

OIL AND GAS CONSERVATION COMMISSION

416 West Congress #100
Tucson, Arizona 85701

Minutes of Meeting
April 17, 2015

Present:

Dr. J. Dale Nations, Chairman (appeared by telephone)
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 April 17 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 JANUARY 16, 2015

Mr. Cooper moved, seconded by Mr. Thorwald:

THAT THE MINUTES OF THE MEETING OF JANUARY 16, 2015, BE ACCEPTED AS PRESENTED

Motion carried unanimously.

CONFLICTS OF INTEREST

None

REPORT OF STATE GEOLOGIST AND DIRECTOR OF ARIZONA GEOLOGICAL SURVEY

Mr. Hanson, Deputy Director, reported that the 2016 budget was approved at the same level as the 2015 budget and there was no word on the decision package requesting additional funding to support the Commission. He reported there was a hiring freeze except for critical positions and that the Governor vetoed SB 1200 that transferred the old mining museum from the Historical Society to the Geological Survey. Mr. Hanson said the Survey would do what it could to help move Commissioners' appointments and reappointments forward.

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 one permit was issued since the last meeting to Vision Energy for a well to test for helium south of Sanders. He reported that Kinder Morgan submitted application to plug and abandon 10 wells in its CO₂ field and planned to start long term flow tests on four of the wells that were drilled last year.

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

Mr. Brugere reviewed current activity including recently completed seismic acquisition, plans to conduct long-term (30 day) flow tests in several wells, and plug and abandon 10 wells. He said Kinder Morgan has delayed St Johns development for two years but would require favorable market conditions to proceed with full development. Mr. Brugere indicated there was a possibility for drilling additional wells for data acquisition depending on results from well tests and seismic analysis.

CALL TO THE PUBLIC

None

ANNOUNCEMENTS

The Commission scheduled its next meeting at 10:00 a.m. on July 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



J. Dale Nations
Chairman

GUESTS IN ATTENDANCE

Mr. Steve Brugere	Kinder Morgan CO
Mr. Joe Dixon	State Land Department
Ms. Louise Erickson	Assistant Attorney General
Mr. Chris Hanson	Arizona Geological Survey
Mr. Thomas White	Kinder Morgan CO