

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

Minutes of Meeting
January 29, 1982

Present:

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

The regular Commission meeting of January 29, 1982 was called to order by Chairman Bilby at 10:00 a.m.

Minutes of the meeting of September 25, 1981 were approved as written.

Chairman Bilby advised that a geothermal matter would be taken up before the start of the regular meeting.

The Executive Director introduced Mr. Ted Decker, who explained to the Commission details of his proposed project in the metropolitan Tucson area. The proposed project will be a major commercial development, to be located on 35.78 acres in Pima County just outside the Tucson city limits. The first phase will be an approximately \$12-million major six story hotel.

Mr. Decker's project would involve using the geothermal resource for heating the buildings, water, swimming pools and possibly to produce air conditioning through introduction of the hot water through an absorption chiller.

Mr. Decker introduced Mr. Jim Witcher of the Bureau of Geology and Mineral Technology, Tucson, Arizona, who has done a study on the geothermal resource capability of the area.

Chairman Bilby acknowledged Mr. Philip Briggs, a Deputy Director with the Department of Water Resources. Mr. Briggs stated he felt that a permit should not be issued because it had not been determined if Mr. Decker was proposing to use underground water or geothermal resources. Regulations of the Department of Water Resources recognize authority of the Oil and Gas Conservation Commission over geothermal water as long as it does not commingle with or contaminate ground water.

Mr. Briggs further advised that legislation is being drafted which would give the Commission jurisdiction over heat of any

source - hot water, groundwater, geothermal water - but when the water would be used secondarily for irrigation, domestic use or landscape watering, it would come under the permit process of the Department of Water Resources. Mr. Briggs suggested that the Commission wait until the proposed legislation is drafted before granting the permit to Mr. Decker.

As Messrs. Briggs, Decker et al had concluded their statements, they withdrew from the remainder of the Commission meeting.

Upon motion, duly made and seconded, it was ordered that the application to drill made by Mr. Ted Decker be granted, subject to the approval of the Office of the Attorney General. Further, the Executive Director was thereupon instructed to take the application to the Office of the Attorney General and, if the same was approved as to form and legality, to inform the Attorney General that the permit had been granted by the Commission.

Reports of the Executive Director and Enforcement Section were accepted.

The meeting adjourned at 11:25 a.m. to go into Executive Session.

The next Commission meeting will be March 19, 1982.

APPROVED



A handwritten signature in cursive script, reading "Philip C. Briggs", is written over a horizontal line.

Also Present:

Philip C. Briggs
Department of Water Resources

Ted Decker
Decker Properties

Larry Goldstein
State of Arizona Geothermal
Commercialization Team

Jim Witcher
Bureau of Geology and
Mineral Technology