

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

Minutes of Meeting
March 17, 1989

Present:

Mrs. Jan C. Wilt, Vice-Chairman
Mr. A. R. Bennett, Member
Mr. J. E. Warne, Jr., Member
Dr. Daniel J. Brennan, Executive Director
Mr. Steven L. Rauzi, Oil and Gas Specialist

The regular Commission Meeting of March 17, 1989 was called to order by Mrs. Jan Wilt, Vice-Chairman, at 10:04A.M. in the Commission's office.

APPROVAL OF MINUTES OF MEETING OF JANUARY 20, 1989

Mr. Warne moved, seconded by Mr. Bennett:

THAT THE MINUTES OF THE MEETING OF JANUARY 20,
1989 BE ACCEPTED AS PRESENTED.

Motion carried unanimously.

REPORT OF 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 he has been working on the exhibits to be presented at the AAPG Meeting in April in San Antonio. He received a letter from the AAPG from the science editor of the Bulletin that after going over the abstract suggested that Dr. Brennan should write his report for publication in the Bulletin.

Ferrellgas submitted four sonar surveys of their caverns at Adamana. They had been in noncompliance for not having run these surveys in their caverns within the last five years which is required by our rules. Other surveys will be run later. They are also letting out contracts for designing and building a flare for their pit which they did not have. It is hoped to have this completed in May for the semi-annual check which is due then.

Morton Salt should be starting to plug two wells within a few weeks, although we have not heard from them regarding a start date. There have been problems with the EPA and Morton, but the EPA is letting the Oil and Gas Conservation Commission supervise the plugging of the wells.

REPORT OF OIL AND GAS SPECIALIST

The Activity Report of Mr. Rauzi was sent to the Commissioners, and has been made a part of these minutes. Mr. Rauzi reported

that he observed the mechanical integrity test of the Cal Gas cavern and gave an explanation of the test.

He stated that progress is being made on the Precambrian map which he is preparing, and that base maps were ordered from Denver for this project.

He advised that a location near Wickenburg was inspected in order to release the bond.

Dr. Brennan stated that BP Petroleum has applied for authority to do business in Arizona for exploration of oil and gas. They were formerly known as Standard Oil Company.

POSSIBLE INTERSTATE OIL COMPACT COMMISSION MEETING IN ARIZONA IN 1990

No discussion was held on this subject since Dr. Nations was in Santa Barbara, California to make a bid for this meeting in Tucson in 1990. It is to appear on the agenda for the next meeting.

CHUSKA ENERGY'S WORKOVER PROGRAM AT BLACK ROCK

Dr. Brennan advised that Chuska is working over some wells for the Indian Nation at Black Rock. It is all right for them to test these wells, and they would not be in violation of our rules. Dr. Brennan commented that after testing, if commingling of wells is desired, that our Commission should be contacted for permission to do this. This topic is to be listed for the agenda for the next meeting also.

MOTION TO AUTHORIZE EXECUTIVE DIRECTOR TO ACT ON BEHALF OF THE COMMISSIONERS

Dr. Brennan advised that our attorney, Carol Lewin, requested that this subject not be discussed until she can research the law further. Ms. Lewin is on jury duty. This topic is to be listed for the agenda for the next meeting.

Mr. Warne moved, seconded by Mr. Bennett:

THAT THE DIRECTOR BE DIRECTED BY THIS BOARD TO INCLUDE IN EACH AND EVERY NOTICE OF PUBLIC MEETINGS TO AUTOMATICALLY PLACE PRIOR TO ADJOURNMENT "CALL TO THE PUBLIC" FOR THAT PURPOSE. IT IS THEN UP TO THE CHAIRMAN TO SET THE GROUND RULES BY WHICH WE WILL SIT AND LISTEN TO THE PUBLIC.

Motion carried unanimously.

Mr. Warne moved, seconded by Mr. Bennett:

THAT THE COMMISSION GO INTO EXECUTIVE SESSION.

Motion carried unanimously. The Executive Session began at 10:25 A.M.

At 10:55 A.M., the regular meeting resumed after completion of the Executive Session with all original Commissioners being present.

Mr. Bennett requested a list of the commissions and their budgets. Dr. Brennan will provide this information to him.

A discussion was held on the \$2,000 reduction we are required to make in our budget from the state travel expenses.

ANNOUNCEMENTS

The next meeting is scheduled for May 19, 1989.

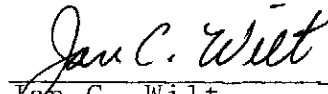
ADJOURNMENT

Mr. Bennett moved, seconded by Mr. Warne:

THAT THE MEETING BE ADJOURNED.

Motion passed unanimously. Time of adjournment was 11:05 A.M.

APPROVED



Jan C. Wilt
Vice-Chairman

GUESTS IN ATTENDANCE:

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| John Haas | Bureau of Land Management |
| Sheldon Muller | Attorney General's Office |
| John Saxman | Cam-Roy Research Corporation |
| Robert L. Stilmar | Cam-Roy Research Corporation |