



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 AOGCC will hold a meeting open to the public on **August 9, 2019, 10:00 a.m. in Room 3100B**, third floor of the Arizona Department of Environmental Quality, at 1110 W. Washington St., Phoenix, AZ.

AGENDA:

1. Call to order
 - a. Establish a quorum
 - b. Conflicts of interest
2. Discussion, consideration and possible vote by the AOGCC on the minutes of:
 - o July 12, 2019 Public Meeting
3. Cobalt Group – two requests for Commission approval:
 - a. The operator requests a 180 day extension of the expiration dates of the following permits:

<u>Well No.</u>	<u>Permit No.</u>	<u>Expiration Date</u>	
		<u>Current</u>	<u>Requested</u>
Cobalt 20-22-18 #1 State	1230	9/21/2019	3/19/2020
Cobalt 20-21-24 #1 State	1231	10/21/2019	4/18/2020
Cobalt 20-22-8 #1 State	1232	10/21/2019	4/18/2020
Cobalt 20-22-17 #1 Jeffers	1234	10/21/2019	4/18/2020

- a. In accordance with A.A.C. R12-7-104(D), the Commission may discuss, consider and possibly vote on one or more of Cobalt's requests to extend the permit deadlines and the duration of the extensions.
 - b. The operator requests approval for temporary abandonment of the Cobalt 20-22-9 #1 State, permit 1233. The Commission shall discuss, consider and possibly vote on a request from Cobalt for temporary abandonment status, in accordance with A.A.C. R12-7-125(B).
4. Ranger Development, LLC (Ranger) - The Commission shall review its July 12, 2019 decision to use completion dates to establish three-year confidentiality of its wells. The Commission may discuss, consider and vote to extend confidentiality for two years from the date of Ranger's request on the wells previously discussed. A.A.C R12-7-121(C)(1).
5. Report by the Oil and Gas Administrator.
 - o Progress report of recent well activities:
 - Pollard Helium 36-1 State (Northstar)
 - Rare Earth 12-1 State
 - Ranger Development
 - Arizona Energy Partners (AEP) 16-1
 - New organization Report form (Form 1)
 - o IOGCC Inspectors' forum, Aug. 25 – 26
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. Review and Consider Future Agenda Items
10. Announcements

11. Executive Session: See Note 1.

12. Adjourn

Members of the Arizona Oil and Gas Conservation Commission will attend either in person or by telephone. The public may also attend a Commission meeting either in person or by telephone. Please contact the Oil and Gas administrator at least 48 hours before the scheduled meeting to make arrangements for a member of the public to attend by telephone. In cases where an emergency meeting is called by the Commission and 48 hours' notice is not possible, a minimum 24 hours' notice from the public is required.

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 Bingham.Ian@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, subtítulos 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 Bingham.Ian@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.



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Public Meeting of the Arizona Oil & Gas Conservation Commission
10:00 a.m., August 9, 2019, Room 3100B

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TONY HINES, RANGER " "		
JOSH POLLARO, POLLAR HELIUM	via phone	
SCOTT BOWLES, COBALT GP.	via phone	



Arizona Oil and Gas Conservation Commission

Memorandum

Date: August 7, 2019
To: Members of the Arizona Oil and Gas Conservation Commission
From: Dennis L. Turner, O&G Admin.
Subject: ***CONFIDENTIAL*** Briefing Memo and recommended actions for August 9, 2019 AOGCC Regular Meeting

COBALT GROUP –

1. Cobalt seeks approval for temporary abandonment status for their 20-22-9 #1 State while they evaluate their strategy for this well and remaining wells. They have satisfied the demonstration of a future beneficial use for this well.
2. Cobalt also seeks approval to extend permit deadlines another 180 days. A representative will participate by phone on Aug. 9. See attached Cobalt letter.

RANGER DEVELOPMENT, LLC

Update on Ranger well confidentiality – The AOGCC approved Ranger’s confidentiality request based on completion dates. Afterwards, I realized that this is not practical, because some wells are temporarily abandoned (not yet completed); some shut-in (offline producers) and others have only recently completed drilling. A.A.C. R12-7-121(C)(1) says the initial confidential period starts “after drilling is completed,” and an extension of up to two years may be granted “from the date of the (operator’s) request.” I recommend the Commission review its vote and change its approval of confidentiality to extend two years from the date of Ranger’s request. Ranger requested extension of confidentiality on March 26, 2019 (letter attached); hence, the Commission should extend confidentiality for all wells listed in Ranger’s letter to March 26, 2021.

POLLARD HELIUM, 36-1 STATE WELL -- UPDATE

This week Pollard informed me that they have decided to perform more tests, which will likely occur before the Sept. 20, 2019 meeting. At the July 12 meeting, Mr. Pollard clarified that the site has had activity within 60 days (mid-June). Site clean-up occurred in late July. Pollard understands the need to keep within the 60-day time frame and will run logs before the end of September. Pollard is dependent on third party contractors for their wellsite work, so scheduling work to stay within the 60-day time frame of A.A.C. R12-7-125(A) is always a challenge.

Below are photos before and site after clean up.



A. Wellhead before clean up (looking S)



B. Site after clean up (looking S)

ARIZONA ENERGY PARTNERS (AEP) 16-1 WELL. – ADEQ investigated a complaint of a spill of a “white crystalline substance” on July 16, 2019. The attached preliminary inspection report shows the material is salt leached from additives and other materials used in drilling the well and is non-hazardous. The inspector collected soil samples, but results are pending and are not expected to be onerous.

NEW ORGANIZATION REPORT FORM – Rick Zeise and I decided it was necessary to update this form to reflect new required information on limited liability corporations and clarify who the principals, partners and officers are of a company. This will also help clarify who is authorized to sign APDs and applications to plug and abandon wells. Many active well files need updated signatures (such as the LPG underground storage facilities). Mr. Zeise approved it as complete before his reassignment in May. This does not require a Commission vote to approve it. Copies of the old and revised Form 1 are attached.