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NOTED:- 6/24/67

STATE OIL AND GAS BOARD OF ALABAMA

Tuscaloosa, Alabama

June 16th, 1967

Approved by Board
8-18-67
H. L. Leland

TESTIMONY AND PROCEEDINGS before the
State Oil and Gas Board of Alabama, in the Hearing
Room, State Oil and Gas Board Building, University
Campus, Tuscaloosa, Alabama, pursuant to adjourn-
ment, on the this the 16th day of June, 1967.

BOARD MEMBERS AND STAFF:

Mr. E. K. Hanby - Chairman of the Board

Mr. E. O. Eddins, Board Member

Mr. C. D. Glaze, Board Member

Mr. P. E. Lamoreaux - Supervisor

Mr. H. G. White, Engineer

(Reported by D. Dale Tyler)

P R O C E E D I N G S:

CHRMN. HANBY: Gentlemen, let's all rise
for a word of prayer.

(Prayer conducted by Chairman Hanby.)

CHRMN. HANBY: We have a very short
agenda this morning, and I will ask Mr. Lamoreaux
if he will report as to the proper advertising of
this meeting and have a copy of the advertisement
inserted in the minutes of the meeting.

MR. LAMOREAUX: Mr. Chairman, the meeting
has been advertised as required by law. These
advertisements appeared in the Post Herald,
Birmingham Post Herald, Mobile Press Register,
Montgomery Advertiser and the Alabama Legal Adver-
tiser, and by copy of this notice of the meeting
to the court reporter, it can be entered into the
minutes of the meeting. We can proceed.

CHRMN. HANBY: All right. The first item
on the agenda is the approval of the minutes of the
meeting of May 19, 1967, regular meeting of the
State Oil & Gas Board. Any comment to be made?

MR. LAMOREAUX: Mr. Chairman, these
minutes are found to be in order. They have been

1 read by the staff, and we recommend that you approve
2 them.

3 CHRMN. HANBY: Well, I have read the
4 minutes and I find them all right as far as I am
5 concerned. Do I hear a motion they be approved?

6 SENATOR EDDINS: I move that the minutes
7 of the meeting of May 19, 1967 be approved.

8 MR. GLAZE: I was absent at that time.

9 CHRMN. HANBY: I will second that motion.
10 Been moved and seconded that the minutes of the
11 meeting of May 19, 1967 be approved. All those in
12 favor let it be known by saying aye. Opposed no.
13 The minutes stand approved.

14 MR. LAMOREAUX: Mr. Chairman, I might make
15 one note for the record and in the presence of Mr.
16 O'Rear; at his request, I stated that I was attend-
17 ing certain of the meetings at the Interstate Oil
18 Compact Commission at Denver this past week in
19 behalf of or as a representative of the Department
20 of Conservation as requested. I will have materials
21 that I will either send or Xerox and send copies to
22 you.

23 MR. O'REAR: Thank you.

1 CHRMN. HANBY: This is off the record.

2 (Off the record discussion.)

3 CHRMN. HANBY: We will at this time ask
4 Mr. Lamoreaux, if he will, to comment on this
5 report.

6 MR. LAMOREAUX: Gentlemen, as you know,
7 the Oil & Gas Board cooperates with the Water
8 Resources Division of the U.S. Geological Survey
9 in a water resources monitoring program in each of
10 the oil and gas fields of the state. This work
11 consists of periodic checks of information on water
12 levels, stream flows and samples of water that are
13 analyzed for chloride content and other mineral
14 constituents. The U.S. Geological Survey makes a
15 monthly report to the Board on the results of these
16 investigations, and these facts are used as a back-
17 ground for the Board's actions with regard to control
18 of pollution from oil field waste.

19 As you recall, also, it has been on the
20 basis of an overall inspection and study of each
21 of the Alabama oil fields, and subsequently these
22 monthly reports, that the Board has taken action
23 to eliminate pit storage of oil field waste and

1 eliminated contamination from that source. The
2 report that you have before you this morning is an-
3 other of these monthly summaries, and it points out
4 several interesting things with regard to some of
5 the fields.

6 For example, at Pollard, there is a --
7 one of the observation wells that has been used as
8 a monitoring station, a water well, which has
9 shown a very substantial reduction in chloride of
10 the water contained in the sample from this well.

11 For example, the report states that on
12 March 13th, 1963, the chloride content of the
13 water from Well W149 was 11,800 parts per million;
14 and on May 31, the last time that samples were
15 collected, 1967, the chloride content of the water
16 had been reduced to 760 parts per million. This
17 shows that as a result of the Board's action to
18 stop pit disposal of brines and to control very
19 closely leaks from pipe lines that the content of
20 the -- the quality of the ground water in formations
21 in the area of the oil field has improved consider-
22 ably.

