

BEFORE THE IDAHO DEPARTMENT OF LANDS

In the Matter of the Application of AM Idaho,)
LLC for Spacing Order and to Integrate Unleased)
Mineral Interest Owners in the Drilling Unit)
Consisting of the SW ¼ of Section 10, Township)
8 North, Range 5 West, Boise Meridian, Payette)
County, Idaho.)
AM Idaho, LLC, Applicant.)
_____)

Docket No. CC-2019-OGR-01-002

**NOTICE OF EVIDENTIARY
HEARING ON SPACING
APPLICATION & NOTICE OF
PREHEARING CONFERENCE**

NOTICE IS HERBY GIVEN that the Idaho Department of Lands’ Oil and Gas Division Administrator (“Administrator”) will hold an evidentiary hearing on AM Idaho, LLC’s (“AMI’s”) application for spacing order establishing a 160-acre spacing unit consisting of the SW ¼ of Section 10, Township 8 North, Range 5 West, Boise Meridian, Payette County, Idaho on Wednesday, January 22, 2020 at 9:00am (MST). If additional time is necessary, the spacing evidentiary hearing will continue on Thursday, January 23 and Friday, January 24, 2020 at 9:00am (MST) at the same location. The spacing evidentiary hearing will be held at the City Council Chambers at the Fruitland City Hall, 200 S Whitley Dr, Fruitland, ID.

The Administrator is authorized to conduct this hearing pursuant to Idaho Code §§ 47-318 and 47-328. The Administrator will issue a written decision within 30 days of the hearing. Idaho Code § 47-328(3)(e).

The purpose of this spacing evidentiary hearing is to receive evidence and testimony regarding AMI’s application for a spacing order establishing a 160-acre spacing unit consisting of the SW ¼ of Section 10, Township 8 North, Range 5 West, Boise Meridian, Payette County, Idaho. The existing Fallon #1-10 well is located in that proposed unit. AMI’s application states that it anticipates that the proposed unit’s size, shape, and location is appropriate pursuant to

Idaho Code § 47-318(2) because it will result in the efficient and economical development of the pool and is not smaller than the maximum area that can be efficiently and economically drained by one well. AMI also requests that pursuant to Idaho Code § 47-318(4), the Administrator approve the Fallon #1-10 well in its existing location and that only one well shall be drilled to and produced from the unit's common source of supply. AMI's application also includes a second request to integrate the unleased mineral interest owners in the proposed unit and consider evidence in support of the integration requirements in Idaho Code § 47-320(3), (4), and (6). However, the Administrator will not consider evidence related to integration or "just and reasonable terms" of an integration order at the January 22, 2020 spacing evidentiary hearing.

This proceeding is governed by the Oil and Gas Conservation Act (Chapter 3, title 47, Idaho Code); the Idaho Administrative Procedure Act (Chapter 52, title 67, Idaho Code); Idaho Rules of Administrative Procedure of the Attorney General (IDAPA 04.11.01), to the extent that the Rules of Administrative Procedure are not superseded by Oil and Gas Conservation Act; and the Rules Governing Conservation of Oil and Natural Gas in the State of Idaho (IDAPA 20.07.02). A copy of the Rules of Administrative Procedure are available at the Idaho Department of Lands office located at 300 N. 6th Street, Suite 103, Boise, Idaho, and at the Office of Administrative Rules Coordinator's website, <http://adminrules.idaho.gov>.

Persons interested in this matter may participate in the hearing as a party or a public witness. Parties and agency staff may appear at hearing, introduce evidence, examine witnesses, make and argue motions, state positions, and otherwise fully participate in hearings or arguments. IDAPA 04.11.01.157. The Applicant and those mineral interest owners within the proposed spacing unit consisting of the SW ¼ of Section 10, Township 8 North, Range 5 West, Boise Meridian, Payette County, Idaho, are already parties. IDAPA 04.11.01.151, 155.

Additionally, the Administrator has decided in his *Order Granting Petition to Intervene, Bifurcating Hearing, and Requiring Additional Notice* that mineral interest owners within the SE $\frac{1}{4}$ of Section 9, the NW $\frac{1}{4}$ of Section 15, and the NE $\frac{1}{4}$ of Section 16, Township 8 North, Range 5 West, Boise Meridian, Payette County, Idaho may also participate as parties by presenting evidence, testimony, and cross examining witnesses at the hearing. Those persons who own mineral interests in either of the above-described areas who would like to participate in the spacing evidentiary hearing as parties must file an objection or other response that is received by the Administrator on or before 5:00pm (MST) on January 8, 2020.

Also, pursuant to Idaho Code § 67-5242(3)(c), all other interested persons will have the opportunity to present public testimony at the January 22, 2020 spacing evidentiary hearing. Any person planning to testify during this time will be treated as a public witness, with rights and status in this matter as defined by IDAPA 04.11.01.355. The Administrator may set time limits for public testimony.

