



IDAHO OIL AND GAS CONSERVATION COMMISSION

Betty Coppersmith, Chair
Ray Hinchcliff, Vice Chair
Jim Classen, Commissioner
Dustin Miller, Commissioner
Jennifer Riebe, Commissioner

Mick Thomas, Secretary to the Commission

Revised - Final Minutes
Idaho Oil and Gas Conservation Commission Regular Meeting
November 15, 2022

The regular meeting of the Idaho Oil and Gas Conservation Commission was held on Tuesday, November 15, 2022, with the physical location at State Capitol, House Hearing Room, (EW42), Lower Level, East Wing, 700 W Jefferson Street, Boise, Idaho. The meeting began at 1:33 p.m. (MT). Chairman Betty Coppersmith presided. The following members were present:

Vice Chairman Ray Hinchcliff
Commissioner Jim Classen
Commissioner Jennifer Riebe

For the record, a quorum was in attendance; the four Commissioners and Secretary Thomas were present at the physical location. Commissioner Miller was absent.

- **ANNOUNCEMENTS**

Chairman Coppersmith went over the agenda items and explained that there was an executive session then the meeting will adjourn after that.

- 1. Division Administrator's Report**

- A. Financial Update**

Commissioner Classen asked if the cash balance that is left over is a slush fund that carries forward. Secretary Thomas responded that the cash balance carried forward; that there is a specific amount we are allowed to keep. He added that he thinks it is twice what the spending allocation is. If we go over that then the excess will roll into the general fund.

- B. Current Oil and Gas Activity**

Commissioner Classen stated that there was a hearing for an integration. Secretary Thomas explained that there was a hearing for "just and reasonable" about a month ago and that there was an order in development for that then the integration hearing will be in 2023. Commissioner Classen commented that there was still a long delay in the process. Secretary Thomas responded that more discussion will be given during the update on the statute change.

- C. Status Update**

- i. Class II Injection Well – Permit Status**

Commissioner Classen asked why it is 10-12 months before they think it will be functional. Secretary Thomas responded that he did not know that it is going to be 10-12 months, but that it will take some amount of time. He added that he thinks in the secretary update he said it should be functional in 2023. Secretary Thomas explained that once the equipment is on site, he would imagine that there's inspections that are going to be needed by the EPA staff to make sure that everything gets checked off. He stated that it may move quickly, but that he is not aware of the timeline there as he has not spoken with the operator so they may already have things lined up. Secretary Thomas offered to follow up with the operator and get an update and put it in the next secretary update. Vice Chairman Hinchcliff asked if the EPA specifies what monitoring equipment they had to have. Secretary Thomas answered that he did not see specifics on what monitoring equipment they are requiring. He asked Program Specialist James Thum if he was familiar with anything specific about the kind of equipment they are going to need on site. Mr. Thum stated there's quite an extensive list of reservoir pressure testing that is going to need to occur before EPA will grant this permit which will involve shutting in existing wells in Willow field, monitoring the pressure, pressuring up the DJS 2-14 and measuring what they call boundary pressure analysis for all those wells. He explained that if you read through and try and assemble what a potential timeline is, it's fairly long and a lot of it has to do with reservoir testing that needs to occur. Vice Chairman Hinchcliff responded that he is assuming their monitoring is pressure related. Mr. Thum responded yes. Vice Chairman Hinchcliff stated that's normally what we do, but he didn't know if there's some new regulation required to have some sort of down-hole sensor or something. Chairman Coppersmith responded no. Commissioner Classen explained that from what he has read, once they get the well completed, from the top they'll go in and pressure the tubing. He added they're going to pump into a pressure, and then measure the pressure bleed off to ensure that it's able to handle the volume. Commissioner Classen asked Vice Chairman Hinchcliff if that was common. Vice Chairman Hinchcliff responded that yes, that's fairly common. He added that he is sure the EPA's concerned about making sure the water is going into the zone they want it to go into and there's no migration behind pipe. Chairman Coppersmith noted that since this is the first Class II injection well, that they are requiring maybe more extensive testing than they would if this was the second or third well. Chairman Coppersmith said she was surprised that it wasn't more stringent with this being the first well. She thought that was probably good work between not only your agency, but Snake River as well. It looked like it was a good thorough program without being overly extensive. Secretary Thomas noted that EPA region 10 worked closely with EPA region 8 in the latter part of this permit at least. That body of work may have helped them make sure they hit what was important and not do too much exploration in the other areas. Chairman Coppersmith inquired about the perforations and that it looked like the existing perforations were still open and then they were going to add additional perforations. Mr. Thum responded that from reading the well construction diagram that they provided, he believes that there were zones deeper in the well below the injection zone that are still open that they will probably have to either squeeze or seal off, that was part of the conditions within the permit that they would have to isolate those zones. Mr. Thum added that there's quite a bit of remedial cementing that's probably going to have to occur in that well. Commissioner Classen asked if in Idaho, can you leave the perms open below and just set a bridge plug with a cement dump. Mr. Thum responded that yes, that's the case but ultimately, if you plug a well, you have to come back and squeeze cement at least a hundred feet on either side of those perforations. Chairman Coppersmith asked that injection information will be available as soon as we start injection or is there confidentiality on this well.

