

OIL AND GAS CONSERVATION COMMISSION

Minutes of Meeting

February 23, 1961

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The Oil and Gas Conservation Commission held its regularly scheduled meeting February 23, 1961 at 9:30 P.M., Mr. Deddens presiding, at which time the following persons were present:

PRESENT:

Commissioner Anthony Deddens
Commissioner Charles Kalil
Commissioner Keith Walden

Mr. D. A. Jerome, Executive Secretary
Mr. Brooks Pierce, Petroleum Geologist

Mr. Laurence Huerta, Asst. Attorney General

ABSENT:

Mr. Ernest Chilson
Mr. Lynn Lockhart
Commissioner M. F. Wharton

Mr. Ernest Chilson was not in attendance as he believed Mr. Lynn Lockhart, newly-appointed Commissioner, would attend this meeting. Mr. Lockhart, since his confirmation as Commission member, was out of town and could not be reached. Therefore, neither was present at the meeting of February 23. Mr. M. F. Wharton was absent due to his serious illness.

Mr. Jerome read the Minutes of the Meeting of February 3rd. Dr. Kalil recommended that the Minutes be changed to read, "Petroleum Geologist" where it stated, "Petroleum Engineer-Geologist". The Minutes were then approved unanimously, as amended.

With regard to #2 on the Agenda, Dr. Kalil suggested that Fund Balances Statements of the accountant, such as the one submitted February 21, be closed up to the 15th of each month, at which time the statement should be sent to the Commissioners, along with the Minutes of the previous meeting and the Agenda for the forthcoming meeting. All were in favor of this suggestion and it was adopted as Commission procedure for March and all months following.

The Commissioners then discussed office hours, and it was decided that the lunch hour be flexible, but to be taken from 12 to 1 if conditions permit; the office to be closed for that length of time. They recommended that sick leave not be accumulative, and that vacation time likewise should not be accumulated beyond the length of one year. They agreed that there should be a six months' minimum time before an employee would receive these benefits, and after six months, they would receive the benefits, retroactive.

Dr. Kalil: "I move that this policy concerning sick leave, annual leave, and the accumulation of annual leave and sick leave, on a

basis of the calendar year, as laid out here in this memo (said memo being an addendum to these minutes) be adopted, with the understanding that with the proper commission action concerning this policy, that this can be changed at a later date, if the need arises."

Mr. Walden seconded the motion, which was approved, subject to the non-accumulation of sick leave and annual leave, and subject to the requirement that employees be employed a minimum of six months and then would be entitled to the benefits, retroactive, this new policy to commence January 1, 1961.

The Farmington trip was discussed by Mr. Jerome and Mr. Pierce, when they visited the Humble well and other wells in the area.

Employment of a new secretary to replace Mrs. Welsey was also discussed. The Commission members approved the employment of Helen M. Eremie as secretary on a probationary period of one month.

The fourth item under discussion were the forms which Mr. Huerta had drawn up for the Commission's approval. After prolonged debate, Mr. Walden stated that "It is obvious that this study of these forms and applications is something that should be collaborated on by Mr. Jerome and Mr. Huerta, to come up with a streamlined set of documents that we can look at, which they would recommend to us, which would encourage people to explore for oil and gas. You should have it available at the next meeting so that we could act on it at that time."

Mr. Deddens made a motion, regarding the resolution which Mr. Huerta submitted to the Commission, that "we adopt this resolution, in the language submitted, which was presented by Mr. Huerta".

Motion was seconded by Dr. Kalil, all were in favor. Mr. Huerta also presented the members of the Commission with copies of a manual, containing the pertinent rules and regulations and statutes.

A motion was made by Keith Walden and seconded by Lynn Lockhart (*) as follows:

It is the function of the Commission to carry out the duties and obligations imposed upon it by the Oil and Gas Code of Arizona, and to establish matters of policy relative to the operation and conduct of the Oil and Gas Commission, and to encourage capital to come into the State of Arizona for the purpose of fostering and developing the oil and gas industry in this state.

It shall be the duty of the Executive Secretary:

- (1) To administer the policies of the Commission.
- (2) To be responsible to the Commission for the operation and activities of the Oil and Gas Commission office, including the activities and performance of all personnel.

The motion was passed unanimously.

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The members next discussed the identification wallets, with opinions divided, and there was a suggestion that telephone credit cards be provided each Commissioner. However, there was no action taken on the last suggestion.

Dr. Kalil recommended that the records show that only three Commissioners were present, Mr. Walden, Mr. Deddens and Dr. Kalil and that Mr. Wharton was ill and away in Chicago.

Dr. Kalil made the motion that the meeting be adjourned, and that the next meeting would be held at the Commission office on March 22, 1961. Mr. Walden seconded the motion; it was approved and the meeting was adjourned.

*Minutes were discussed and revised at the March 22, 1961 meeting thus Mr. Lockhart's ability to second Mr. Walden's motion on Commission policy.

Respectfully submitted,

Helen M. Eremie

APPROVED:

DATE

April 26, 1961

Anthony T. Deddens
ANTHONY T. DEDDENS, CHAIRMAN

Charles Kalil, M.D.
Charles Kalil, M.D. Member

R. Keith Walden
R. Keith Walden, Member

Lynn Lockhart
Lynn Lockhart, Member

OIL AND GAS CONSERVATION COMMISSION

Addendum to Minutes of Meeting

February 23, 1961

Mr. Anthony T. Deddens
Chairman, Oil & Gas Conservation Commission
P. O. Box 600
Bisbee, Arizona

Dear Mr. Deddens:

Pursuant to the instructions of the Commission at the meeting of December 28, 1960, I have made a study of the rules and regulations concerning sick leave, annual vacation and related matters. The other agencies contacted concerning the subject matter are herein below listed:

Arizona Corporation Commission; State Land Department; Arizona Power Authority; Arizona Highway Department; Arizona Industrial Commission; Arizona Game and Fish Commission; State Tax Commission.

