



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
RANGER DEVELOPMENT WELL SPACING EXCEPTION
October 3, 2019

PRESENT

Mr. Frank Thorwald,	Chairman, Arizona Oil & Gas Conservation Commission (AOGCC)
Dr. Dale Nations,	AOGCC Vice Chairman (via phone)
Mr. Bill Feyerabend,	AOGCC Member
Mr. Stephen Cooper,	AOGCC Member
Mr. Jay Skardon,	AOGCC Counsel, Office of the Attorney General
Mr. Dennis Turner,	AOGCC Program Administrator
Ms. Tawnya Cook,	Arizona Department of Environmental Quality (ADEQ)

CALL TO ORDER

Mr. Thorwald called the AOGCC Public Hearing of October 3, 2019 to order at 10:02 a.m. in Room 3100B at the Arizona Department of Environmental Quality (ADEQ), Phoenix, Arizona. A quorum was present and there were no conflicts of interest.

DISCUSSION AND VOTE ON RANGER DEVELOPMENT WELL SPACING EXCEPTION

Mr. Turner explained that Ranger Development requested a spacing exception their 34-7 PD well, because the Coconino Sandstone is one of the stated objectives. The Coconino is a helium producer in two existing wells in Section 34. AAC R12-7-107(B) states that only one well per drilling unit (*i.e.* Section) is allowed per pool without Commission approval for a variance by requesting a spacing exception. Mr. Tony Hines, representing Ranger, referred the Commission to the well diagram and explained that the objective of the 34-7 well is to drill to the basement on the Pinta Dome structure. The proposed location should cross every potentially producing zone in the stratigraphic section. The proposed location meets the requirements for 640 acre spacing for formations below the Coconino and also meets the requirements for the 40 acre spacing for the Shinarump Conglomerate.

A short discussion covered the basis for the well location. Mr. Hines explained that it was based on seismic data indicating a high position on the Pinta Dome structure.

A more lengthy discussion involved water and the depth encountered in other wells. Mr. Hines is not sure if water will be found in this well. The Coconino is a known aquifer and, as the well diagram illustrates, will be cemented back to the surface to isolate it. The Coconino is suitable for livestock in this area, but not for potable use, owing to high concentrations of dissolved solids.

The Administrator recommended approval of the spacing exception.

Dr. Nations moved, seconded by Mr. Thorwald, that

THE COMMISSION APPROVE THE SPACING EXCEPTION FOR THE RANGER 34-7 STATE WELL
Motion carried unanimously (4-0).

Mr. Thorwald moved to adjourn, seconded by Dr. Nations.

The Hearing adjourned at 10:08 a.m.

REVIEWED



FRANK THORWALD
CHAIRMAN

12/6/2019
DATE

GUESTS IN ATTENDANCE

Scott Bowles, Cobalt Group (via phone)
Tony Hines, Ranger Development LLC

Pat Kane, AZ State Land Department
David Haag, AZ State Land Department