to the establishment of Unit #10, within the field, and that the order likewise be amended to include the establishment of Unit #10 in the field, and that the boundaries of said Unit #10 be as described in the evidence by the witness for Kerr-McGee;

Thirdly, that there be added to the order as prepared a Paragraph 7, substantially as follows: All of the foregoing matters being subject to the further orders of this commission and, Mr. Chairman, on the behalf of those proposed amendments to the findings and the order as proposed by Kerr-McGee's attorneys, I further move that this commission adopt and make their findings in accordance with this motion and an order in accordance with this motion; and further, that when the appropriate findings and order in formal written language have been prepared by the attorneys and presented to the commission, that it be approved by the Attorney General's Office, and upon such approval, signed by the commission."

SECONDED BY MR. WALDEN, ALL IN FAVOR, MOTION WAS CARRIED.

3. "I move that the findings and order as prepared show that the hearing was had on September 28, 1960, that it was concluded at that time and taken under advisement, and the order which we will be signing at a later date show that the order was actually adopted as of this date, October 26, 1960."

SECONDED BY MR. WALDEN, APPROVED BY ALL, MOTION CARRIED.

Present at the above <sup>MEETING</sup> ~~hearing~~ were the following persons: Mr. Wharton, Mr. Deddens, Dr. Kalil, Mr. Walden, Mr. Chilson, Mr. Jerome, Mr. Maule, Mr. Ross, Mr. Thomas, Mr. King; and Lyn Adams, Kerr-McGee; Val Connell, Kerr-McGee; Robert Davidson, Eastern attorney; James Dean, Eastern; Senator Giss; Buzz Brown, geologist; Robert Lauth, geologist; Mr. McAlister, Kerr-McGee attorney; Mr. Gust, Kerr-McGee attorney; Mr. Trowbridge, a stockholder, Kerr-McGee; Frank Ewing, Jack Hungiville & Gordon Fleetwood, all of Hungiville-Ewing Oil Investments; Bill Hudson, Geologist; Charles

Martin; Ted Rehm; and a Mr. W.C. Klaffke, who was primarily interested in the outcome of the Lydia Johnson situation.

Meeting was adjourned at 5 p.m.

Respectfully submitted,

E. Welsey, Secretary

APPROVED December 28 1960

M. F. WHARTON, Chairman

*Charles Kalil, M.D.*  
CHARLES KALIL, Vice Chairman

*Anthony T. Deddens*  
ANTHONY T. DEDDENS, Member

*R. Keith Walden*  
R. KEITH WALDEN, Member

*Ernest W. Chilson*  
ERNEST W. CHILSON, Member