



Katie Hobbs
Governor

State of Arizona
Oil and Gas Conservation Commission

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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**

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

Friday, September 15, 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 AZOGCC 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 conflicts of interests.

AGENDA ITEMS FOR DISCUSSION, CONSIDERATION, AND POSSIBLE ACTION:

2. **Administrator Updates - Chris Schmidt:**
 - a. **Approved Permit Well Information (since July 21, 2023 AZOGCC Meeting) (Attachment A)**

- i. Pinta Dome Operating LLC
 - 1. Permit #1290, Well ID: Pinta Dome 10-1 PR
 - 2. Permit #1291, Well ID: Pinta Dome 12-1 PR
 - 3. Permit #1292, Well ID: Pinta Dome 14-1 State
 - 4. Permit #1293, Well ID: Pinta Dome 16-1 PR
 - 5. Permit #1294, Well ID: Pinta Dome 14-1 PR State
 - b. Pending Permits (since July 21, 2023 AZOGCC Meeting)**
 - i. Pinta Dome Operating LLC
 - 1. Pinta Dome Operating LLC
 - c. Drilling Activity (since July 21, 2023 AZOGCC Meeting)**
 - i. Myriad Resources Plug and Abandonment of two wells
 - 1. API: 02-017-20139, Permit #1275, Well ID: Myriad Rattlesnake 1-21
 - 2. API: 02-017-20132, Permit #1265 Well ID: Myriad Aztec 3-1 SD Fee
 - ii. Pinta Dome Permit #1278 Extension Request
 - 1. API #02-017-20141 Well ID: PDO #36-1 State
 - d. Spacing Exception Requests**
 - i. Pinta South Operating LLC
 - 1. Desert Eagle Operating 13-4 Well (High Plains 1-13 re-entry)
 - 2. Desert Eagle Operating 13-6 Well
 - e. Discussion on Permit Variances/Modifications**
 - f. Orphaned Well Grant Program Updates (Attachment B)**
- 3. AZOGCC Chairman Frank Thorwald Report**
 - a.** Interstate Oil and Gas Conservation Commission (IOGCC) Annual Conference discussion topics
 - b.** IOGCC resolutions recommended by AZOGCC
 - c.** Texas Railroad Commission training update
 - d.** Five-Year Review Report approved by Governor's Regulatory Review Council (GRRC) on August 1, 2023
 - e.** GRRC's Rulemaking Process (Attachment C)
 - f.** AZOGCC Fees Discussion
 - g.** Underground Injection Control Primacy Discussion
 - i. Produced Water Discussion
 - h.** Approaches to public outreach
 - i.** Governor's office meeting update
 - j.** Status of sharing data with other departments, agencies, and commissions

- k. Office of Navajo and Hopi Indian Relocation Orphaned Wells Update
- l. Update on working with Arizona Department of Water Resources, Arizona Department of Environmental Quality, Arizona State Land Department and the AZOGCC on harmonizing rules
- m. Website discussion
- n. Establish an AZOGCC fund
- o. Status of plugging abandoned and orphaned wells discussion

4. Call to the Public:

Members of the public may address the AZOGCC 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 AZOGCC 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 AZOGCC members may respond to criticism, may direct staff to review a matter, or may ask that a matter be placed on a future agenda.

5. AZOGCC Requests for Future Agenda Items

6. Announcements

7. Adjournment of the AZOGCC

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 at (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), subtítulo 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.

ATTACHMENT A

APPROVED PERMIT WELL INFORMATION (Since July 21, 2023 Commission Meeting)

PERMIT #	ORGANIZATION	WELL NAME	WELL TYPE	COUNTY	ELEVATION (GROUND)	S/T/R	TOTAL DEPTH (FT)	FORMATION
1290	Pinta Dome Operating	PD 10-1 PR	Oil / Gas	Apache	5701	S10 T17N R25E	4500	Supai, Naco, Devonian Martin
1291	Pinta Dome Operating	PD 12-1 PR	Oil/Gas	Apache	5727	S12 T17N 25 E	4500	Supai, Naco, Devonian Martin
1292	Pinta Dome Operating	PD 14-1 State	Oil/Gas	Navajo	5374	S14 T16N R23E	4500	Supai, Naco, Devonian Martin
1293	Pinta Dome Operating	PD 16-1 PR	Oil/Gas	Apache	5587	S16 T17N R 25E	4500	Supai, naco, Devonian Martin
1294	Pinta Dome Operating	PD 14-1 PR State	Oil/Gas	Apache	5725	S14 T17N R25E	4500	Supai, Naco, Devonian Martin

TBD = To Be Determined

S/T/R = Section, Township, Range

ATTACHMENT B

Orphaned Well Grant Program Updates As of August 31, 2023

Budget Updates:

- FY24 DOI Grant Budget: \$10,920,195
- FY23 DOI Grant Expenditures: \$1,569,501
- FY24 DOI Grant Expenditures: \$540,324

Current status (Contractor Update):

- # of wells moving to next phase (i.e., physical field verification inspection of orphaned well): 173
- # of wells inventoried for plugging (i.e., a well that gets added to inventory is one in which has been field verified to exist and will move to plugging (out of our list of potentials)): 3
- # of outstanding Environmental Data Reports (EDRs):
 - Wendy: 8
 - Brooke: 0
 - Andrew: 0
- # of Right of Entry forms received:
 - Wendy: 22
 - Brooke: 5
 - Andrew: 0
- Cost per well to date:
 - Average cost: \$5,858.66
- # of contractor proposals for Task Order 2 remaining to review:
 - Wendy: 0
 - Brooke: 0
 - Andrew: 3

Current status of community outreach/engagement efforts including with tribal communities:

We have started creating a Community Outreach Plan for this project. The initial launch included creating a self-reporting tool, reaching out to tribal communities and a presentation to the Arizona Board of County Supervisors meeting.

