

BEFORE THE IDAHO DEPARTMENT OF LANDS

In the Matter of the Application of Snake River Oil)
and Gas, LLC to Integrate the Spacing Unit)
Consisting of Section 24, Township 8 North,)
Range 5 West, Boise Meridian, Payette County,)
Idaho.)
Snake River Oil and Gas, LLC, Applicant.)

Docket No. CC-2023-OGR-01-001

**ORDER DETERMINING CAIA
IS NOT A PARTY**

On January 23, 2023, Snake River Oil and Gas, LLC (“Snake River”) filed an application to integrate all uncommitted mineral interest owners in the 640-acre spacing unit consisting of Section 24, Township 8 North, Range 5 West, Boise Meridian, Payette County, Idaho. On January 31, 2023, the Administrator issued an *Order Vacating Hearing and Notice of Hearing to Determine “Just and Reasonable” Factors* (“January 31, 2023 Notice of Hearing”). The January 31, 2023 *Notice of Hearing* included briefing deadlines and set and noticed a March 14, 2023 hearing on the factors to consider in determining whether an integration order’s terms fulfill Idaho Code § 47-320(1)’s “just and reasonable” requirements in the above-captioned spacing unit. The Administrator later extended the briefing deadline for the opening brief to March 1.

Snake River, the Idaho Department of Lands (“Department”), Jordan and Dana Gross and Little Buddy Farm (collectively “the Grosses”), Citizens Allied for Integrity and Accountability (“CAIA”), and Joey Ishida, Brenda Ishida, Juanita Lopez, Sarah Weatherspoon, David George, Jessica Ishida Sanchez, Juan Sanchez Jr, Gary Hale, Ryan Gentry, Mark Vidlak, and Mary Ann Miller (collectively “Certain Consenting Owners”) filed opening briefs. On March 1, 2023, Snake River also filed a *Motion for Order Determining Citizens Allied for Integrity and Accountability (“CAIA”) is not a Party*. In that motion, Snake River references its reliance on two prior proceedings: Docket No. CC-2021-OGR-01-001 and Docket No. CC-2021-OGR-01-002. Both were integration proceedings. Specifically, Snake River references three documents from those

proceedings: (1) Docket No. CC-2021-OGR-01-001: the Administrator's August 12, 2021 *Order Determining CAIA is not a Party and Denying Petition to Intervene*; (2) Docket No. CC-2021-OGR-01-001: Snake River's July 29, 2021 prehearing motion addressing that issue; and (3) Docket No. CC-2021-OGR-01-002: the Administrator's September. CAIA did not respond to Snake River's request to determine it is not a party. CAIA has also not moved to intervene in this matter.

The Idaho Rules of Administrative Procedure state that parties to a contested case are called "applicants or claimants or appellants, petitioners, complainants, respondents, protestants, or interveners." IDAPA 04.11.01.150. An intervenor is a person "who [is] permitted to participate as parties pursuant to Rules 350 through 354." IDAPA 04.11.01.156. Intervenors must "claim a direct and substantial interest in the proceeding" and petition for an order granting intervention. IDAPA 04.11.01.350. Petitions that show "direct and substantial interest in any part of the subject matter of a proceeding and do[] not unduly broaden the issues" will be granted. IDAPA 04.11.01.353.

However, the broad rules for intervention detailed in the Idaho Rules of Administrative Procedure of a direct and substantial interest in the proceeding do not apply in this case because Idaho Code § 47-328(3)(b) is a specific statute addressing participation in an integration proceeding that has its own specific requirements. Idaho Code § 47-328(3)(b) addresses "applications involving an order regarding unit operations or integration of a drilling unit." It provides: "*Only* an uncommitted owner in the affected unit may file an objection or other response to [an integration] application." Idaho Code § 47-328(3)(b) (emphasis added). In using the limiting word "only," the statute precludes any other persons from filing an objection or response. Thus, Idaho Code § 47-328(3)(b) does not allow persons who are not uncommitted owners to intervene and participate as parties.

An “owner” is “the person who has the right to drill into and produce from a pool and to appropriate the oil and gas that he produces therefrom, either for himself or for himself and others.” Idaho Code § 47-310(23). An “uncommitted owner” is “one who is not leased or otherwise contractually obligated to the operator.” Idaho Code § 47-310(31). While CAIA has members that are uncommitted owners, CAIA itself does not allege that it owns the right to drill into and produce from a pool in the affected unit. Therefore, it is not an owner or an uncommitted owner and cannot be permitted to intervene and participate as a party.

The Legislature’s intent that parties to an integration proceeding be limited to uncommitted owners is further demonstrated within other subsections of Idaho Code § 47-328. Idaho Code § 47-328(4) provides that the Administrator’s decision “may be appealed to the commission by the applicant *or any owner* who filed an objection or other response to the application within the time required.” Since only uncommitted owners can file an objection or other response to an integration application, uncommitted owners are the only owners who are permitted to file an appeal in these proceedings. Also, Idaho Code § 47-328(3)(c) provides that for applications that are not integration or unit operations, “the department and any uncommitted owner within the area defined in the application may file objections or other responses to the application.” Idaho Code § 47-328(3)(c) does not use a limiting word like “only” to preclude any other persons from filing an objection or response and thus participating as a party. Thus, the Oil and Gas Act does not impose Idaho Code § 47-328(3)(b)’s uncommitted owner limit on certain other types of proceedings, including spacing applications.

In sum, Idaho Code § 47-328(3)(b) statutorily limits those who can participate in an evidentiary hearing for an integration application to “uncommitted owners.” CAIA does not claim to be an uncommitted owner. CAIA does not assert that there are uncommitted mineral interest

owners in the proposed unit represented by CAIA that are not already identified as participating in the matter. The individual CAIA members that are uncommitted mineral interest owners in the affected unit are already represented in this proceeding and participating in the proceeding as individual parties. Thus, their interests are already represented in the matter as they have the rights of parties. CAIA may still be able to participate in the evidentiary proceeding as a public witness, with the rights articulated in IDAPA 04.11.01.355.

ORDER

Snake River's motion to determine CAIA is not a party is GRANTED.

Dated this 22 day of March 2023.



Richard "Mick" Thomas

Division Administrator
Minerals, Navigable Waterways, Oil & Gas
Idaho Department of Lands

CERTIFICATE OF MAILING

I hereby certify that on this 22 day of March 2023, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to the following:

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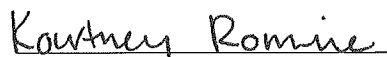
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