



Katie Hobbs
Governor

State of Arizona
Oil and Gas Conservation Commission

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602-771-4501
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Chris Schmidt, Oil and Gas Administrator

Commissioners:
Frank Thorwald, Chair
J. Dale Nations, Ph.D., Vice Chair
Stephen R. Cooper
William C. Feyerabend
F. Michael Conway, Ph.D.
Robyn Sahid, Land Commissioner
Ex Officio (non-voting member)

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

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Arizona Oil and Gas Conservation Commission (Commission) and to the general public that the Commission will hold an open public meeting:

Friday, June 9, 2023

10:00 A.M.

via Zoom using the link below:

<https://us02web.zoom.us/j/83584543811?pwd=aEt3ZUNyMEN5RnNRQUIENk1Tc0RMdz09>

Dial in:

+1 669 444 9171 US

Meeting ID:

835 8454 3811

Passcode:

892482

Please join a few minutes early to avoid technical difficulties and keep all microphones muted except when speaking. This virtual meeting will be recorded. If you experience difficulties logging into the meeting please contact Andrew Foss, Oil and Gas Project Manager, at foss.andrew@azdeq.gov or (602) 618-3588 for technical assistance.

Executive Session: Pursuant to A.R.S. § 38-431.03(A)(3), the Commission may vote to go into executive session, which will not be open to the public for the purposes of obtaining legal advice on any item on the Agenda.

CALL TO ORDER

1. Establish a quorum and possible conflicts of interests.

INTRODUCTIONS

2. Land Commissioner - Robyn Sahid
3. Oil and Gas Administrator - Chris Schmidt
4. Administrative Services Officer - Holly Morin

5. Assistant Attorney General - Adam Stafford

AGENDA ITEMS FOR DISCUSSION, CONSIDERATION, AND POSSIBLE ACTION:

6. Discussion and Appropriate Action by the Commission – Notice and Hearing for Spacing Exceptions:

- a. Desert Mountain Energy Corp. Spacing Exception presented by Marta Wasko
 - i. Desert Mountain Energy Corp. is interested in a spacing exception for two well locations:
 - 1. Desert Mountain 24-1 State located in Section 24 T18N R15E
 - 2. Desert Mountain 30-1 State South Winslow located in Section 30 T18N R16E
 - 3. Desert Mountain O'Haco 29-1 located in Section 29 T16N R14E
- b. Myriad Resources LLC Spacing Exception presented by Brittany Rothe
 - i. Myriad Resources LLC is interested in a spacing exception for one well location:
 - 1. Aztec 1-35 located in Section 35 T17N R19E
- c. Pinta Dome Operating LLC Spacing Exception presented by Joshua Hukill
 - i. Pinta Dome Operating LLC is interested in a spacing exception for two well locations:
 - 1. Pinta Dome Operating 10-1PR State located in Section 10 T17N R25E
 - 2. Pinta Dome Operating 12-1PR State located in Section 12 T17N R25E
 - 3. Pinta Dome Operating 14-1 State located in Section 14 T16N R23E
 - 4. Pinta Dome Operating 16-1PR State located in Section 16 T17N R25E

7. Commission Administrator Update - Chris Schmidt:

- a. Permitted Drilling & Completions Activity Update
 - i. Well: Pinta South 14-7 NM, Permit #1280
 - 1. Activity: Drilled to 1198' on 3/20/2023, analyzing production quality
 - ii. Well: Pinta South 36-1 SD, Permit #1277
 - 1. Activity: Drilled to 1231' on 3/11/2023, analyzing production quality
 - iii. Well: Pinta South 8-4 PR Well, Permit #1279
 - 1. Activity: Drilled to 723' on 5/10/2023, shut in well
 - iv. Well: Pinta South 34-7 PR State, Permit #1281
 - 1. Activity: Drilled to 900' total depth on 5/8/2023, shut in well
 - v. Well: Pinta South 26-6 PR State, Permit #1282

1. Activity: Drilled to 905' total depth on 5/5/2023
- vi. Well: Myriad Resources Rattlesnake 1-21, Permit #1275
 1. Activity: Testing of zones completed, rigged down on 2/24/23

8. Report on Activity of Orphaned Well Program Contractors - Chris Schmidt:

- a. Orphaned Well: Orphaned wells are oil and gas wells that are not plugged, not producing, and have no owner or responsible party, so they are wards of the State or other government entities.
- b. Contractors are finishing up work on Task 1: Site Assessment, submitting final Environmental Data Report (EDR) deliverables.
- c. Task 2: Site Characterization proposals have been submitted and are under review.
- d. Ground Water Protection Council (GWPC), a national nonprofit association, continues to develop the Arizona Oil & Gas Risk Based Data Management System (RBDMS) database. Database development is currently in the first phase of testing.
- e. University of Arizona continues to prepare the well data for incorporation into the RBDMS database.

