



Douglas A. Ducey
Governor

State of Arizona
Oil and Gas Conservation Commission

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Dennis L. Turner, Oil and Gas Administrator

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

MINUTES OF HEARING
THE COBALT GROUP, LLC WELL SPACING EXCEPTION
JANUARY 18, 2019

PRESENT:

Mr. Frank Thorwald,	Chairman, Arizona Oil & Gas Conservation Commission ("AOGCC")
Dr. Dale Nations,	AOGCC Vice Chairman (via phone)
Mr. Stephen R. Cooper,	AOGCC Member
Mr. Bill Feyerabend,	AOGCC Member
Mr. Rick Zeise,	AOGCC Counsel
Mr. Dennis Turner,	Oil & Gas Program Administrator

CALL TO ORDER

Mr. Thorwald called the AOGCC Public Hearing of January 18, 2019 to order at 10:00 a.m. in Room 3100B at the Arizona Department of Environmental Quality, Phoenix, Arizona.

DISCUSSION and VOTE on THE COBALT GROUP'S WELL SPACING EXCEPTIONS.

Scott Bowles, Geologist for The Cobalt Group, LLC, made a brief presentation and requested the AOGCC grant a spacing exception for Cobalt's proposed well:

<u>Well name</u>	<u>Proposed depth (ft.)</u>
Cobalt 20-22-4 #1 State	4,000

In response to a question from Dr. Nations. Mr. Bowles stated that the casing depth for this well would be below the bottom of the Coconino, but that this formation is not a fresh water source in this area. Any fresh water that is encountered will be shallow (above the Coconino) and will be cased off.

The proposed depth will test various formations, including the Moenkopi, Coconino, Supai, Naco and Martin.

Following a brief discussion, Dr. Nations said the spacing exception for the Cobalt well was justified, based on the geological interpretations and seismic data and moved, seconded by Mr. Thorwald:

THAT THE SPACING EXCEPTION FOR THE APPLICATION TO DRILL THE COBALT 20-22-4 #1 STATE BE APPROVED AS SUBMITTED.

Mr. Thorwald asked for public comment. None was received.

The motion passed unanimously 4-0.

The Hearing was adjourned at 10:13 a.m.

REVIEWED



FRANK THORWALD
CHAIRMAN


DATE

GUESTS IN ATTENDANCE:

Scott Bowles, Triomphe Energy
Todd Clement, Triomphe Energy
Mike Olesko, Plains Midstream (via phone)
Jason Abplanalp, AZ State Land Dept.

James H. Ballard
Joshua Pollard, Pollard Helium
Lauren Webster, Pollard Helium
Joe Dixon, AZ State Land Dept.