

OIL AND GAS CONSERVATION COMMISSION

MINUTES OF MEETING

APRIL 26, 1961

The regular monthly meeting of the Oil and Gas Conservation Commission was called to order at 9:30 A. M. in Suite 221, 3500 N. Central Avenue, Phoenix, Arizona by Mr. Anthony T. Deddens, Chairman.

PRESENT:

Commissioner Anthony T. Deddens
Commissioner R. Keith Walden
Commissioner Charles Kalil, M. D.
Commissioner Lynn Lockhart

D. A. Jerome, Executive Secretary
Laurence Huerta, Asst. Atty Gen'l

Senator Ben Arnold
Senator M. L. Simms

Bill King, Republic Reporter
Dick Thomas, Gazette Reporter

ABSENT:

Brooks Pierce, Petroleum Geologist

Minutes of the previous meeting, March 22, 1961, read by the Chairman and a motion was made by Keith Walden and seconded by Lynn Lockhart that they be approved. All in favor - so ordered.

Then the Executive Secretary read a card of thanks from Mrs. Wharton for contributions made by the members of the Oil and Gas Conservation Commission to the M. F. Wharton Scholarship Fund upon Mr. Wharton's death, March 23, 1961.

A motion was made by Lynn Lockhart and seconded by Keith Walden that a Memorial be inserted in the minutes showing the Commission's gratitude for all Mr. Wharton has done for the Commission and for the State of Arizona. Passed unanimously.

Mr. Jerome read a memo from Brooks Pierce who was attending the American Association of Petroleum Geologists' Convention in Denver relative to Mr. Pierce's field trips during the interim between the meetings of March 22, 1961 and April 26, 1961. The memo explained in detail the conditions at the Cottonwood Oil Company well and how they were remedied, together with the two trips to the Sierra Drilling Corp. Campbell #2 well with contact finally being made with Mr. Homer Allen, the tool pusher for this company and his promise and assurance that the plugging of this test would commence on April 10, 1961.

Next Mr. Jerome read the memo relative to the office visit of Mr. Huerta and Mr. Spencer Johnston, Head of the Legal Aid Division of the Navajo Tribal Service at Window Rock and their discussion pertaining to visits of the Navajo Tribal Members to Phoenix and the Commission members visit to the Navajo Reservation. A discussion followed with nothing concrete resolved at this moment.

Re the Navajos, a letter from Mr. Jamison was read by Mr. Jerome pertaining to their opinion on the license requirements by Arizona which they felt was a little rough and thoughtless and going beyond a highway use tax situation. A discussion followed with many helpful suggestions put forth by Senator Simms and Senator Arnold.

Pursuant to the recommendations made by Senators Simms and Arnold, Mr. Walden moved that the Executive Secretary send to the Legislative Council the objections we have received on highway taxes, etc., so that the Legislative Council might disseminate this information to the proper committees of the House and Senate. Motion seconded by Lynn Lockhart. Carried unanimously.

Mr. Deddens made the suggestion to Mr. Jerome that copies of all correspondence in connection with the aforesaid motion be sent to the Navajo Tribal Service to let them know what the Commission is trying to do in this situation.

Senator Simms suggested that if any pictures were in file relative to mobile equipment, it might be useful to send copies to the Legislature to better acquaint them with this matter.

The progress of the brochure was presented by the Exec. Secretary and he mentioned the names of the persons selected for the articles and the areas to be discussed:

Brown & Lauth, Consultants of Scottsdale - Northeastern Ariz.
Loren I. Buck, Consulting Geologist of Tucson - Southeastern Ariz.
Cloyd Swapp, Geologist of Fredonia - Northwestern Ariz.
Don McCarthy, Petro. Geologist of Mesa - Southwestern Ariz.
Earl Rodman of Phoenix - to prepare the engineering phase of brochure.
J. D. Forrester, Dean of Bureau of Mines, U. of A. &/or one of his men.
Frank Ewing & Jim Pickett, lease brokers - on leasing of land.
El Paso Nat. Gas Co., Transwestern Pipeline Co., & Hal Price Pipeline Co. on their activities in Ariz. - present and future.

After a discussion on the renewal of the lease on Suite 221, 3500 N. Central, a motion was made by Lynn Lockhart, seconded by Keith Walden, that said lease be renewed for one year. Approved unanimously.

The Exec. Secretary felt the Commission would be happy to know that he and Mr. Pierce had shown the movies on oil well drilling to the Lions Club and to the Washington Junior Women's Club and that the movie and the accompanying short dissertations and discussion were well received with much interest shown in the oil and gas exploration here in Arizona and its future possibilities.

The Transwestern Pipeline Dedication in Roswell, N. Mex. on April 19, 1961 was attended by Mr. Deddens and Mr. Jerome, as guests, and both stated the great interest all the bankers and other companies' executives had shown in the State of Arizona and its potentialities and that they would participate in them when the time was ripe.

The invitation to the Interstate Oil Compact Convention in Houston, Texas for May 31 thru June 3, 1961 was discussed with several voicing the opinion that they would like to attend. All were in favor of Mr. Jerome, as Executive Secretary of the Oil & Gas Conservation Commission, to attend this convention.

Mr. Deddens discussed the letter received from Mr. Shreeve, Chairman of the House Oil & Gas Study Committee, requesting permission for whomever they designated to go over the Commission's files and said permission was granted by Mr. Deddens except for the one file that was not yet 6 months old.

