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February 22, 1982

Oil and Gas Conservation Commission
3001 Porcupine Drive
Anchorage, Alaska 99501

Dear Sirs:

At the past several meetings of the Alaska Water Resources Board we have had discussions with state officials from the Department of Natural Resources and Commerce and Economic Development on the development of the state's geothermal resources. One of the stickier problems involved in this is the development of adequate drilling. Drilling for geothermal resources can pose severe environmental safety problems and if done improperly can severely damage the reservoir. It is necessary that adequate regulations be adopted that can deal with this.

It is our opinion that with its experience with the oil and gas industry, the Oil and Gas Conservation Commission would be the state organization most suited to supervise drilling for geothermal resources. The principles of drilling for oil and gas are similar to those for geothermal resources. You should have the expertise on board to oversee the development of safe, effective drilling regulations while other agencies would have to start from scratch. To develop parallel expertise in another state agency, especially for a resource of such an indefinite future as geothermal would not be in the state's best interest.

We hope the Oil and Gas Conservation Commission becomes involved in drilling for geothermal resources.

Thank you for your consideration.

Sincerely,

RICHARD H. SIMS, Chairman
Alaska Water Resources Board

cc: Governor Jay S. Hammond