

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

Minutes of Meeting  
January 16, 1981

Present:

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

The regular Commission meeting of January 16, 1981 was called to order by Chairman Ralph Bilby at 10:00 a.m.

Minutes of the meeting of September 19, 1980 were approved as written.

The Executive Secretary advised that Southwest Natural Gas Company intends to initiate an underground natural gas storage project in the Red Lakes area northwest of Kingman, Arizona, although they have not yet applied for a permit. The Executive Secretary expressed concern about several aspects of the safety of the project and suggested that a hearing be held before approval of the project. After discussion, Dr. Fellows agreed that the Department of Geology and Mineral Technology would investigate and report to the Commission on the geological problems in general of the Red Lake area.

The Executive Secretary advised that the United States Geological Survey, in cooperation with certain members of the scientific community, have proposed to take over the well drilled by Phillips Petroleum Company in Pinal County, Arizona, for scientific study and that it will be necessary that we have an agreement with the United States Geological Survey, together with their bond, as required by statute. Upon completion of the studies, the well would be plugged and abandoned in accordance with the Commission rules and regulations. The Executive Secretary advised the Commission members they would be kept advised of further developments.

The Executive Secretary advised that the Interstate Oil Compact Commission is sponsoring a workshop on underground injection control in Kansas City, Missouri on February 4 and 5, 1981 and he felt it was extremely important that a staff member attend. After discussion, it was moved and passed that the Executive Secretary arrange to have the necessary funds transferred from another account to the Out-of-State Travel Account and that Mr. Don Whittaker attend the workshop.

Member Dale Nations suggested that the Executive Secretary submit an annual report to the members of the Commission which would cover drilling activities, production data, and a map showing the areas of activity. After discussion, it was moved and passed that such report be compiled for the calendar year 1980, and be submitted on an annual basis thereafter.

Member Johnny Gregovich thanked the members of the Commission for the kindness and interest they expressed to him during his recent illness. Chairman Bilby responded that the Commission members were very glad to have Mr. Gregovich back.

Dr. L. D. Fellows, State Geologist, advised that the Bureau of Geology and Mineral Technology in Tucson has employed a geologist who will take over the responsibility for geological state map revision projects and will work closely with the Commission staff on the revisions. Chairman Bilby expressed the appreciation of the Commission to Dr. Fellows for his attendance at the Commission meetings and the cooperation of his staff.

The next meeting of the Commission will be at 10:00 a.m. on Friday, March 19, 1981.

The meeting adjourned at 11:25 a.m.

APPROVED

A handwritten signature in cursive script, reading "Ralph W. Bilby", is written over a horizontal line.

Also Present:

Dr. L. G. Fellows, State Geologist