Mr. Huerta was then asked to give his report:

1. First he gave a copy of the Oil & Gas Lease Pamphlet, written by Don Maxwell, law clerk to Superior Court Judge Bernstein - with the foreword written by Mr. Jerome, to all those who had not seen it.

2. He briefly discussed the appearance that he and Mr. Jerome made before the House Oil & Gas Study Committee and expressed the opinion that they seemed willing to hear anything that we had to offer. He also felt that this Commission should extend the Committee an invitation to one of the Commission's meetings to see how the Commission functioned, and to ask them any questions we thought proper and necessary.

3. The forms were not ready yet that the Commission had requested Mr. Huerta, Mr. Jerome and Mr. Pierce to go over and revise.

Pursuant to Mr. Huerta's suggestion that the Commission issue an invitation to the House Oil & Gas Study Committee, a motion was made by Mr. Walden and seconded by Mr. Lockhart that the Commission issue said invitation for the Committee to attend our May 24 meeting. All in favor - so ordered.

After a discussion of the rules and regulations and the public hearing to be called at a later date, a motion was made by Keith Walden, seconded by Lynn Lockhart, that Mr. Jerome, the Exec. Secretary, was instructed to study the 1959 rules in collaboration with Mr. Huerta and Mr. Pierce and make what recommendations they deemed proper and necessary and to present them to the Commission at the May 24 meeting so that the House Oil & Gas Study Committee could hear them also and they could be asked for their suggestions.

Since the death of Mr. Wharton on March 23, 1961, the Commission had been without a Vice-Chairman; therefore, nominations were called for and Mr. Lockhart nominated Mr. Walden, whose nomination was seconded by Dr. Kalil. Mr. Keith Walden was unanimously chosen vice-chairman for a term to expire Dec. 31, 1961.

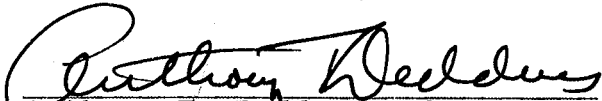
Motion to adjourn this meeting was made by Dr. Kalil, seconded by Mr. Lockhart. Carried unanimously and the meeting adjourned.

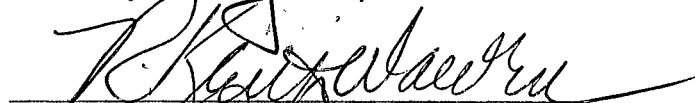
Respectfully submitted,

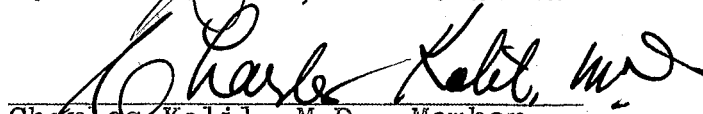
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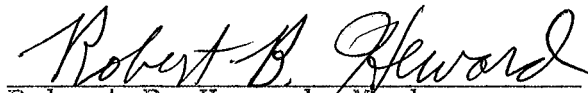
APPROVED May 24, 1961.


Anthony T. Deedens, Chairman


R. Keith Walden, Vice-Chairman


Charles Kalil, M.D., Member


Lynn Lockhart, Member


Robert B. Heward, Member

A MEMORIAL

ON THE DEATH OF MALCOLM FREDERIC WHARTON

On the twenty-third day of March, 1961, Malcolm Frederic Wharton passed away in a Chicago hospital after a long illness at the age of 65.

Mr. Wharton was born in Amarillo, Texas, reared in Southern California and received his formal education at Oregon State University. Besides his academic honors, he was a member of two honorary fraternities, Gamma Alpha and Sigma Xi.

Mr. Wharton left his impact on many people in the State of Arizona by and through his connection with the University of Arizona during his tenure as a member of the faculty in the years, 1924 - 1937. He also served for a time as an instructor at Purdue University.

The business career of Mr. Wharton, upon which he embarked after leaving the University of Arizona in 1937 to become a partner in Arizona Fertilizers and Chemical Company in Phoenix, was a phenomenal one. The great strides this firm has made since that time and its prominence in its line of business should be in great measure directly attributed to the guiding genius of Malcolm F. Wharton.

Mr. Wharton was never too busy in his business life to give wholeheartedly of his time, his energies and his finances to civic and governmental projects. This was epitomized by his service as a past senior warden of Trinity Episcopal Cathedral; as president of the Arizona Agricultural Chemical Society; and as a member of Kiwanis International, the Arizona Club and the Arizona Country Club.

Memorial to

Malcolm F. Wharton

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His work in the Oil and Gas Industry related back to many years prior to the formation of the Arizona Oil and Gas Conservation Commission. He was a dedicated man and this was evidenced by the fact that the newly formed Arizona Oil and Gas Conservation Commission in June, 1959 elected Malcolm F. Wharton its first chairman. Due to ill health, Mr. Wharton's effectiveness was somewhat marred but, nevertheless, his firm hand was noticeable at the helm of this organization. At the time of his death, Mr. Wharton was Vice-Chairman of the Arizona Oil and Gas Conservation Commission and it was with deep and sincere regret that this Commission heard of his passing.

His loss, through death, represents a loss to his company, his organizations, this Commission and generally a loss to all of the citizens of the State of Arizona. It has been a privilege for this Commission to have him in our midst and by this MEMORIAL, we wish to extend to his wife and surviving members of his family, our deepest and heartfelt sympathy.

Most Sincerely,



D. A. Jerome
Executive Secretary