



Katie Hobbs
Governor

State of Arizona
Oil and Gas Conservation Commission

1110 W. Washington Street, Phoenix, AZ 85007
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**

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, October 27, 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. **Permit Applications (Attachment A)**
 - i. Desert Eagle Operating LLC

1. Well ID: DEO 13-4
 - b. Pending Permits (since September 15, 2023 AZOGCC Meeting)**
 - i. Pinta Dome Operating LLC
 1. Well ID: PDO 10-1
 - c. Drilling Activity (since September 15, 2023 AZOGCC Meeting)**
 - i. Myriad Resources - 3-1 Plugging and Abandonment - awaiting schedule
 - d. Application for Permit to Drill, Modify or Re-enter Form**
 - i. Vote on Application for Permit to Drill, Modify or Re-enter Form (Attachment B)
 - e. Community Outreach Updates**
 - i. Presentation to Arizona Cattle Growers' Association
 - ii. Meeting with Office of Navajo and Hopi Indian Relocation and Adams & Wendt
- 3. Orphaned Well Grant Program Updates (Attachment C)**
- 4. Interstate Oil and Gas Compact Commission (IOGCC) Update**
- 5. AZOGCC Chairman Frank Thorwald Report**
 - a. IOGCC Update
- 6. 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.
- 7. AZOGCC Requests for Future Agenda Items**
- 8. Announcements**
- 9. Adjournment of the AZOGCC**

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 September 15, 2023 Commission Meeting)

PERMIT #	ORGANIZATION	WELL NAME	WELL TYPE	COUNTY	ELEVATION (GROUND)	S/T/R	TOTAL DEPTH (FT)	FORMATION
1295*	Desert Eagle Operating	DEO 13-4	Helium	Apache	5841	S13 T21N R27E	930	Coconino Sandstone

TBD = To Be Determined

S/T/R = Section, Township, Range

*Upon approval by the AZOGCC

ATTACHMENT B

APPLICATION FOR PERMIT TO DRILL, MODIFY, OR RE-ENTER

APPLICATION TO DRILL

RE-ENTER OLD WELL

INJECTION WELL

___ OIL

___ GAS

___ CO2

___ HELIUM WELL

OTHER _____

MODIFICATION

NAME OF COMPANY OR OPERATOR

Address

City

State

Phone Number

Drilling Contractor

Address

DESCRIPTION OF WELL AND LEASE

Federal, State or Indian Lease Number, or if fee lease, name of lessor

Well number

Elevation (ground)

Nearest distance from proposed location to property or lease line:

feet

Distance from proposed location to nearest drilling, completed or applied-for well on the same lease:

feet

Number of acres in lease

Number of wells on lease, including this well, completed in or drilling to this reservoir:

If lease purchased with one or more wells drilled, from whom purchased.

Name

Address

Well location (give footage from section lines)

Section - Township - Range or Block and Survey

Dedication per A.A.C. R12-7-104(A)(3)

Field and reservoir (if wildcat, so state)

County

Distance in miles and direction from nearest town or post office

Proposed depth:

Rotary or cable tools

Approximate date work will start

Bond status _____

Organization Report

Filing Fee of \$25.00

Amount

On file

Or attached

Attached

Remarks

CERTIFICATE: I, the undersigned, under the penalty of perjury, state that I am the: _____ of the _____ (company), and that I am authorized by said company to make this report; and that this report was prepared under my supervision and direction and that the facts stated therein are true, correct and complete to the best of my knowledge.

Mail completed form to:

Oil and Gas Program Administrator
 Arizona Oil & Gas Conservation Commission
 c/o Arizona Department of Environmental Quality
 1110 W. Washington Street
 Phoenix, AZ 85007

Signature

Date

e-mail completed form to: azogcc@azdeq.gov

Permit / LTF No.:

Approval Date: _____

Approved By: _____

NOTICE: Before sending in this form be sure that you have given all information requested. Much unnecessary correspondence will thus be avoided.


**STATE OF ARIZONA
 OIL & GAS CONSERVATION COMMISSION**

Application to Drill or Re-enter

File two copies: one by mail, one electronically

Form No. 3

1. Operator shall outline on the plat the acreage dedicated to the well in compliance with A.A.C. R12-7-107.
2. A registered surveyor shall show on the plat the location of the well and certify this information in the space provided.
3. ALL DISTANCES SHOWN ON THE PLAT MUST BE FROM THE OUTER BOUNDARIES OF THE SECTION.
4. Is the operator the only owner in the dedicated acreage outlined on the plat below ? YES _____ NO _____
5. If the answer to question four is no, have the interests of all owners been consolidated by communitization agreement or otherwise?
YES _____ NO _____ If answer is yes, give type of consolidation _____
6. If the answer to question four is no, list all the owners and their respective interests below:

Owner	Land Description
<div style="border: 1px solid black; height: 200px; position: relative;"> <div style="position: absolute; top: 0; left: 0; right: 0; bottom: 0; border: 1px dashed black; width: 100%; height: 100%;"></div> </div>	<p style="text-align: center; margin: 0;">CERTIFICATION</p> <p style="margin: 5px 0;">I hereby certify that the information above is true and complete to the best of my knowledge and belief.</p> <hr/> <p style="margin: 0 0 0 5px;">Name</p> <hr/> <p style="margin: 0 0 0 5px;">Position</p> <hr/> <p style="margin: 0 0 0 5px;">Company</p> <hr/> <p style="margin: 0 0 0 5px;">Date</p> <hr/> <p style="margin: 5px 0;">I hereby certify that the well location shown on the plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.</p> <hr/> <p style="margin: 0 0 0 5px;">Date Surveyed</p> <hr/> <p style="margin: 0 0 0 5px;">Registered Land Surveyor</p> <hr/> <p style="margin: 0 0 0 5px;">Certificate No.</p>
	

PROPOSED CASING PROGRAM

Size of Casing	Weight	Grade & Type	Top	Bottom	Cementing Depths	Sacks Cement	Type

ATTACHMENT C

Orphaned Well Grant Program Updates As of October 23, 2023

Budget Updates:

- FY24 DOI Grant Budget: \$10,920,195
- FY23 DOI Grant Expenditures: \$1,569,501
- FY24 DOI Grant Expenditures: \$861,179

Current status (Contractor Update):

- # of wells moving to next phase (i.e., physical field verification inspection of orphaned well): 192 (due to ONHIR determinations)
- # 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)): 6
- 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: 0

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

The team is finding success in conducting phone interviews with stakeholders. One highlight is with the Arizona Cattle Growers Association. Staff presented to the organization on October 6, 2023, and was featured in their weekly email update. Coming up, the team will present to the Farmer Bureau and a date has been set for March 2024.

A fact sheet has been developed and sent out to contractors to use as a handout for field visits. It has also been posted to the ADEQ and AZOGCC web sites.

The team met with communications to discuss the Outreach Plan. A web site update was submitted for the ADEQ Orphaned Well Program to highlight the move to Task 2!

This will also include an updated Potential Orphaned Wells Heat Map and new example pictures of orphaned AND plugged wells received from contractors.

- **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.
 - **Update!** The fourth well is located north of Tucson in the lot next to the home of the person who reported it. A contractor was able to verify its location during a site visit, and will be follow up with more information.
- **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 confirmed that the federal funding identified for state award in the Bipartisan Infrastructure Law administered by the Orphaned Wells Program Office can be used on both the plugging and surface remediation on the ONHIR administered lands in Arizona.
- **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.