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
J. Dale Nations, Ph.D., Vice Chair
Stephen R. Cooper
William C. Feyerabend

NOTICE OF COMBINED PUBLIC MEETING AND POSSIBLE EXECUTIVE SESSION ARIZONA OIL AND GAS CONSERVATION COMMISSION

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Arizona Oil and Gas Conservation Commission (AOGCC or Commission) and to the general public that the OGCC will hold a meeting open to the public on **October 26, 2018, 11:00 a.m. in Room 3100B**, third floor of the Arizona Department of Environmental Quality, at 1110 W. Washington St., Phoenix, AZ.

NOTE: Start time is approximate; this meeting will follow the conclusion of the Triomphe Energy and The Cobalt Group Public Hearings.

AGENDA:

1. Call to order
   - Establish a quorum
   - Conflicts of interest
2. Discussion, consideration, possible decision and vote by the AOGCC on the Minutes of:
   - September 14, 2018 Public Meeting
   - September 14, 2018 Public Hearing (Arizona Energy Partners)
3. Arizona Energy Partners (AEP). Resume drilling of the 16-1
   - AEP requests Commission approval to reenter and resume drilling of the AEP 16-1 (A.A.C. R12-7-125(D)).
   - The AOGCC may discuss, consider and vote on AEP's request
4. Report by the Oil and Gas Administrator. The Administrator will discuss the following:
   - Establish future meeting dates for 2019
   - ADEQ UIC primacy activity update
   - LPG underground storage facilities:
     - Workovers and MIT tests on six cavern wells at Enterprise Products' Adamana
     - Upcoming joint inspection with the Arizona Corporation Commission, Pipeline & Safety Division, Plains, Bumstead (Glendale)
   - TOPCORP training; Oct 8 – 12, 2018, Pittsburgh, PA
   - SunCor 1-24 – update/ progress report
   - Upcoming inspections
5. Discussion of geothermal issue, Cochise Co. Waddell-Duncan #1 Murray well: geothermal conditions encountered.
   - The Administrator will discuss with the AOGCC the history and current situation of the Waddell-Duncan Murray #1 well. The Commission may discuss and provide input to the Administrator.
6. Report by the AOGCC Chairman
7. Legislation affecting the Arizona Oil and Gas Conservation Commission
8. Call to the public: Members of the public may address the Commission during this Call to the Public. Pursuant to A.R.S. § 38-431.01(H), the Commission members may not discuss or take legal action on matters raised during an open call to the public unless the matters are properly noticed for discussion and legal action. Therefore, action taken as a result of public comment will be limited to directing staff to study the matter or scheduling the matter for further discussion and decision on a future agenda.
9. Executive Session. The Commission may convene an Executive Session to discuss the status of:
   a. The Blackstone State #4 well
   b. Ongoing projects with the IOGCC; and
   c. Administrative functions governing public comments.
10. Review and Consider Future Agenda Items
11. Announcements
12. Adjourn

Members of the Arizona Oil and Gas Conservation Commission will attend either in person or by telephone. The public may be afforded an opportunity to comment on any item on the agenda; however, by ruling of the Arizona Oil and Gas Conservation Commission, any member of the public wishing to speak at this meeting shall be limited to three (3) minutes. (see Note 2). Note that agenda items may be taken out of order at the discretion of the Commission.

NOTE 1: The Arizona Oil and Gas Conservation Commission may vote to hold an Executive Session, pursuant to AR.S. § 38-431 .03(A)(3) or (4), which will not be open to the public, to consult with its attorney and receive legal advice with respect to any regular agenda item listed on this agenda.

NOTE 2: Any comments provided by the public at the Call to the Public shall not exceed three (3) minutes per speaker. For any comments made during the Call to the Public on any specific issue the overall comment period shall not exceed ten (10) minutes per side. The Commission shall have the authority to end any public discussion that exceeds ten (10) minutes per side or twenty (20) minutes in total.

For additional information about this meeting, contact Dennis L. Turner, Oil and Gas Program Administrator, ogcc@azdeq.gov or (602) 771-4501. At least 24 hours prior to any meeting, a copy of the agenda will be available for public inspection at the Arizona Department of Environmental Quality (ADEQ), 1110 W. Washington Street, Phoenix, AZ 85007, or online at http://www.azdeq.gov/ogcc-notices. After approval by the Commission, the meeting minutes and background material provided to Commission members (with the exception of material relating to possible Executive Sessions) shall be made available at http://www.azogcc.az.gov/meetings.