Uncommitted owners within the area defined in AMI's application (the SW $\frac{1}{4}$ of Section 10, Township 8 North, Range 5 West, Boise Meridian, Payette County, Idaho) may file objections or other responses to the spacing application. Idaho Code § 47-328(3)(c). The Administrator will also allow any other interested mineral interest owners within the SE $\frac{1}{4}$ of Section 9, the NW $\frac{1}{4}$ of Section 15, and the NE $\frac{1}{4}$ of Section 16, Township 8 North, Range 5 West, Boise Meridian, Payette County, Idaho to file objections or other responses. All objections or other responses addressing the spacing application must be received by the Administrator on or before 5:00pm (MST) on January 8, 2020.

All objections, responses, and other documents filed should be addressed as follows:

Idaho Department of Lands
Attn: Mick Thomas
300 N. 6th Street, Suite 103
P.O. Box 83720
Boise, ID 83720

Documents may also be filed via e-mail to kromine@idl.idaho.gov.

Prior to the hearing, the Administrator will hold a prehearing conference with the parties on Thursday, January 16, 2020 at 2:00 pm (MST). The location of the prehearing conference will be at the City Council Chambers at the Fruitland City Hall, 200 S Whitley Dr, Fruitland, ID. The prehearing conference will be conducted pursuant to IDAPA 04.11.01.510. The parties should be prepared to discuss the following issues at the conference: procedure at the hearing, disclosure of witnesses and exhibits, identification of exhibits, stipulations, prehearing motions, formulating or simplifying the issues, and other matters that may expedite the orderly conduct and disposition of the proceeding or its settlement.

The hearing location meets the accessibility requirements of the Americans with Disabilities Act (“ADA”), in accordance with IDAPA 04.11.01.551. If a person requires assistance of the kind the agency is required to provide under the ADA in order to participate in or understand the hearing, the agency will supply the assistance upon request. Please submit any requests to the Idaho Department of Lands by 5:00pm (MST) Friday January 17, 2020. Inquiries about scheduling, hearing facilities, etc. should be directed to Kourtney Romine, Administrative Assistant, Idaho Department of Lands, 300 N. 6th Street, Suite 103, P.O. Box 83720, Boise, ID 83720; e-mail: kromine@idl.idaho.gov; phone: (208) 334-0283.

Dated this 21 day of November, 2019.

A handwritten signature in cursive script, appearing to read "Mick Thomas", is written over a horizontal line.

MICK THOMAS

Oil and Gas Division Administrator

CERTIFICATE OF SERVICE

I hereby certify that on this 1st day of November 2019, I caused to be served a true and correct copy of the following item in Docket No: CC-2019-OGR-01-002: *Notice Of Evidentiary Hearing On Spacing Application & Notice Of Prehearing Conference* by the method indicated below and addressed to the following:

AM Idaho, LLC
c/o Michael Christian
Smith + Malek
101 S. Capitol Blvd, Suite 930
Boise ID 83702

- U.S. Mail, postage prepaid
- Hand Delivery
- Certified mail, return receipt requested
- Email: mike@smithmalek.com
lauren@smithmalek.com

Kristina Fugate
Deputy Attorney General
PO Box 83720
Boise ID 83720-0010

- U.S. Mail, postage prepaid
- State House Mail
- Certified mail, return receipt requested
- Email: kristina.fugate@ag.idaho.gov

Joy Vega
Deputy Attorney General
PO Box 83720
Boise ID 83720-0010

- U.S. Mail, postage prepaid
- State House Mail
- Certified mail, return receipt requested
- Email: joy.vega@ag.idaho.gov

Mick Thomas
Idaho Department of Lands
PO Box 83720
Boise ID 83720-0050

- U.S. Mail, postage prepaid
- Hand Delivery
- Certified mail, return receipt requested
- Email: mthomas@idl.idaho.gov

James Thum
Idaho Department of Lands
PO Box 83720
Boise ID 83720-0050

- U.S. Mail, postage prepaid
- Hand Delivery
- Certified mail, return receipt requested
- Email: jthum@idl.idaho.gov

James Piotrowski
Attorney for CAIA and
Certain Non-Consenting Owners (Judith and Jimmie
Hicks, Karen Oltman, Alan and Glenda Grace, Shady
River, LLC)
1020 W. Main St, Suite 400
PO Box 2864
Boise, ID 83702

- U.S. Mail, postage prepaid
- Hand Delivery
- Certified mail, return receipt requested
- Email: james@idunionlaw.com

James Piotrowski
Attorney for Petitioners to Intervene (Carrie Grant,
Shannon Benedict, Donald and Phyllis Gruell, Sharon
Simmons, Lowell and Geraldine Davis, James and
Beverly Smith, Dana Harris, and Sandra Dunlap)
1020 W. Main St, Suite 400
PO Box 2864
Boise, ID 83702

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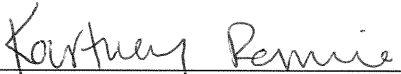
**same address/email as above*

City of Fruitland
Attn: Rick Watkins-City Clerk
PO Box 324
Fruitland ID 83619

- U.S. Mail, postage prepaid
- Hand Delivery
- Certified mail, return receipt requested

Anadarko Land Corp.
Attn: Dale Tingen
1201 Lake Robbins Dr
The Woodlands TX 77380

- U.S. Mail, postage prepaid
- Hand Delivery
- Certified mail, return receipt requested



Kourtney Romine
Administrative Assistant