



IDAHO OIL AND GAS CONSERVATION COMMISSION

Betty Coppersmith, Chair  
Ray Hinchcliff, Vice Chair  
Margaret Chipman, Commissioner  
Marc Haws, Commissioner  
Jennifer Riebe, Commissioner

James Thum, Acting Secretary to the Commission

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Final Minutes  
Idaho Oil and Gas Conservation Commission Regular Meeting  
February 20, 2024

The regular meeting of the Idaho Oil and Gas Conservation Commission was held on Tuesday, February 20, 2024, at the Boise City Council Chambers, Boise City Hall, 3rd Floor, 150 N. Capitol Blvd., Boise, Idaho. The meeting began at 1:32 p.m. (MT). Chairman Betty Coppersmith presided. The following members were present:

Vice Chairman Ray Hinchcliff - via virtual means  
Commissioner Marc Haws  
Commissioner Jennifer Riebe

For the record, a quorum was in attendance; three Commissioners were present at the physical location. Vice Chairman Hinchcliff attended via virtual means. Commissioner Chipman did not attend. Oil and Gas Program Manager James Thum acted as Secretary to the Commission and was present at the physical location.

- **ANNOUNCEMENTS**

1. **Division Administrator's Report**

- A. Financial Update

Chairman Coppersmith inquired about the regularity of the severance tax as it is not seen every month or if it is posted once a quarter. Program Manager James Thum explained that tax payments are tracked very closely and are compared to sales volume. Mr. Thum stated that there are some discrepancies, and that the Department is working with fiscal and the Tax Commission to resolve them. The figure here is approximately \$12,000 less than should be and that with the LUMA system, it may be an allocation issue. Mr. Thum clarified that we typically do receive severance tax every month but that there has been a delay with LUMA. Commissioner Haws inquired about the nature of the refund. Mr. Thum responded that he was not certain but there was a mechanism by which excess income can get applied to next year and that he would ask fiscal about that. Commissioner Haws asked about the three categories: PC, OE, CO and if that was personnel costs, operating expenses, and capital outlay. Mr. Thum responded that was correct.

B. Current Oil and Gas Activity

Program Manager Thum summarized the Activity Map and indicated that two wells, the DJS Properties 1-15 and ML Investments 3-10 were now back on production this quarter to take advantage of higher prices. Construction activities had not commenced on the DJS 2-14 injection well. The Kauffman 1-9 was granted a 90-day extension of Inactive status as the operator continued operations to bring the well back to production. The Department is currently evaluating a request from the operator to extend Inactive status for the ML Investments 1-11 well. Commissioner Haws asked what is meant by shut-in gas well. Mr. Thum responded that if a well has not produced for a month or two, either for maintenance or economic reasons, it is considered shut-in. Commissioner Haws asked if shut-in is a temporary status to shut off production which was confirmed by Mr. Thum. Commissioner Riebe asked what the difference is between shut-in and inactive. Mr. Thum responded that an inactive well is defined as no operations or production for 24 continuous months. Commissioner Riebe inquired about the time sensitivity for work on the ML 1-11. Mr. Thum stated that in this case, yes, there is a cost benefit to the operator to bring in a workover rig and move directly from Kauffman 1-9 to ML 1-11 and perform operations for both. Vice Chairman Hinchcliff stated that in other states with a lot of production, the service company is located in area of the oil or gas fields. Idaho does not have that situation so operators try to time this to where they can economically work on more than one well.

- **CONSENT – ACTION ITEM(S)**

2. **Approval of Minutes** – November 14, 2023 – Regular Meeting (Boise)

*COMMISSION ACTION:* A motion was made by Commissioner Haws that the Commission approve the meeting minutes. Commissioner Riebe seconded the motion. The motion carried on a vote of 4-0.

*Background information was provided by the presenter indicated below. No Commission action is required on the Information Agenda.*

- **INFORMATION**

3. **Update on Rulemaking IDAPA 20.07.02, Rules Governing Conservation of Oil and Natural Gas in the State of Idaho** – Presented by James Thum, Oil & Gas Program Manager

4. **Presentation: Oil and gas well status in Idaho** – Presented by James Thum, Oil & Gas Program Manager

5. **Presentation: Meeting Minutes and Recorded Meetings - What is the Official Record?** – Presented by Hayden Marotz, Deputy Attorney General

6. **Update: CAIA vs Miller** – Presented by Hayden Marotz, Deputy Attorney General

- **REGULAR – ACTION ITEM(S)**

None

