

OIL AND GAS CONSERVATION COMMISSION
1645 West Jefferson Street
Suite 420
Phoenix, Arizona 85007

Minutes of Meeting
September 21, 1979

Present:

Mr. Ralph W. Bilby, Chairman
Mr. Hal Butler, Vice Chairman
Dr. J. Dale Nations, Member
Mr. L. A. Palmer, Member

Absent:

Mr. Johnny Gregovich, Member

The regular Commission meeting of September 20, 1979 was called to order by Chairman Ralph Bilby at 10:00 a.m.

Chairman Bilby introduced Mr. Don Whittaker, who has been employed by the Commission as the Director of the Enforcement Section.

Minutes of the meeting of May 18, 1979 were approved as written.

Reports of the Executive Secretary and the Geology Section were accepted.

Mr. A. K. Doss of the State Land Department outlined the stand taken by the Land Department for an increase in lease rental fees on state lands. After discussion, it was moved and passed that the following resolution be adopted and forwarded to the Governor, stating the Commission's objection to any increase in lease rental fees:

RESOLUTION

WHEREAS, the State of Arizona has had very limited exploration for hydrocarbons, as a result the state has no oil or gas production on any state or private lands, and

WHEREAS, the Oil and Gas Conservation Commission, State of Arizona, is charged by Arizona Revised Statutes 27-502.4 to "encourage development of natural resources of oil and gas and their products", and

WHEREAS, any increase in lease rental fees will tend to discourage exploration for hydrocarbons:

THEREFORE, BE IT RESOLVED that the Oil and Gas Conservation Commission, State of Arizona, in regular session on

September 21, 1979, endorses the principal and intent of Arizona Revised Statutes 27-555 regarding the leasing of state lands for oil and gas exploration and urges the retention of this statute as it is now written until such time as oil and/or gas production is discovered on state or private lands.

The Executive Secretary introduced Mr. Robert Gustafson, analyst with the State Budget Office of the Department of Administration. Mr. Gustafson stated that he was not present to advise the Commission on the proposed budget for the 1980-81 fiscal year, but to familiarize himself with the functions of the Commission.

After review of the proposed Commission budget for the 1980-81 fiscal year, it was moved and passed that the budget be adopted.

The meeting adjourned at 11:05 a.m.

APPROVED January 18, 1980



Ralph W. Bilby, Chairman