

OIL AND GAS CONSERVATION COMMISSION
1624 West Adams - Suite 202
Phoenix, Arizona

Minutes of Meeting
February 23, 1966

Present:

Mr. Lynn Lockhart, Chairman
Mr. Orme Lewis, Vice Chairman
Mr. L.B. Owens, Member
Mr. H.S. Corbett, Member
Mr. G.T. Siler, Member
Mr. John Bannister, Executive Secretary
Mr. J.R. Scurlock, Geologist

Mr. Ralph E. Palmer
Mr. Elmer J. Winterheimer
Mr. J.H. Waterhouse
Mr. Arthur P. Huyck
Mr. Mike O'Donnell

Chairman Lockhart called the meeting to order at 9:30 a.m.

Minutes of the meeting of January 19, 1966 were approved. Reports of the Executive Secretary and Geologist were accepted.

Mr. Bannister reported that the Governor's office was making a survey of vacation and sick leave policies and that his research of the Commission's policy indicated that a very rough policy had been recommended. He reported on policies of other State departments.

Mr. Lewis moved that for the first year of employment that the policy be two weeks vacation proportionate to the length of employment and thereafter four weeks regardless of whether a day during one of these weeks was a holiday; and for sick leave, one day a month annually accumulative but not to exceed twelve days, and any necessities beyond the twelve days would be decided upon by the Commission.

After discussion, Mr. Owens seconded the motion and it carried.

Mr. Bannister announced that payroll deductions could now be made for savings bonds should any commissioner be interested.

Mr. Palmer introduced himself and his associate, Mr. Winterheimer, stating they wanted to express their interest in Arizona.

Chairman Lockhart welcomed both these gentlemen and expressed the cooperation of this Commission in giving any information available at any time in any manner.

Mr. Bannister brought up for discussion a change in the regular meeting date of the Commission. The current fourth Wednesday of the month conflicted with some of the commissioners other obligations.

After discussion it was moved and passed that the regular meeting of the Commission be changed from the fourth Wednesday of each month to the third Wednesday of each month. It was directed that the industry and public be notified accordingly.

It was agreed that Mr. Bannister would attend the symposium on mineral law sponsored by the College of Mines and College of Law, University of Arizona, on March 21-22-23, 1966.

If funds are available after allowances for attendance at the June Interstate Oil Compact Commission, it was agreed that Mr. Bannister should attend the May meeting of Independent Petroleum Association.

Mr. Arthur Huyck identified himself as interested in oil and gas.

Mr. J.H. Waterhouse introduced himself as interested in Rule 119.A of the Commissions' Rules and Regulations. He read ARS Section 27.522 regarding records and Rule 119.A and stated he did not find any statement in Rule 119.A allowing a driller six months for holding information confidential. His question then was, "Does this Rule bear out or follow the Statute?"

Mr. Bannister replied: "Absolutely. The Statutes provide that the wildcat well shall be confidential for six months after the completion of the well. The law also orders us to make rules so that the Statutes are carried out and make such other rules as deemed necessary to perform our functions. In Rule 119.A we have set out the time in which logs may be filed, and in 119.B the confidential period...As you are aware, any confidential record is kept under lock and key until the six months period for confidential has expired. Then the file is removed and put into public record."

Mr. O'Donnell reported on the current status of SB-185. He also reported upon the favorable reaction of the oil industry to this bill and of the State of Nevada's interest in its effect if passed.

In reply to Mr. Corbett's question as to whether the Attorney General had said the bonus bill is legal, Mr. O'Donnell replied that in an Attorney General's opinion of approximately two years ago it is legal. However the legality of the incentive bill in which he is concerned (SB-185) is being researched for legality.

Chairman Lockhart reiterated that the Commission is behind anything that will encourage oil and gas exploration in this state because that is one of the big sites for tax relief.

Mr. O'Donnell also reported that after vote by the Oil and Gas Association of Arizona, he had written a letter to the Governor commending Mr. Lockhart.