

OIL AND GAS CONSERVATION COMMISSION

416 West Congress #100
Tucson, Arizona 85701

Minutes of Meeting
October 17, 2014

Present:

Dr. J. Dale Nations, Chairman
Mr. Robert L. Wagner, Vice-chairman
Mr. Stephen R. Cooper, Member
Mr. Frank Thorwald, Member (appeared by telephone and in person)
Mr. Steven L. Rauzi, Oil and Gas Program Administrator

Dr. Nations, Chairman, called the regular Commission Meeting of October 17 to order at 10:05 a.m. in Room 321, State Land Department Building in Phoenix, Arizona.

APPROVAL OF THE MINUTES OF THE MEETING OF JULY 18, 2014

Mr. Cooper moved, seconded by Mr. Thorwald:

THAT THE MINUTES OF THE MEETING OF JULY 18, 2014, BE ACCEPTED AS PRESENTED

Motion carried unanimously.

CONFLICTS OF INTEREST

None

REPORT OF STATE GEOLOGIST AND DIRECTOR OF ARIZONA GEOLOGICAL SURVEY

No report

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 since the last meeting: two to Ranger Development to test for helium in the old helium producing area east of Holbrook and one to Leonard Hafley to test for oil on his land near Kingman. Mr. Rauzi noted that Ranger Development had started drilling one of its wells on Tuesday.

DISCUSSION OF PERMIT APPLICATION FEE

Mr. Rauzi discussed a decision package submitted to the legislature requesting additional funding of \$55,000 to help cover the cost of administering the Commission. He reported that the decision package included a proposal to raise the application fee from its current \$25 to \$500 to help cover the cost of administering the Commission. Mr. Rauzi summarized the application fees in other states that averaged about \$500. The Commissioners agreed that a \$500 application fee was appropriate.

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

Mr. Rauzi reported that Mr. White sent an email that there would not be a representative from Kinder Morgan today because of conflicting schedules. Mr. Rauzi reported that Kinder Morgan's drilling and pipeline activities appeared to be on schedule.

CALL TO THE PUBLIC

None

ANNOUNCEMENTS

The Commission scheduled its next meeting at 10:00 a.m. on January 16, 2015, in room 321 at the State Land Department Building in Phoenix.


ADJOURNMENT

Mr. Cooper moved, seconded by Mr. Thorwald:

THAT THE MEETING BE ADJOURNED

Motion carried unanimously. Time of adjournment was 10:25 a.m.

APPROVED


Dale Nations
Chairman

GUESTS IN ATTENDANCE

Mr. Joe Dixon

Gordon Dudley

Sean Greengard

Mr. John Hestand

State Land Department

United Helium

Ryley, Carlock and Applewhite

Assistant Attorney General