

JAY S. HAMMOND, GOVERNOR

ALASKA OIL AND GAS CONSERVATION COMMISSION

3001 PORCUPINE DRIVE-ANCHORAGE, ALASKA 99501

March 2, 1982

Mr. Richard H. Sims, Chairman
Alaska Water Resources Board
Pouch 7-005
Anchorage, Alaska 99510

Re: Geothermal Resources

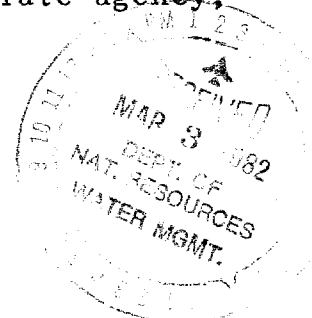
Dear Sir:

Please refer to your February 22, 1982 letter expressing the Board's concern with drilling for geothermal resources, and the need for adopting adequate regulations to govern geothermal drilling, producing and management operations.

The Commission sincerely appreciates your opinion that the Alaska Oil and Gas Conservation Commission is an appropriate agency to regulate geothermal drilling operations.

However the Legislature does not agree, as demonstrated by the passage of Chapter 175 SLA 1980. Title 41, Chapter 6 Alaska Statutes requires the Commissioner of Natural Resources to adopt regulations relating to the siting, spacing, drilling, casing, cementing, testing, logging, operating, producing and abandonment of geothermal wells. Accordingly it is not appropriate for our agency to become involved in geothermal resources.

You are quite correct in your appraisal of the similarity of geothermal and oil well drilling operations. However, we are told that geothermal state-of-the-art is developing a highly specialized expertise with respect to equipment and material specifications, particularly where superheated waters with high mineral contents are encountered. Accordingly the State may be better served by adding to the staff of an appropriate agency, a person with such expertise.



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Thank you again for your interest. Should you pursue the subject further, please keep us advised.

Sincerely,

A handwritten signature in dark ink, appearing to read 'C. V. Chatterton', with a long horizontal flourish extending to the right.

C. V. Chatterton
Chairman

cc: Governor Jay S. Hammond
Attn: Karen Cory Slack
Special Assistant