

OIL AND GAS CONSERVATION COMMISSION  
4515 N. 7th Avenue  
Phoenix, Arizona 85013

Minutes of Meeting  
October 18, 1974

Present:

Mr. Ralph W. Bilby, Chairman  
Mr. W. Roger Hafford, Vice Chairman  
Mr. Robert A. Bledsoe, Member  
Mr. F. Keith Benton, Member  
Dr. Geoffrey E. H. Ballard, Member

The regular Commission meeting for the month of October, 1974 was called to order by Chairman Ralph Bilby at 10:00 a.m.

Minutes of the meeting of September 17, 1974 were approved as written.

Reports of Executive Secretary, Enforcement Section and Geology Section were accepted.

It was moved, seconded and approved that the Commission request that the Attorney General personally review an opinion issued by his office to the State Land Department that geothermal resources are considered ground waters and that their sale on state-owned lands must be to the highest bidder, in the same manner as gravel, trees, etc., rather than as a mineral lease. Commissioner Benton will direct the request to the Attorney General prior to the next meeting.

Executive Secretary was instructed to ask for specifics on a \$23 million federal grant controlled by the National Science Foundation, the United States Geological Survey and the Energy Research and Development Administration. The Commission desires to know if the funds will be released to private individuals or universities, to whom and where application should be made, and the specific mechanism for releasing the funds.

After discussion, the Executive Secretary was instructed to request the Attorney General to institute show-cause proceedings against Eastern Petroleum Company and their bonding company to accomplish plugging of thirteen wells.

Commission was advised that Dr. Augustus Cotera of Northern Arizona University was unable to attend the meeting as representatives of certain oil companies are interviewing June, 1975 geology graduates of the University for future positions.

Dr. Schreiber of the University of Arizona advised that they anticipate more than forty geology graduates from that University this summer.

Executive Secretary was instructed to draft proposed rule changes concerning the number of wells to be covered by a multiple bond for consideration of the Commission at the next regular meeting. Another possible change to be considered will be the changing of a well location site after a plat has been submitted by a registered engineer.

Dr. Schreiber of the University of Arizona advised that the University is putting on a remote sensing short course December 5 and 6, 1974. Executive Secretary and Directors of the Enforcement and Geology Sections plan to attend.

Approval was given for out of state trip of Executive Secretary to attend midyear meeting of Independent Petroleum Association of America in Dallas, Texas on October 26 through 30, 1974.

Executive Secretary advised that on December 5 and 6, 1974 an energy symposium "Environmental Energy Growth in Arizona" will be held in Carefree, Arizona. Invitations should be forthcoming to members of the Commission, as the symposium should be of wide-spread interest.

Tentative plans were made for members of the Commission to attend the midyear meeting of the Interstate Oil Compact Commission to be held in Phoenix, Arizona on December 8 to 11, 1974, with the regular Commission meeting for the month of December to be held in conjunction therewith.

Executive Secretary discussed the feasibility of holding a geothermal conference in Phoenix. The conference would be sponsored by the Commission and possibly the Petroleum Development Association of Arizona. The Executive Secretary was instructed to pursue this possibility for further consideration. Tentative dates are February or March, 1975.

Dr. Ballard, newly appointed member of the Commission, introduced the subject as to whether his profession as a geologist and geophysicist might be a conflict of interest with his duties as a member of the Commission. Executive Secretary was instructed to request an opinion of the Attorney General.

Meeting adjourned at 11:30 a.m.

APPROVED November 15, 1974

  
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Ralph W. Bilby, Chairman

Also present at meeting:

Dr. Joseph F. Schreiber, Jr.  
Department of Geosciences  
University of Arizona  
Tucson, Arizona