- **Self-reporting tool:** We received 4 reports from the public for our team to research.
 - One well is located nearby a well on our potential orphaned well list. The contractor will be investigating the well as part of upcoming field activities.
 - The second well appears to be a water well. The City of Goodyear was made aware of this abandoned water well, but there is nothing further they can do since this well is on private property. An email was sent to the City of Goodyear. The City of Goodyear decided it was on a private parcel and didn't impact any public right of way, so they aren't going to take any action.
 - The third well is located in Apache Junction outside a suburban development. It appears to be an environmental test well. An email was sent to the person who reported the well with pictures, but no response has been received.
 - The fourth well is located north of Tucson in the lot next to the home of the person who reported it. We were given incorrect contact information, so we were unable to contact the person who reported it to request additional information. However, based on the information provided, we may be able to send a letter to the address next door to the lot where the potentially orphaned well is located.
- **The Hopi Tribe DNR**
 - We met with Hopi's Department of Natural Resources (DNR) to discuss wells that appear to be located on private land owned by the Hopi Tribe. Hopi DNR confirmed that these properties are indeed Hopi land, and the wells located there were subsequently removed from our list since the DOI grant money cannot be spent plugging wells on tribal land.
- **Office of Navajo and Hopi Indian Relocation (ONHIR)**
 - DOI has clarified that all wells located on ONHIR lands should be plugged using funds from Tribal orphan well program, not through the our State grant funds. Work has been stopped on these 17 wells, and we are coordinating with ONHIR to ensure they get plugged.
- **Community Outreach Plan**
 - Brooke has completed the week-long IAP2 training in preparation for building the outreach plan. We met with Theresa Gunn and drafted the plan.

- Brooke, Wendy and Komal have been working with Theresa Gunn to build the outreach plan. An interview script has been developed for contacting stakeholders about their knowledge of the program and best methods of outreach. Interviews will begin following Theresa's approval of the interview script; hopefully in the coming weeks
- An Orphaned Well Program fact sheet is being developed for contractors to provide to landowners and community members during site visits.
- A updated well inventory map and web page update as we head to task 2 will be drafted to add to the Arizona Orphaned Well Websites (ADEQ and AZOGCC)

SUBAWARDS:

Status of work completed to date by both of our subawards:

- **Ground Water Protection Council (GWPC):** Test version of the well, bond, and entities editors have been released to ADEQ for testing. Feedback submitted from this testing at the end of June will be incorporated into the final build.
 - Task 1: This task includes creating the SQL database, tailoring it to ADEQ's needs, setting up an excel template to populate with data to import, and importing historical data from AZOGCC files.
 - Task 2: this task involves creating a web application that allows for easy managing and analysis of data in the core database. This task specifically focuses on well data, not well plugging data.
 - Task 3: similar to task 2, but for the orphan well plugging data. A number of plugging processes will be recorded in this app.
 - Task 4: Okta integration. Making sure the web apps use ADEQ's okta sign in.
 - Task 5: Provide installation details to ADEQ for final implementation
 - Task 6: Post-install support: 1 month
 - Current Progress: Testing is ongoing for the three editors listed above. Plugging module (for the orphaned wells) is being worked on and will be released for testing in August. GWPC is waiting on AZGS's updated well spreadsheet to upload into the well editor for the historical well data. Feedback has been provided to GWPC on the editor module.

- **Timing for public access to the module:** Access to the new well viewer should be made public by the end of the year (December 31 2023)
- **Arizona Geological Survey (AZGS) (also referred to as U of A, as AZGS resides in the university):** “Digitally preserving legacy paper description of oil and gas well for the Arizona Department of Environmental Quality“ work is being conducted on reviewing historical records sent to Tucson. There are 4 tasks for this subaward:
 - Task 1: Paper files provided to AZGS as well as the scanned PDFs. AZGS will go through the paper files and compare them to the scanned files, marking any pages that have not been scanned. Done at project end.
 - Task 2: ADEQ provided AZGS with a data table for AZGS to review and make sure terminology is consistent. Data from original sheet will be transferred over by AZGS to the new sheet, making sure everything is in a consistent format. Done within 6 months of project start.
 - Task 3: Data in this new table (Task 2) will be validated, referencing the paper files to make sure all entered data is accurate. Missing data from paper files will be added, incorrect data fixed. AZGS will not enter this into RBDMS database. Completed at project end.
 - Task 4: AZGS will make a digital search engine to track files internally. This will be used to keep track of project progress, confirm what files have been reviewed, where the digital files are, and make documents text-searchable. Completed within 6 months of project start, maintenance through end.
 - Current Progress: AZGS hired a handful of students to do the majority of the work and trained them in the task 1 and task 3 workflows. It appears the project will be completed ahead of schedule given the current rate of progress.

ATTACHMENT C
REGULAR RULEMAKING FLOWCHART
 (Revised February 12, 2021)

To illustrate an example of the regular rulemaking process functioning in an efficient manner, the staff of the Governor’s Regulatory Review Council (Council) has developed the flowchart below. As the particular circumstances surrounding any potential rulemaking may require changes to this process, please contact Council staff with questions as they arise.