23 The report then goes on to state that in

1 the Citronelle Oil Field there has been no signi-
2 ficant change in chemical quality of surface water.
3 This is again based on several monitoring stations.

4 In the Gilberttown oil field there have
5 been no significant changes in the quality of ground
6 water in the Gilberttown oil field since the last
7 report. However, that chloride content of surface
8 water in the vicinity of the oil field has shown
9 a slight rise in chlorides. This will alert us to
10 have our staff members, field agents, check the
11 matter to determine ^{what} ~~why this~~ cause ^{is} ~~in or~~ this
12 increase in chloride content in one of the streams
13 under observation. In all probability, we will
14 find that because of low flow of streams there has
15 been a subsequent increase in chloride, but by the
16 next meeting we will be able to alert you of just
17 what the cause for this slight increase in chloride
18 in surface water is.

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19 I recommend to the Board that we make
20 this report of the Oil & Gas -- I mean of the U.S.
21 Geological Survey on its monitoring of the oil
22 fields a matter of record and an appendix to our
23 minutes.

1 CHRMN. HANBY: You have heard the recom-
2 mendation of Mr. Lamoreaux in making this report a
3 matter of a part of the minutes. Do I have a motion
4 to that effect?

5 MR. GLAZE: I move that it be made a part.

6 SENATOR EDDINS: I second.

7 CHRMN. HANBY: Been moved and seconded
8 that this report be made a part of the minutes and
9 be inscribed in the minutes of our meeting. Those
10 in favor let it be known by saying aye. Opposed
11 no. The ayes have it.

12 (Off the record discussion.)

13 CHRMN. HANBY: I believe Mr. Lamoreaux
14 has a statement he would like to make to the Board
15 at this time.

16 MR. LAMOREAUX: This past week Mr. White
17 has been in conference with Mr. Joe Crockett of
18 the Alabama Water Improvement Commission, and the
19 Water Improvement Commission has asked that we
20 forward to them our monthly report from the U.S.
21 Geological Survey. From a policy standpoint, I see
22 no reason why we should not do this, if the Board so
23 desires. The report is strictly a basic data report,

1 which contains information on water levels, water
2 quality and so forth, so that if you so desire, we
3 can in the future forward copies of this report to
4 them.

5 I might mention one other thing, and that
6 is in conversation with members of the Water Improve-
7 ment Commission, they have expressed their sincere
8 appreciation to the Board and its staff for its
9 cooperation in control of oil field waste in
10 Alabama.

11 We have forwarded to them published
12 reports, the results of our studies on this subject,
13 and Mr. White reports to me that Mr. Crockett states
14 that our vigilance in the oil fields has resulted
15 in pollution control that meets the requirements of
16 the water quality standards established by the Water
17 Improvement Commission.

18 CHRMN. HANBY: Well, you have heard the
19 report of Mr. Lamoreaux, what is the pleasure of the
20 Board?

21 MR. GLAZE: I move that such reports be
22 forwarded to the Water Improvement Commission.

23 SENATOR EDDINS: I will second it.

1 CHRMN. HANBY: It has been moved and
2 seconded that the Water Improvement Commission be
3 furnished with monthly reports which are being
4 issued by the --

5 MR. LAMOREAUX: U. S. Geological Survey.
6 Well, actually what it is is the U. S. Geological
7 Report to the Oil & Gas Board on its monitoring
8 program.

9 CHRMN. HANBY: All right. Those reports
10 be sent monthly. Those in favor, let it be known
11 by saying aye. Opposed no. The ayes have it, and
12 the motion is passed.

13 MR. LAMOREAUX: One other item that you
14 might wish to have a report on at this time; you
15 know that our field agents are visiting all of the
16 fields regularly and making a regular written
17 monitoring report of the conditions at the -- at
18 every well in the state, production well. In
19 addition, they inspect all of the exploration test
20 drilling sites. We might ask that Mr. Bailey give
21 you a quick summary on this monitoring program.

22 CHRMN. HANBY: Mr. Bailey, come up and
23 take a chair.

1 MR. LAMOREAUX: Mr. Bailey is our geolo-
2 gist in charge of the Citronelle office, and in
3 charge at field level of this aspect of the Oil
4 & Gas Board work.

