

OIL AND GAS CONSERVATION COMMISSION  
5150 North 16th Street, Suite B-141  
Phoenix, Arizona 85016

Minutes of Meeting  
November 16, 1990

Present:

Dr. J. Dale Nations, Chairman  
Mrs. Jan C. Wilt, Vice-Chairman  
Mr. A. R. Bennett, Member  
Mrs. Barbara H. Murphy, 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 November 16, 1990 was called to order by Dr. J. Dale Nations, Chairman, at 10:00 A.M. in Room B-141, 5150 North 16th Street, Phoenix, Arizona 85016.

APPROVAL OF MINUTES OF MEETING OF AUGUST 17, 1990

Mr. Warne moved, seconded by Mrs. Wilt:

THAT THE MINUTES OF THE MEETING OF AUGUST 17, 1990  
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. He reported that a list of our publications has been printed in a new format, and is being sent on any orders or inquiries which are received. The Commission also reprinted a 1938 report by D. A. Holm on The Oil Possibilities of Arizona.

Dr. Brennan discussed his visit with Art Othon, the Governor's liaison for our Commission on November 14, 1990. He advised him of the oil play in northern Arizona which will be referred to Governor Mofford's attention. Dr. Brennan is in favor of having a Strategic Petroleum Reserve for storing petroleum in Arizona.

Brennan is in the process of revising several rules regarding injection wells. The Department of Environmental Quality, the Attorney General and the Executive Budget Office will get these revisions. Dr. Brennan has done a study on the Teec Nos Pos Field. The BLM wants the wells to be plugged as they are not producing. Dry Mesa and Mountain States Resources should plug their wells. Some wells may have been plugged without our permission.

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. He advised that Jay Shields is testing his well in the Fredonia area and that he inspected the Dineh-bi-Keyah Field and also the Adamana facility. He stated that an article in the AAPG "Explorer" has led to more sales of his report, and that he is continuing his study on the Wittman area.

OWNERSHIP AND STATUS OF "POWER RANCH" GEOTHERMAL WELLS SEC 1, T2S-R6E

It is the understanding that the Power Ranch Joint Venture owns these wells. A letter was written by Dr. Brennan to Mark Monserez, the attorney, confirming their ownership. A second letter was also sent. No response was received from Mr. Monserez. The wells are now in violation of the statutes and rules required in the plugging of a well. Mr. Monserez was also notified of this and a request was made to plug the wells. If the wells were not plugged, an injunctive action will be brought to the Superior Court. An organization report has not been filed by the owners.

Mr. Warne moved, seconded by Mrs. Wilt:

THAT IF A RESPONSE HAS NOT BEEN RECEIVED FROM MR. MONSEREZ  
IN BEHALF OF THE POWER RANCH JOINT VENTURE BY NOVEMBER 22,  
1990 THAT THE MATTER BE REFERRED TO THE ATTORNEY GENERAL  
TO GET THE WELLS PLUGGED BY FILING A SUIT.

Mr. Saxman spoke for Mr. Pomeroy to advise that Mr. Pomeroy is still interested in continuing the program and he intends to pursue the utilization of the wells. Mr. Saxman stated that within a 90-day period, more definite information should be available.

The motion to file suit passed unanimously.

RED LAKE PROJECT

Enron Storage Company located in Nebraska has filed to do business in Arizona regarding storage projects. Brennan has written to Enron offering the Commission's assistance for these projects. Dr. Brennan also met with Gus Arzberger in the Senate to discuss these possibilities.

CONTENDER OIL 1 AMAN, SEC 5, T10S-R23W, YUMA COUNTY

Dr. Brennan advised that this well needs to be plugged, and that an organization report has not been filed properly. A plugging plan has also been requested. Richard Bradshaw is to test the well and plug it by the end of the year. He is in Reno, and will file a plan upon his return. It may be necessary to go to court to get the well plugged.

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CALL TO THE PUBLIC

None

ANNOUNCEMENTS

Dr. Brennan explained that a memo was received from the Executive Budget Office requesting annual reports. Since this Commission does not have an annual report, Mr. Warne suggested sending the first two pages of our budget with a cover letter. Mrs. Wilt suggested sending copies of letters to the Commissioners. Dr. Brennan will make an appropriate reply.

Dr. Brennan has been requested by Senator Arzberger to speak before the Agriculture and Natural Resources Committee in the future.

Dr. Nations reported on the progress of the upcoming IOCC Meeting at The Point at Squaw Peak from December 2 - 5, 1990. Several governors and dignitaries from the Department of Energy are expected to attend.

A field trip is being planned by Dr. Brennan, Dr. Larry Fellows, the state geologist, and Mr. Rauzi on Saturday, December 1. Thirty-six attendees are expected to participate in it.

The next meeting is scheduled for February 15, 1991.

Dr. Brennan may call upon the Commissioners to appear before the Appropriations Committee hearing in January 1991 in behalf of the Commission.


ADJOURNMENT

Mr. Bennett moved, seconded by Mr. Warne:

THAT THE MEETING BE ADJOURNED.

Motion carried unanimously. Time of adjournment was 11:15 A.M.

APPROVED



Dr. J. Dale Nations  
Chairman

GUESTS IN ATTENDANCE:

Carol Lewin  
R. J. Pomeroy

John Saxman

Attorney General's Office  
Cam-Roy Research and  
Development Corporation  
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