

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

Minutes of Meeting
July 20, 1966
Community Room, Arizona Bank Bldg.
125 E. Birch, Flagstaff

Present:

Mr. Lynn Lockhart, Chairman
Mr. Hiram S. Corbett, Member
Mr. Lucian B. Owens, Member
Mr. George T. Siler, Member
Mr. John Bannister, Executive Secretary
Mr. J.R. Scurlock, Geologist
Mrs. Marjorie Rushton, Secretary
Hon. Fred Udine, Senator, State of Arizona
Hon. Priscilla Hays, Representative, State of Arizona
Hon. Harold L. Huffer, Representative, State of Arizona
Dr. Willard Pye, University of Arizona
Mr. Paul Babbitt, Babbitt Bros. Trading Co.
Mr. Joe Barrett, President, Yucca Petroleum Company
Mr. Ray B. Jones, ArkLa Exploration Co.
Mr. Mike O'Donnell, O'Donnell-Ewing Drilling Co. Inc.
Mr. John Bannister III
Mr. and Mrs. William Breed, Museum of Northern Arizona

Chairman Lockhart called the meeting to order at 9:55 a.m. He introduced the Commission members and those others present.

Minutes of the meeting of May 18, 1966 were approved. The reports of the Executive Secretary and the Geologist were accepted.

Mr. Owens requested that Mr. Bannister enlarge upon his report. Mr. Bannister detailed the activities of the Interstate Oil Compact Commission meeting of June 20-22, 1966 and the interest in Arizona of the people in attendance. The winter meeting of the Compact Commission will be in Phoenix December 5-6-7, 1966.

Representative Hays commented that the meeting of the Executive Committee of the Interstate Conference on Water Problems would be meeting in Phoenix area during the same period and hoped to bring this group to any of the Compact Commission sessions relating to its activities.

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Mr. Bannister reported that as the result of some recent contacts with Skelly Oil Company he learned that the company was undecided as to future plans for activity in the Arizona Strip Country in Mohave County.

Mr. Bannister commented upon the forthcoming sale of oil and gas leases by the White Mountain Apache Tribe on the Fort Apache Reservation.

Mr. Bannister reported that the structure map, as correlated by Mr. Scurlock under the auspices of this Commission, had been mailed to those on the Commission's mailing list and read some of the complimentary remarks made by the recipients.

The citation to Mr. Bannister, forwarded by Governor Coddard, from the Honorable Farris Bryan of the U.S. Office of Emergency Planning for Mr. Bannister work on the State Petroleum Plan was read.

It was agreed that Mr. Bannister should attend the Emergency Petroleum and Gas Administration meeting in Santa Rosa, Calif., September 29-30, 1966.

The budget for the fiscal year 1967-68 was scheduled for discussion at the August meeting.

Mr. Bannister reported that he had just received from American Petroleum Institute a manual on well-naming for computer in-put setting forth a suggested nation-wide well naming system. After study of the system he will report further on it at the next meeting.

A movie, loaned to the Commission by Tidewater Oil Company, entitled "This is Thermal Recovery", was shown.

Meeting recessed for ten minutes for coffee.

Upon reconvening, Dr. Pye was requested to make some comments. He remarked that many companies are very much interested in Arizona, but have many distractions demanding immediate attention elsewhere; however, they are continuing to gather information about Arizona. We have good geological structures in many parts of Arizona, but what is under the surface is not known and the only way to find out what is under the surface is to put down some deep wells. The many wells that have gone down have not gone deep enough.

Dr. Pye also commented that helium is not uncommon. It occurs in gases all over the world. It is the high concentration, as in northeastern Arizona, that is unusual. Demand for helium in 1950 was around 50 million cubic feet per year. Now the demand is around 700 million cubic feet; and it is estimated that by the year 2,000 the demand will be 2 billion cubic feet. As more

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helium becomes available and more is learned about it, more uses for it will be devised.

The pressure of helium here is low. The cover over the helium in northeastern Arizona is shallow. If the pressure were greater it would break through the cover and be lost into the atmosphere. Underground pressures change with changes in atmospheric pressures. Helium occurs in various formations.

Dr. Pye stated that to his knowledge, Tenneco had been gathering data and making sub-surface studies for at least eight years in Arizona. Their recent leasing activities is the result of this work.

In answer to a question from Chairman Lockhart, Dr. Pye replied that volcanics did not destroy oil and gas in Arizona, but did provide vents that may permit oil and gas to escape.

Meeting adjourned at 11:55 a.m.