9. Community Engagement - Chris Schmidt:

- a. The Orphaned Well Program Self-Reporting Tool has been made public. To report an orphaned well, fill out the tool here: <https://tinyurl.com/5n7cw3j2>
 - i. Four wells have been submitted since the reporting tool's launch.
- b. Presented to Arizona County Supervisors Association about Orphaned Well Program and U.S. Department of Interior (DOI) Initial Grant
- c. Orphaned Well Program web pages are now live:
 - i. <http://azogcc.az.gov/content/orphaned-well-program>
 - ii. <http://azdeq.gov/azorphanedwells>

10. Budget Update - Hether Krause:

- a. FY23 Permit Revenue: \$300
- b. FY23 DOI Grant Budget: \$9,253,779
- c. FY23 DOI Grant Expenditures: \$1,283,319

11. Public Complaints and Resolutions - Chris Schmidt:

- a. Complaint received on 3/28/23 from Apache County resident concerned with Geophysical Exploration in the area; after discussion with the former Oil and Gas Acting Administrator the resident was no longer concerned.

12. Commission Member Organization(s) Activity or Meeting Update Commission - Chairman Frank Thorwald:

- a. May 2023 Interstate Oil and Gas Compact Commission Annual Business Meeting Update
 - i. DOI Formula Grant Application
 - ii. Carbon Credits / Tax Credits
 - iii. Carbon Sequestration
 - iv. Pore Space
 - v. Locating Orphaned Wells
 - vi. Community Engagement

13. Presentations, Training - Commission Chairman Frank Thorwald and Chris Schmidt:

- a. Railroad Commission of Texas is giving a series of virtual trainings, covering topics related to oil & gas and geology.

14. Tribal Community Update - Chris Schmidt:

- a. Working with the Office of Navajo and Hopi Indian Relocation (ONHIR), to receive access for the characterization of potential orphaned wells on ONHIR land.

15. Commission Chairman Frank Thorwald Report:

- a. Arizona Board of Regents
- b. Aquifer Protection Permit Exemptions for Class II Injection Wells

16. Call to the Public:

Members of the public may address the Commission during this Call to the Public. In the interest of maintaining an orderly meeting, comments shall not exceed three minutes per speaker. For any specific issues, the total comment period shall not exceed ten minutes per side. If a member of the public wishes to speak, they may unmute their telephone by pressing *6.

Pursuant to A.R.S. § 38-431.01(H), the Commission members shall 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. As a result of public comment, the Commission members may respond to criticism, may direct staff to review a matter, or may ask that a matter be placed on a future agenda.

17. Commission Requests for Future Agenda Items

18. Announcements

19. Adjournment of the Commission

For additional information about this meeting, contact Chris Schmidt, Oil and Gas Program Administrator, azogcc@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>. A copy of material provided to AZOGCC (with exception to material relating to possible executive sessions) are available for public inspection upon request by contacting the ADEQ Records Center (602) 771-4380 or (800) 234-5677.

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 translation, ASL interpretation, CART captioning services or disability accommodations must be made at least 48 hours in advance by contacting the Title VI Nondiscrimination Coordinator at 602-771-2215 or Communications@azdeq.gov. For a TTY or other device, Telecommunications Relay Services are available by calling 711.

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 traducción de idiomas, interpretación ASL (lengua de signos americano), subtitulado de CART, o adaptaciones por discapacidad deben realizarse con al menos 48 horas de anticipación comunicándose con el Coordinador de Anti-Discriminación del Título VI al 602-771-2215 o Communications@azdeq.gov. Para un TTY u otro dispositivo, los servicios de retransmisión de telecomunicaciones están disponible llamando al 711.