ADEQ will take reasonable measures to provide access to department services to individuals with limited ability to speak, write or understand English and/or to those with disabilities. Requests for language interpretation, ASL interpretation, CART captioning services or disability accommodations must be made at least 48 hours in advance by contacting Ian Bingham, Title VI Nondiscrimination Coordinator at 602-771-4322 or idb@azdeq.gov. Teleprinter services are available by calling 7-1-1 at least 48 hours in advance to make necessary arrangements.

ADEQ tomará las medidas razonables para proveer acceso a los servicios del departamento a personas con capacidad limitada para hablar, escribir o entender inglés y / o para personas con discapacidades. Las solicitudes de servicios de interpretación de idiomas, interpretación ASL, subtitulados de CART, o adaptaciones por discapacidad deben realizarse con al menos 48 horas de anticipación contactando a Ian Bingham, Coordinador de Anti-Discriminación del Título VI al 602-771-4322 o ibd@azdeq.gov. Los servicios de teleimpresores están disponibles llamando al 7-1-1 con al menos 48 horas de anticipación para hacer los arreglos necesarios.

To request an auxiliary aid or service for accessible communication, please contact Ian Bingham, (602) 771- 4322, idb@azdeq.gov

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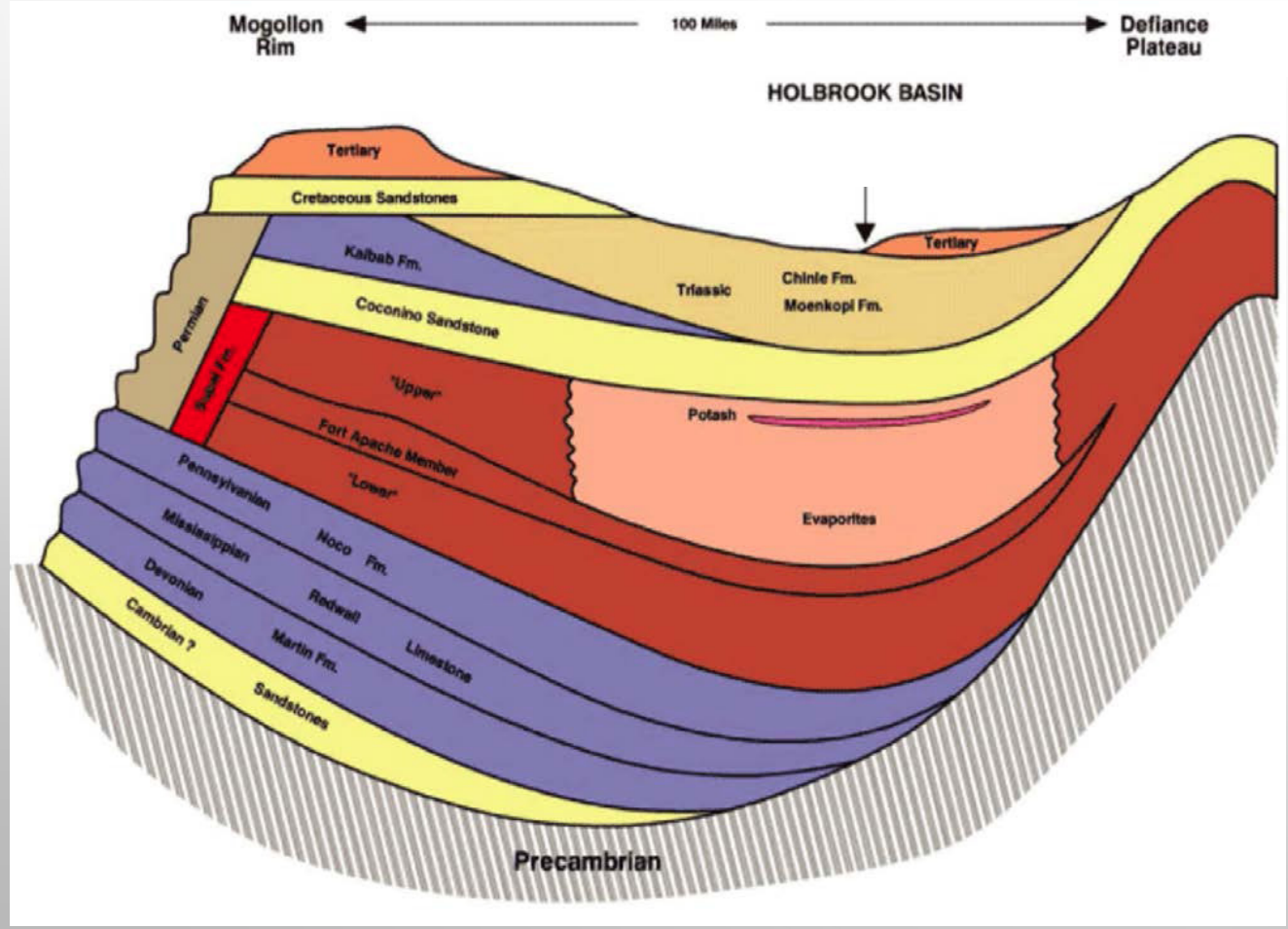
Public Meeting of the Arizona Oil & Gas Conservation Commission
11:00 a.m., October 26, 2018, Room 3100B

