

OIL AND GAS CONSERVATION COMMISSION
3110 North 19th Avenue, Suite 190
Phoenix, Arizona 85015

Minutes of Meeting
March 18, 1988

Present:

Dr. J. Dale Nations, Chairman
Mrs. Jan C. Wilt, Member
Mr. James E. Warne, Jr., Member
Dr. Daniel J. Brennan, Executive Director
Mr. Rudy A. Ybarra, Enforcement Director

The regular Commission Meeting of March 18, 1988 was called to order by Dr. J. Dale Nations, Chairman, at 10:45 A.M. in the Commission's office.

APPROVAL OF MINUTES OF MEETING OF FEBRUARY 19, 1988

With the corrections made on Page 2 of the Minutes of the February 19, 1988 meeting in the first motion stated to change the name of Mr. Wicker, formerly with the Bureau of Mines and Mineral Technology in Tucson to Mr. Witcher, geothermal expert, formerly with the Bureau of Geology and Mineral Technology in Tucson, Mrs. Wilt moved, seconded by Mr. Warne:

THAT THE MINUTES OF THE SPECIAL MEETING
OF FEBRUARY 19, 1988 BE ADOPTED AS CORRECTED.

Motion carried unanimously.

RATIFICATION OF DENIAL OF REQUEST OF CAM-ROY RESEARCH CORP.
FOR EXTENSION OF TIME TO PLUG TWO WELLS.

Mr. Warne moved, seconded by Mrs. Wilt:

THAT THE COMMISSION RATIFY THE ACTION IN DENYING
THE REQUEST OF CAM-ROY RESEARCH CORP. FOR EXTENSION
OF TIME TO PLUG TWO WELLS.

Sheldon Muller of the Attorney General's Office explained the purpose of the ratification. The decision was made to ratify the prior decision because technically one could claim there had been a meeting law violation since it was unclear that notice of where agendas would be posted had been filed in the Secretary of State's office. He stated if anyone was aware of anyone who was interested who did not know of the meeting because it was not posted in the Secretary of State's office, he would appreciate hearing of it at this time.

Mr. Pomeroy stated that he would like to make some corrections on some of the things reported to the Commission at the last meeting. He stated that Mr. Johnston was not prepared to answer the question at the last meeting regarding a previous letter Mr. Pomeroy had written as the advice had come from his other attorney. He stated he is appealing the court's decision to eliminate his ownership of the property and has had a re-appraisal made of his assets and there has been an improvement and he can carry his responsibility as far as Cam-Roy Corp. is concerned and he will do this. He also stated they will do everything they can to keep from closing the wells or doing away with them, and will do everything they can to see that the wells are put into production. He stated he would like to know exactly what the concerns are of the Oil and Gas Conservation Commission's Director and his Assistant, and would like to submit that information to the University of Texas at Austin. He would like to know what he can do to save the wells and would like to have the time to do that.

Mr. Paul Gilbert representing the law firm of Beus, Gilbert, Wake & Morrill stated that Cam-Roy Corp. did have access to the wells and had authority to come in and do what they needed to do. He said the wells were available and they could do what they wanted to do, and they just hadn't done it. He stated that Mr. Pomeroy's lawyers heard him say that at the last meeting. He also stated that nothing had been done to this point and that after 14 years, something ought to be done with regards to those wells. He has asked Mr. Pomeroy time after time to do some testing and he has not done that. Mr. Pomeroy now states he has the money but still hasn't done it. He has not complied with the Commission's order: it was outlined what was needed to be done and he hasn't done it. No new evidence has been presented here. He requested that the Commission not change the decision made at the previous meeting.

Dr. Nations asked if there were any questions from the Commission. There were none.

Mr. Pomeroy stated that they want a contract in hand; an agreement that allows them to go on and do the work. He stated they are not going to wait two years for that; that they want to know as well as anybody else.

Mr. Gilbert stated that they had advised Mr. Pomeroy to the fact that they had authority to come on the land and do whatever testing was needed.

Dr. Nations stated that nothing had changed since the last meeting when the Commission made their decision.

The Commission voted unanimously to ratify the previous action of the meeting of February 19, 1988.

REPORT OF THE EXECUTIVE DIRECTOR

The Activity Report of Dr. Brennan was sent to the Commissioners, and has been made a part of these minutes. Dr. Brennan advised that the review of the Rules had been forwarded and has been read in the Executive Budget Office. The Budget Analyst came over and discussed our review. He is required to define the words that are used in the oil and gas industry which are not in daily use by the general public, and we may have to enlarge the definition section of our Rules. Dr. Brennan stated he is working on a project in the Yuma area to build some Electric Log cross sections and went to the Bureau of Reclamation and the Geological Survey to search their files for logs of wells.

REPORT OF ENFORCEMENT SECTION

The Activity Report of Mr. Ybarra was sent to the Commissioners, and has been made a part of these minutes. He stated that Mr. Shields deepened his well to 650 feet, cored 15 feet and discovered that the top four feet are oil bearing. Cal Gas tells us they are going to drill their well and the proposal is in Pennsylvania. Their time ran out and they asked for an extension of 90 days, which they received. A letter will be sent to the local office to encourage them to get that well drilled as they are not in compliance with our rules.


ADJOURNMENT

Mrs. Wilt moved, seconded by Mr. Warne:

THAT THE MEETING BE ADJOURNED.

Motion carried unanimously. Time of adjournment was 12:15 P.M.

APPROVED



Dr. J. Dale Nations
Chairman

GUESTS IN ATTENDANCE:

Neils Pomeroy	Cam-Roy Research Corp.
R. J. Pomeroy	Cam-Roy Research Corp.
John Sanman	Cam-Roy Research Corp.
Mark A. Monserez	Beus, Gilbert, Wake & Morrill
Paul Gilbert	Beus, Gilbert, Wake & Morrill
John Haas	Bureau of Land Management
Don Switzenberg	Power Ranch Joint Venture
Gary Davidson	D. M. & Associates