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 ex- 
plained 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 re- 
source 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 Di- 
rector 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

[Signature]

Also Present:

Philip C. Briggs  Ted Decker
Department of Water Resources  Decker Properties

Larry Goldstein  Jim Witcher
State of Arizona Geothermal  Bureau of Geology and
Commercialization Team  Mineral Technology