

OIL AND GAS CONSERVATION COMMISSION

MINUTES OF MEETING

March 27, 1963

The regular monthly meeting of the Oil and Gas Conservation Commission was called to order at 9 A.M. in the Hearing Room of the Commission at 1624 West Adams, Phoenix, Arizona, by the Chairman, R. Keith Walden.

PRESENT:

| COMMISSIONERS       | Others                              |               |
|---------------------|-------------------------------------|---------------|
| R. Keith Walden     | N. A. Ludewick                      | Steve Tima    |
| Lynn Lockhart       | Ed Kennedy, Asst. Atty Genl         | Alfred Morgan |
| Charles Kalil, M.D. | Obed Lassen, Ex Officio Member      | Ed Colson     |
| Robert B. Heward    | State Reps. France, Holmes & Pugh   | Al Russell    |
| Orme Lewis          | Bill King, Republic Reporter        | Bill Douthit  |
|                     | Gene Burrus & Wally Braner, KTVK-TV |               |

ABSENT: John K. Petty

Mr. Lewis moved that the minutes of the last meeting be approved as distributed, second by Mr. Lockhart - unanimous - so ordered.

Dr. Kalil voiced his disapproval of the letter sent to members of the House after last month's motion relative to H.B. 120 and a discussion followed with Steve Tima, an independent oil operator, again expressing his views against the passage of H.B. 120 whereupon Dr. Kalil made the following motion:

"I would like to make the motion specifically that we send them today an expression of this Board that Bill 120 is premature at this time and would be a deterrent to the exploration for oil and gas in this State."

Mr. Lewis seconded the motion. Before a vote was taken, there was considerably more discussion after which Mr. Lewis made a motion amending Dr. Kalil's motion:

"I would like to offer an amendment to the motion made by Dr. Kalil that we re-affirm the stand that we took at our previous meeting and, in connection with it, we say that, while we recognize the State Land Department's problem and we believe it deserves very considerable consideration, this is a matter that cannot be approved from a purely mechanical standpoint and that any action be postponed until the next session during which time we will see what, in cooperation with Mr. Lassen, should be done to solve his problem."

The amendment was approved unanimously as was the original motion made by Dr. Kalil.

The Chair then requested the Executive Secretary to carry out the instructions by the motion passed, as amended, in detailing the language reported by this motion, as amended, to the proper committees in the Senate sometime today. (March 27)

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After hearing from J.H. Waterhouse, a Phoenix geologist, re market demand and waste, Dr. Kalil suggested that the repeal of the market demand proration regulation should again be reported to the Oil and Gas Journal so this matter would be clear to everyone in the industry.

After a short recess, the meeting reconvened at 11 A. M. with Mr. Kennedy of the Attorney General's office, stating that, according to the Administrative Procedure Act, the sections, voided by the statute passed in 1962, could be deleted from the rules without a public hearing but nothing new could be added. He further stated that he and Mr. Ludewick would have to spend considerably more time on the rules, preferably together, whereupon Mr. Lewis moved:

"I would like to move that sections or portions of sections be deleted as rapidly as the determination is made by the Attorney General's office and such deletions be noted in the books now in the commission's office and authorize that these deletions be made."

Seconded by Mr. Lockhart. The motion carried and passed unanimously.

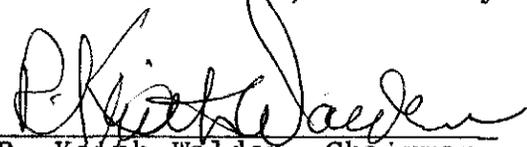
Mr. Ludewick summarized the activity of the past month before a motion for adjournment was made by Dr. Kalil and seconded by Mr. Heward.

Meeting adjourned at 11:45 A.M.

Respectfully submitted,

Helen M. Eremie, secretary

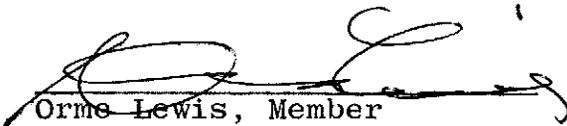
Approved April 24, 1963

  
R. Keith Walden, Chairman

  
Lynn Lockhart, Vice Chairman

  
Charles Kalil, M.D. Member

Robert B. Heward, Member

  
Orme Lewis, Member