5 MR. BAILEY: As Mr. Lamoreaux said, the
6 agents and myself make weekly inspections of oil
7 fields in the state, and Citronelle field in
8 particular is under constant surveillance because
9 of headquarters being in Citronelle, for one reason,
10 and all fields are in fair to good condition. Now,
11 I would -- the only minor problem we have at the
12 present is primarily with the small losses of oil
13 around well heads, as you gentlemen saw in the
14 Citronelle area, and the apparent shortages of
15 equipment and manpower in the Citronelle field by
16 the Citronelle unit manager in being able to pick
17 up on a 24 hour notice a small amount of oil that
18 might be lost in a cellar, or something on that
19 order.

20 Now, we had a tremendous amount of
21 ruin down in Citronelle about a week or so ago,
22 and as a result, we have, I think, about 20 cellars
23 that have gotten full of water and oil, but the unit

1 manager is working and cooperating very closely
2 with the staff in Citronelle, and we have no real
3 problems, insurmountable problems in Citronelle or
4 any of the other fields.

5 Now, the little report that you have on
6 that was submitted by Mr. Powell or Mr. Broadhurst.
7 I have here a map showing the location of a leak
8 that occurred, and to show you how effective the
9 little observation wells are, in a matter of, well,
10 just a few days -- we were unable to explain by the
11 chemical analysis of water why this particular ob-
12 servation well -- why the chlorides were higher than
13 normal. Well, I -- when this report came out, I
14 went over to talk with the landowner, and he said
15 he didn't recall anything happening.

16 MR. GLAZE: Maybe an alligator got in it.

17 MR. BAILEY: Well, on my second visit,
18 see, they are drilling the Lister Well, I went back
19 and talked with him a few days later, and he had
20 recalled that right in this particular area he has
21 a wheat field and he saw a small leak out -- or saw
22 his wheat discolored, and he went out to the field,
23 and, oh, an area about the size of half this room

1 was inundated by the salt water, a small leak in
2 the line. This line is coming from these tank
3 batteries going over to this salt water disposal
4 well, and a leak developed in the line, and it so
5 happened it was near the observation well and the
6 U.S.G.S. man picked up a sample and detected this.
7 Well, to show you how important it is to have these
8 wells spotted throughout the field, we can pick it
9 up in a matter of a short period of time. And they
10 are very important, and I think that it's very
11 essential, as everyone else does.

12 A few days later, another leak developed
13 down near the domestic supply, 146, in the same line
14 in a different spot, and Mr. Lister notified the
15 pumpers and the pumpers were on the job and fixed
16 the leak. Oh, it was a very small one, I guess
17 maybe five, ten barrels was all that got out on
18 this last one. But this may show up now in a sample
19 from 146 in the next month, you see, when we get
20 around to it.

21 MR. LAMOREAUX: The interesting thing
22 is here, though, that prior to the time you had the
23 monitoring set-up, that one whole area was contami-

1 nated by this salt water. Now, with the rainfall
2 coming into the area and flushing out these water
3 bearing beds, the sands are beginning to freshen
4 up and the water that is available will become
5 fresher and fresher as that salt water is flushed
6 out of them.

7 Now, we have the monitoring system which
8 alerts us of a potential pollution problem and
9 remedial actions can be taken.

10 Thank you, Mr. Bailey.

11 MR. BAILEY: Yes, sir. We have -- in
12 the Gilberttown field, we have had some new wells
13 drilled in the last few years, and we anticipated
14 that there might be a small tree kill in the vicinity
15 of these wells, so we have asked the operators and
16 they are cooperating in disposing of this brine
17 in such a manner by either piping or moving the
18 brine away from these locations where they will not
19 have a tree kill.

20 Now, Mr. Ainsworth is cooperating on two
21 new wells he has drilled. Mr. ^{Oglesby}~~Cleby~~ is cooperating
22 on a well that was drilled a year or so ago. So,
23 I don't believe there is any reason for a tree kill

1 occurring -- a new tree kill occurring in the Gilbert-
2 own field. We are watching that very closely.

3 CHRMN. HANBY: Thank you, Mr. Bailey.

4 Let's go off the record a minute.

5 (Off the record discussion.)

6 CHRMN. HANBY: All right. Gentlemen, I
7 move that we adjourn.

8 MR. GLAZE: I second the motion.

9 EXAM. HANBY: Been moved and seconded that
10 the meeting be adjourned. Those in favor, let it
11 be known by saying aye. Opposed no. The ayes have
12 it, and we will stand adjourned.

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14 END OF PROCEEDINGS
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C E R T I F I C A T E

STATE OF ALABAMA)
JEFFERSON COUNTY)

I hereby certify that the above and
foregoing proceedings were taken down by me in
stenotype, and the questions and answers thereto
were reduced to typewriting under my supervision,
and that the foregoing represents a true and
correct transcript of the testimony given at said
hearing.


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