Name / Organization – please print	email	phone
FRANK THORWALD		
[illegible]		
James H. Ballard	jballardxrd@gmail.com	
Jamie Hogue	jlhogue.az@gmail.com	
Bill [illegible]		
Joe Dixon - AZ State Land		
David Haag - AZ State Land	dhaag@azland.gov	
DENNIS TURNER		
DALE NATIONS via phone		
GREG PARKER		602-359-0823
Rich Zelz	Rich.Zelz@azag.gov	
STEPHEN COOPER		
JAMIE HOGUE, AEP		

ARIZONA OIL AND GAS CONSERVATION COMMISSION

OCTOBER 26, 2018

REVIEW OF AEP 16-1 WELL



- APPROXIMATELY 20 MILES EAST OF SNOWFLAKE (SECTION 16, T14N 25E)
- LOCATED ON ASLD LEASE
- PROPOSED TD 4,000' +/-
  - CURRENTLY DRILLED TO 2705'
- PRIMARY TARGETS – DEVONIAN AND PENNSYLVANIAN NACO
- NOTICE AT LEAST 24 HOURS IN ADVANCE PRIOR TO RESUMING DRILLING ACTIVITIES

AEP 16-1 PERMITTING HISTORY

- APRIL 2017 – APPLICATION TO DRILL WILDCAT WELL APPROVED
- SEPTEMBER 2017 - DRILLING PERMIT EXTENDED
- FEBRUARY 2018 - ORDER PROHIBITING TESTING FOR GAS
- MARCH 2018 - DRILLING COMMENCED & HALTED DUE TO SAFETY CONCERNS
- MARCH 2018 - COMPLETION REPORT SUBMITTED FOR PORTION OF WELL DRILLED
- APRIL 2018 - INITIAL T/A REQUEST DEEMED INCOMPLETE
- JULY 2018 - T/A STATUS APPROVED
- SEPTEMBER 2018 - SPACING EXCEPTION APPROVED & NOTIFIED THAT REQUEST TO RESUME DRILLING WOULD NEED TO BE APPROVED AT COMMISSION MEETING

OUR DRILLING PRACTICES

- **REDUCED LAND IMPACTS** - USE OF STEEL TANKS MEANS NO IN-GROUND PITS
- **REDUCED WATER IMPACTS** - USE OF PATENTED WATER RECYCLING TECHNOLOGY RESULTS IN 70% LESS WATER BEING USED IN DRILLING OPERATIONS
- **REDUCED AIR IMPACTS** - SIGNIFICANT REDUCTION IN TRUCK TRAFFIC ASSOCIATED WITH DRILLING OPERATIONS
- **NO HYDRAULIC FRACTURING TO BE USED IN COMPLETION OF WELL**
- DECADES OF EXPERIENCE IN THE HOLBROOK BASIN

2019 OGCC meeting dates

All regular meetings (public meetings) of the Arizona Oil and Gas Conservation Commission are scheduled for 10:00 a.m., Fridays, every 6 weeks, beginning January 18, 2019. Unless otherwise noted, all meetings will be at ADEQ's main building, conference room 3100B, 1110 W. Washington Street, Phoenix. Agendas will be posted approximately three to seven days in advance.

2019 SCHEDULE of REGULAR MEETING DATES (FRIDAYS)
ARIZONA OIL and GAS CONSERVATION COMMISSION

Jan. 18, 2019
Mar. 1
Apr. 12
May 24
June 28
Aug. 9*
Sep. 20*
Nov. 1*
Dec. 13*

*July 5 is the Friday after the holiday, so this, and all succeeding dates were moved back a week.