

OIL AND GAS CONSERVATION COMMISSION

416 West Congress #100
Tucson, Arizona 85701

Minutes of Meeting
July 19, 2013

Present:

Dr. J. Dale Nations, Chairman
Mr. Robert L. Wagner, Vice-chairman
Mr. Stephen R. Cooper, Member
Mr. Frank Thorwald, Member
Mr. Steven L. Rauzi, Oil and Gas Program Administrator

Dr. Nations, Chairman, called the regular Commission Meeting of July 19 to order at 10:00 a.m. in Room 321, State Land Department Building in Phoenix, Arizona.

APPROVAL OF THE MINUTES OF THE MEETING OF APRIL 19, 2013

Mr. Thorwald moved, seconded by Mr. Wagner:

THAT THE MINUTES OF THE MEETING OF APRIL 19, 2013, BE ACCEPTED
AS PRESENTED

Motion carried unanimously.

CONFLICTS OF INTEREST

None

REPORT OF THE OIL AND GAS ADMINISTRATOR

The activity report of Mr. Rauzi was sent to the Commissioners and has been made a part of these minutes. Mr. Rauzi reported that three new permits were issued and four wells were drilled since the April 2013 meeting. He reported that Passport Potash and NHZ Potash each drilled a well in the potash area and that Kinder Morgan drilled two wells in the St. Johns CO₂ area. He noted that the name of the HNZ well was the Mine Shaft Core Well #1, which was drilled to obtain information relative to eventual construction of a mining shaft.

REVIEW OF DRILLING PERFORMANCE BONDS

Mr. Rauzi reviewed the status of bonds currently on file with the Oil and Gas Conservation Commission. He reported two changes from the July 2012 bond list: (1) the American Fuels bond was dropped because the State Treasurer had no record of the bond, which was likely transferred to the Trustee for Bankruptcy in late 1978 or early 1979; and (2) that the Ridgeway bond was released back to Ridgeway because that bond was replaced by the Kinder Morgan bond.

STATUS OF RIDGEWAY ARIZONA OIL CORPORATION DRILLING PROGRAM BETWEEN ST JOHNS AND SPRINGERVILLE INCLUDING POSSIBLE REPORT FROM RIDGEWAY

Mr. White reported that Kinder Morgan drilled two new wells in the St Johns CO₂ area. He noted that results so far were very positive and that Kinder Morgan planned to permit more wells and start some construction later this year.

CALL TO THE PUBLIC

Mr. Bonanno reported that Arizona Oil and Gas Inc., planned to drill three wells north of Douglas by September. He showed the Commissioners a map depicting their interpretation of the oil and gas potential where the wells would be drilled.

ANNOUNCEMENTS

The Commission scheduled its next meeting at 10:00 a.m. on October 18, 2013, in room 321 at the State Land Department Building in Phoenix.


ADJOURNMENT

Mr. Wagner moved, seconded by Mr. Thorwald:

THAT THE MEETING BE ADJOURNED

Motion carried unanimously. Time of adjournment was 10:15 a.m.

APPROVED


J. Dale Nations
Chairman

GUESTS IN ATTENDANCE

Mr. Carmon Bonanno	Arizona Oil & Gas Inc.
Mr. Curtis Cox	Assistant Attorney General
Mr. Joe Dixon	State Land Department
Ms. Terri Luck	Vertex
Ms. Rebecca Price	Vertex
Mr. Thomas White	Ridgeway Arizona Oil Corporation