



Douglas A. Ducey
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State of Arizona
Oil and Gas Conservation Commission

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Dennis L. Turner, Oil and Gas Administrator

Commissioners:

Frank Thorwald, Chair

Robert L. Wagner, Vice Chair

Stephen R. Cooper

William C. Feyerabend

J. Dale Nations, Ph.D.

**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 (OGCC or Commission) and to the general public that the OGCC will hold a meeting open to the public on **March 16, 2017, at 10:00 a.m. in Room 3100B**, third floor of the of the Arizona Department of Environmental Quality, 1110 W. Washington Street, Phoenix, Arizona.

AGENDA:

1. Call to order
2. Discuss and approve the minutes of:
 - February 17, 2017 meeting
3. Hortensine 35-1 ownership transfer.
 - The OGCC will discuss and consider whether the agreement between Ranger Development LLC (Ranger) and Holbrook Energy LLC (Holbrook Energy) has been signed and the effect of the signature.
 - If the transfer agreement has been signed, the OGCC will consider and will vote for approval of the transfer of well Hortensine 35-1 from Holbrook Energy to Ranger Development.
 - If the OGCC approves the well ownership transfer, the Commission will discuss and may vote on the return of the bond to Holbrook Energy.
4. The Commission will discuss and vote, if necessary, on:
 - Gordon LeBlanc's request for change of operator from Holbrook Energy to Arizona Energy Partners LLC (AEP) for the NZOG 17-1
 - Mr. LeBlanc's request for approval that AEP takes over the obligations from Holbrook Energy and apply AEP's \$25,000 blanket bond to the NZOG 17-1, originally submitted in October 2016.
5. Five Year Rule Review Report for A.A.C. Title 12, Chapter 7. The OGCC will discuss and vote on the following:
 - Discuss OGCC comments on the Final Draft (sent to the Commissioners on March 7th)
 - Changing performance bond requirements, as discussed in the 5 year report
 - Continuation of discussion on Commission policies in context of the 5 year report (the OGCC may choose to address these items separately from the report)
 - "Bond policy v2_AZGS Policy Memo_2010"
 - Sample policy memo - 1986
 - The OGCC will take any action necessary after discussion, including voting on items that arise as a result of discussing these policies
 - The Commission will vote to approve the Five Year Rule Review Report and the cover letter to the Governor's Regulatory Review Council. The vote will include authorizing the Oil & Gas

Program Administrator to submit the report to GRRC by March 24, 2017, after all final recommendations from the Commission are addressed.

- The Commission may hold an Executive Session for the purpose of obtaining legal advice from the Arizona Attorney General's Office on the Five Year Rule Review Report.
6. Call to the public: This is the time for the public to comment. Members of the Commission may not discuss items that are not on the agenda. Therefore, action taken as a result of public comment will be limited to directing staff to study the matter or scheduling the matter for further discussion and decision at a later date.
 7. Announcements
 - The Oil and Gas Administrator will announce for discussion purposes a March 22 site visit to the Plains LPG cavern storage facility in Glendale and a future presentation on the construction and operation of the facility.
 - The Commission will discuss performance measures and timelines for the Oil and Gas Administrator. This segment of the meeting may be discussed in an Executive Session.
 8. Adjourn

Members of the Oil and Gas Conservation Commission will attend either in person or by telephone conference call. The public may be afforded an opportunity to comment on any item on the agenda; however, at the beginning of the meeting, the Commission may vote to set up a time limit on individual comments.

NOTE: The Oil and Gas Conservation Commission may vote to hold an Executive Session, pursuant to AR.S. § 38-431 .03(A)(3) or (4), which will not be open to the public, to consult with its attorney and receive legal advice with respect to any regular agenda item listed on this agenda.

For additional information about this meeting, contact Dennis L. Turner, Oil and Gas Program Administrator, (602) 771-4501. A copy of the agenda and background material provided to Commission members (with the exception of material relating to possible Executive Sessions) is available for public inspection at the Arizona Department of Environmental Quality, Records Management Center, 1110 W. Washington Street, Phoenix, AZ 85007. Note also that the agenda items may be taken out of order.

To request an auxiliary aid or service for accessible communication, please contact Caroline Oppleman, (602) 771-2215 or co2@azdeq.gov or dial 7-1-1 for TTY/TTD Services.