HOURS OF WORK: The working hours for employees of state departments appear to be 40 hours per week, Monday through Friday, scheduled between the hours of 8 to 5. Five working days, 8 hours, is considered as one work week.

REST PERIODS: During each 8-hour period, employees may take two 15-minute rest periods, one in the forenoon and one in the afternoon. These rest periods are arranged to meet the needs of the departments and personnel concerned.

OVERTIME WORK: When emergency requires that salaried employees work overtime, employees' names with amount of overtime worked must be approved by the Commission Secretary. Employees are then rewarded by means of compensatory time off which is normally applied for in advance, the same as annual leave.

ABSENCE FROM WORK - TIME OFF: In the Commissions having numerous employees, an absence report for other than emergency or sudden illness must be prepared and approved by the division head, in advance, for all time off from regularly scheduled working hours. In the event of sudden illness or other unexpected occurrence, employees shall notify their respective division heads before 10 A.M. on the first day of absence, stating the reason for and estimated period of absence.

SICK LEAVE: Sick leave is accrued at the rate of one working day per month while some departments have 1 2/3 days sick leave per month for each twelve months of continuous employment. Some departments permit sick leave to accrue beyond a year and some departments confine the sick leave to the year with no carry-over into the ensuing calendar year. The maximum of 60 days accumulated sick leave is allowed.

ANNUAL (Vacation) LEAVE: All permanent employees are entitled to annual leave and the amount of time given with the departments varies, but it appears that one month annual leave seems to be the criterion.

Some departments have a provision that employees will be paid for annual leave listed to their credit at the end of their employment.

EMERGENCY LEAVE: Permanent employees who are members of the reserve forces of any branch of military service may participate in annual duty training for 15 consecutive days per calendar year. Our department does not have anyone in the reserve, but this is merely a notation for your information.

Some departments provide for leave without pay and jury duty. Some departments have an absence record and use a daily time record book which is posted as follows:

Employee present or on state business (P)
Employee on vacation and/or sick leave (A)
Employee leave of absence without pay (L)

OFFICIAL HOLIDAYS:

New Year's Day	(Jan. 1)
Lincoln's Birthday	(Feb. 12)
Admission Day	(Feb. 14)
Washington's Birthday	(Feb. 22)
Memorial Day	(May 30)
Independence Day	(July 4)
Labor Day	(1st Mon. in Sept)
Columbus Day	(Oct. 12)
General Election Day	(1st Tues. after 1st Mon. in Nov.)
Veteran's Day	(Nov. 11)
Thanksgiving Day	(4th Thurs. in Nov)
Christmas Day	(Dec. 25)

When a holiday occurs while an employee is on authorized leave, that day will not be charged to his account. Any holiday falling on Sunday will be observed the following day.

The foregoing were the basic fundamentals gleaned from the study of the various departments mentioned above. The Arizona Highway Department has merit system regulations which are very detailed and in a bound volume for the reason that they have a tremendous number of employees and have had to go to great lengths to make provisions for all employees. Where we have limited personnel, I think that the Commission can advise the details after discussion of the foregoing and these can then be embraced as rules for employees of the Oil and Gas Conservation Commission.

Yours very truly,

D. A. Jerome
Executive Secretary

DAJ:ew
Copies to: Commissioners - Wharton
Walden
Kalil
Chilson

THE
OIL AND GAS CONSERVATION COMMISSION
OF ARIZONA

R E S O L U T I O N

February 23, 1961

WHEREAS:

(1) The members of the Oil and Gas Conservation Commission of the State of Arizona are vested and imposed with all the functions, powers, authorities, duties and responsibilities set forth in the oil and gas conservation rules and regulations and other applicable laws of the State of Arizona, and

(2) Among these duties exists the responsibilities for the members of the Commission to see that persons obtaining proper permission to drill and explore for oil and gas within the State of Arizona comply with the Oil and Gas Conservation rules and regulations, as well as with other applicable existing laws controlling their activities, and

(3) Further, it is the duty of the Commission upon ascertaining that there has been or may be a default or violation existing to take proper steps to correct such a condition, and

(4) It is well in performing these duties that the members of the Commission have before them well documented evidence relative to each and every default and the nature of such violation occasioned by permittees drilling and exploring for oil and gas within the State of Arizona.

NOW THEREFORE BE IT RESOLVED:

(1) That Mr. D. A. Jerome, Executive Secretary of the Oil and Gas Conservation Commission, in cooperation with the personnel of said

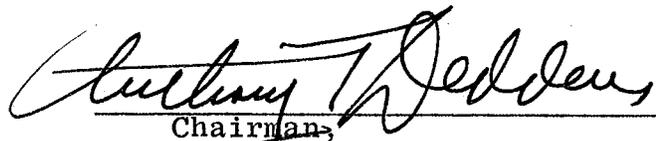
Commission, be and hereby is requested to prepare and submit to each member of said Commission at the earliest possible date a separate written report for each existing permittee that may be in default with respect to any of the oil and gas conservation rules and regulations or other laws under the administration of this Commission.

(2) That said report should contain among other particulars, the following information:

- (1) As much of the information required in our new application for a drilling and exploration permit form.
- (2) A numerical list of all defaults and the nature of such violations occasioned by each particular permittee holding a current permit.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Oil and Gas Conservation Commission of the State of Arizona at a duly called meeting at 3500 North Central Avenue, Suite 221, Phoenix, Arizona, at which a quorum was present and that same was approved by a vote of _____ in favor and _____ opposed, this _____ day of February, 1961.



Chairman,
Oil and Gas Conservation Commission