Mr. Thum explained that because that is not production data, it's injection information, he did not see any reason why that wouldn't be released immediately. He added that given the EPA's preference for that information being in the public realm, we would certainly have access to it. Chairman Coppersmith stated that she thinks the Commissioners are all very curious to see how this well performs because of the history of having to truck the water and being limited because of the amount of water production. Commissioner Classen asked, once the injection well is up and running, if Mr. Thum has any idea if the operator is going to go back in and pick up some of the older wells and put them back on. Mr. Thum responded his understanding is yes, they would bring some of those wells back online, but he has not had any follow up discussions with them to know which ones they would do that, or which ones they'll decide to plug. Commissioner Classen suggested that's an interesting topic that Mick could put in his monthly summaries. Vice Chairman Hinchcliff inquired if the permit is giving them permission to commingle the water from both fields. Mr. Thum responded that was correct; the only restriction that he can recall is that they cannot take produced water outside of Payette County. Commissioner Riebe inquired is the water that's injected back in periodically tested and is that something that is available to the public as well, the contents of the injection water. Mr. Thum responded that as part of the EPA application, the operator was required to submit water analysis to EPA so they could determine a baseline for what's within the water. He couldn't exactly recall, but thinks there is some testing that is required maybe once a year for the water that goes back in, but, beyond that he does not know. Commissioner Riebe inquired if that is available for the public to see, is that part of their application. Mr. Thum stated he believes it is in the original application material, the water analysis, and that he thinks that is all still posted on the EPA Region 10 website. We do have a link to that on our webpage if you need to look at that. Mr. Thum added that one response that EPA had to a public request they said that any information that's not posted as part of the ongoing process could be acquired from them through a FOIA request. Commissioner Riebe asked if there is a limited capacity for injecting back in, that she is not familiar with this process. She also asked if it is something you could take the liquids off of 10 wells before it's full, or one, or 20. Mr. Thum responded that the permit sets a limit of 7.35 million barrels of water; just as a comparison, he thinks Willow and Harmon fields combined have only made about 200,000 barrels of water and that's since production came online in 2015. Secretary Thomas thanked Mr. Thum for the technical background and that he appreciated that input. Secretary Thomas stated that questions that each of the commissioners felled, he is going to go ahead if there's follow up involved, for instance it's going to be a little bit complicated for him to know exactly what wells the operators are going to bring back on until they provide a sundry to us but as soon as we get wind of that he will share with the Commission. Secretary Thomas responded to Commissioner Riebe that we do have the injection water test report that was part of the application, that's on the website. Secretary Thomas' conversations with the EPA going back three or four years about this – the water that is being injected is predominately fresh water, it's under 1,000 parts per billion and he thinks the EPA considers an underground water drinking supply anything under 10,000 parts per billion of solids. It's not salt water in any way, it's predominately fresh water but he will get that test and send it to the Commission. Mr. Thum explained that he thinks the report that EPA included said that of the three or four tests the average was about 3,500 parts per million and that there was one abnormally high one that was around 15,000 but EPA determined that was probably infiltrated with drilling fluids and so it wasn't an accurate measurement of the produced water from the field.

- **CONSENT – ACTION ITEM(S)**

2. **Approval of Minutes – August 16, 2022 – Regular Meeting (Boise)**

COMMISSION ACTION: A motion was made by Vice Chairman Hinchcliff 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 Proposed Legislation for Title 47, Chapter 3, Idaho Code for the 2023 Legislative Session – Presented by Mick Thomas, Division Administrator – Minerals, Navigable Waters, and Oil & Gas**

4. **Well Cellar Construction and Maintenance - Best Practices**

- **REGULAR – ACTION ITEM(S)**

None

At 2:17 p.m., Chairman Coppersmith asked for a motion to resolve into executive session for them to consult with legal counsel and that no decisions will be made, the only action item will be to adjourn the meeting. A motion was made by Commissioner Riebe that the Commission convene into Executive Session pursuant to Idaho Code §74-206(1)(f). Commissioner Classen seconded the motion. Chairman Coppersmith stated a roll call vote is required. Roll Call Vote: Aye: Hinchcliff, Classen, Riebe, Coppersmith; Nay: None; Absent: Miller.

- **Executive**

- A. Idaho Code 74-206(1)(f) - to communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. [TOPIC: CAIA v. Miller]

At 2:48 p.m., the Commission resolved out of Executive Session by unanimous consent. For the record, no decisions were made during the Executive Session.

There being no further business before the Commission, at 2:48 p.m. a motion to adjourn was made by Commissioner Classen. Commissioner Riebe seconded the motion. The motion carried on a vote of 4-0. Meeting adjourned.

