OIL AND GAS CONSERVATION COMMISSION 416 West Congress #100

Tucson, Arizona 85701

Minutes of Meeting January 16, 2015

Present: Dr. J. Dale Nations, 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 January 16 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 OCTOBER 17, 2014

Mr. Thorwald moved, seconded by Mr. Cooper:

THAT THE MINUTES OF THE MEETING OF OCTOBER 17, 2014, BE ACCEPTED AS PRESENTED

Motion carried unanimously.

CONFLICTS OF INTEREST

None

REPORT OF STATE GEOLOGIST AND DIRECTOR OF ARIZONA GEOLOGICAL SURVEY

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 he issued two permits to Kinder Morgan on Wednesday. He reported that 11 permits were issued and 7 wells were drilled in 2014. He reported that Kinder Morgan drilled six of the wells in its CO2 field between St Johns and Springerville and Ranger Development drilled a well for helium in the Pinta Dome area.

STATUS OF KINDER MORGAN DRILLING PROGRAM BETWEEN ST JOHNS AND SPRINGERVILLE INCLUDING POSSIBLE REPORT FROM KINDER MORGAN

Mr. Rauzi noted that Kinder Morgan moved its field office from St. Johns to Springerville. Mr. White reported that Kinder Morgan's drilling program was proceeding as scheduled.

CALL TO THE PUBLIC

None

ANNOUNCEMENTS

Dr. Nations announced that he would send a letter to the new governor about the expired status of all of the commissioners. The Commission scheduled its next meeting at 10:00 a.m. on April 17, 2015, in room 321 at the State Land Department Building in Phoenix.

ADJOURNMENT

Mr. Thorwald moved, seconded by Mr. Cooper:

THAT THE MEETING BE ADJOURNED

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

APPROVED

ale Nations

Chairman

GUESTS IN ATTENDANCE Mr. John Hestand Mr. Joe Dixon Mr. Thomas White

Assistant Attorney General State Land Department Kinder Morgan CO2 Company