



Douglas A. Ducey
Governor

State of Arizona
Oil and Gas Conservation Commission

1110 W. Washington Street, Phoenix, AZ 85007

602-771-4501

www.azogcc.az.gov

Dennis L. Turner, Oil and Gas Administrator

Commissioners:
Frank Thorwald, Chair
Robert L. Wagner, Vice Chair
Stephen R. Cooper
William C. Feyerabend
J. Dale Nations, Ph.D.

MINUTES OF MEETING
September 13, 2017

PRESENT:

Mr. Frank Thorwald, Chairman of the Oil & Gas Conservation Commission (OGCC)

Mr. Stephen R. Cooper, Member

Mr. Bill Feyerabend, Member

Dr. Dale Nations, Member, via telephone

Mr. Rick Zeise, OGCC Counsel

Mr. Dennis Turner, Oil & Gas Program Administrator

CALL TO ORDER

Mr. Thorwald called the OGCC Meeting of September 13, 2017 to order at 10:00 a.m. in Room 145 at the Arizona Department of Environmental Quality, Phoenix, Arizona.

DISCUSSION AND APPROVAL OF MEETING MINUTES

Dr. Nations moved, seconded by Mr. Thorwald:

THAT THE MINUTES OF THE AUGUST 4, 2017 PUBLIC MEETING BE APPROVED.

Motion carried unanimously.

REPORT BY THE OIL AND GAS ADMINISTRATOR

Triomphe Energy #1 temporary abandonment/ shut-in status: following a lengthy discussion between Triomphe Energy representatives and the OGCC, the Commission voted to approve one more extension of the shut-in status of the Triomphe Energy #1. Triomphe Energy assured the Commission this would be the final request for shut-in status and requested confidentiality for submittals they presented today.

Dr. Nations moved, seconded by Mr. Feyerabend:

THAT THE SHUT-IN STATUS OF THE TRIOMPHE ENERGY #1 WELL BE EXTENDED FOR ONE FINAL YEAR, TO EXPIRE ON JULY 31, 2018.

Motion carried unanimously.

Mr. Turner and Mr. Zeise explained that confidentiality under A.R.S § 44-1374 could only be applied to documents that contain trade secrets and that the documents submitted were either not confidential or were unnecessary to support justification for extending the shut-in status. Dr. Nations did request the condition that Triomphe Energy submit formation tops encountered in the well.

Rare Earth Exploration: Mr. Turner performed his inspection on August 17, 2017. The site ultimately passed inspection after some encouragement from Mr. Turner to remove the unused production casing, install the permanent plug marker and fill it with cement. The inspection report that was emailed to Mr. Brad Haycraft noted these exceptions.

GIS Viewer: all wells drilled since 2010, as well adding new (since 2010) scanned entries to the well files, have been sent to the ADEQ GIS Intern assigned to this project. The GIS viewer will be updated in the coming weeks only with the layer that identifies the well location. Creating the layer with the well files is part of the second phase of this project.

coming weeks only with the layer that identifies the well location. Creating the layer with the well files is part of the second phase of this project.

Sample Storage in Tucson: some non-oil and gas samples have been discarded, while others were returned to the USGS in Flagstaff. Samples from an oil and gas potential study of the Chuar Group in the Grand Canyon were shipped to Dr. Karl Karlstrom at the University of New Mexico, Department of Earth and Planetary Sciences. At the next meeting Mr. Turner will confirm what plan is in place for handling requests by the public to examine oil and gas drill cuttings.

Carmon Bonanno submitted a notarized request for return of his \$25,000 performance bond for Gusher State #1 and #2 (permits 1187 and 1188). These permits, which expired in January 2015, were for locations in Cochise County and were never drilled.

The Hafley #1 permit (#1196) expired in August 2017 and the \$10,000 performance bond will be returned to Leonard Hafley. Mr. Hafley submitted a notarized request for return of his bond.

SunCor Bankruptcy: Suncor’s trustee has stated their intent in an email to plug and abandon the SunCor 1-19 and the SunCor 1-24. Initially, bids will be requested to complete the plugging and abandonment operations. Mr. Turner will report more information in subsequent OGCC meetings.

ANNOUNCEMENTS

No announcements.

CALL TO THE PUBLIC

AZ State Land Department approved the Energy Mineral Surface Drilling Plan for Ranger Development’s 34-3 PD well (previously permitted on July 20, 2017).

PRESENTATION BY THE ASSISTANT ATTORNEY GENERAL

The Commission convened an Executive Session at 10:43 a.m. for the purpose of obtaining legal advice on the Arizona Open Meeting Law. The OGCC returned to the Regular Session at 11:40 a.m.

ADJOURNMENT

Mr. Thorwald moved, seconded by Mr. Feyerabend:

THAT THE MEETING BE ADJOURNED

Motion carried unanimously. Time of adjournment was 11:40 a.m.

REVIEWED



FRANK THORWALD
CHAIRMAN

11/16/2017
DATE

GUESTS IN ATTENDANCE:

Jeff Cantrell, AZ Attorney General’s Office
Joe Dixon, AZ State Land Dept.
Keenan Murray, AZ State Land Dept.
Todd Clement, Triomphe Energy
Scott Bowles, Triomphe Energy

Gordon LeBlanc, AZ Energy Partners
Gordon Dudley, United Helium
Ray Hobbs, United Helium
Joshua Pollard, Pollard Helium, LLC