From:	James Piotrowski
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Subject:	[EXTERNAL] Motion in Case No. CC-2022-OGR-01-001
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Attachments:	Motion to Dismiss.pdf

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Ms. Romine and Counsel,

Attached for filing in the above case please find a Motion to Dismiss brought by Citizens Allied for Integrity and Accountability and certain uncommitted owners identified therein.

James Piotrowski

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Attorneys for CAIA and Uncommitted Owners

BEFORE THE IDAHO DEPARTMENT OF LANDS

In the matter of the Application of Snake) River Oil and Gas, LLC to Integrate a) Spacing Unit Consisting of Section 30,) Township 8 North, Range 4 West,) Snake River Oil and Gas, LLC, applicant.)

Case No. CC-2022-OGR-01-001 MOTION TO DISMISS APPLICATION

COME NOW Citizens Allied for Integrity and Accountability (CAIA), Steven and Robin

Bishop, Amie and Jason Echevarria, Rex Wilson, and Patricia and Greg Fleshman and hereby

move the Department and the Commission to dismiss the application of Snake River Oil and Gas

for failure to provide statutorily required notice in violation of the Idaho Oil and Gas

Conservation Act.

The requirements for a valid integration application are set out in Idaho Code §47-

320(4)(j) and (5) and include at least two publication requirements. The first relates to

publication of a notice of intent to develop a particular spacing unit:

If an owner is unknown or cannot be found, the applicant must publish a legal notice of its intention to develop and request that the owner contact the applicant in a newspaper of general circulation in the county where the proposed spacing unit is located.

I.C. 47-320(4)(j). The second requirement is that notice be published when the application is submitted:

(5) At the time the integration application is filed with the department, the applicant shall certify that, for uncommitted owners who are unknown or cannot be found, a notice of the application was published in a newspaper in the county where the proposed spacing unit is located. Each published notice shall include notice to the affected uncommitted owner of the opportunity to respond to the application, and the deadline by which a response must be filed with the department.

I.C. 47-320(5).

The intent of these provisions is clear from the language. Mineral owners are entitled to be informed of the operator's intent to develop a field during the period when the operator is making its efforts to leave, and are separately entitled to be informed of the operator's decision once it has decided to seek involuntary integration. These requirements are also consistent with the due process clauses of the U.S. and Idaho Constitutions which both require that property owners receive notice and an opportunity to be heard before they are deprived of any property interest.

While Snake River Oil and Gas did indeed publish something, what they published was explicitly directed to the wrong property owners. The application in this case seeks to integrate the mineral interests in "Section 30, Township 8 North, Range 4 West." (Application, p. 1). This Section is shown in a map attached to the application. (Application, Exhibit A).

But when Snake River Oil and Gas published a legal notice of its intent to develop this spacing unit in the local newspaper, it stated the company's intent to develop the resource found in "Section 30, Township 8 North, Range 5 West." (Application, Exhibit J). The difference between "Range 4 West" and "Range 5 West" is not merely one number, the difference is entirely different property. Range 5 West, coincidentally, includes portions of the Snake River and eastern Oregon.

Because the requirement to publish notice of intent to develop a spacing unit is statutory, the Commission does not have power or authority to waive or excuse the requirement. "[W]ords and phrases of a statute must be given their usual, plain and ordinary meaning, according to approved usage and language." *Striebeck v. Employment Security Agency*, 83 Idaho 531, 536 (1961), citing *City of Lewiston v. Mathewson*, 78 Idaho 347 (1956). Thus, statutory requirements associated with filing a petition, application or appeal to a state agency are both mandatory and jurisdictional. *Id.* If those requirements are not met, the agency simply does not have jurisdiction to proceed. In *Burnside v. Gate City Steel*, 112 Idaho 1040 (1987) the Idaho Supreme Court made clear that if statutory conditions were not met, a state agency had no discretion to alter, waive or otherwise excuse the failure of those conditions.

This is not merely a technical failure, but a failure that may have prevented the proper functioning of the statutory system set out in the IOGCA. The Act requires that an applicant for involuntary integration must "make reasonable efforts to reach an agreement with all uncommitted owners." I.C. §47-320(4)(j). If owners are misled by a published notice which fails to identify the property to be developed, then no "reasonable effort" to reach agreement with them has actually been made.

The application should be dismissed for failure to provide proper notice, depriving the IOGCC and the Department of Lands of jursidiction over the application.

DATED this 19th day of August, 2022.

HERZFELD & PIOTROWSKI, PLLC

<u>/s/ James M. Piotrowski</u> By: James M. Piotrowski Attorneys for CAIA

CERTIFICATE OF SERVICE

I hereby certify that I caused a true and correct copy of the foregoing document to be served on the parties indicated below, via electronic mail, this 19th day of August, 2022.

Idaho Department of Lands Attn: Mick Thomas 300 N. 6th Street, Suite 103 PO Box 83720 Boise, ID 83720 kromine@idl.idaho.gov

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<u>/s/ James M. Piotrowski</u> James M. Piotrowski