



IDAHO OIL AND GAS CONSERVATION COMMISSION

Chris Beck, Chairman
Margaret Chipman, Vice Chairman
Sid Cellan, Commissioner
Jim Classen, Commissioner
Ken Smith, Commissioner

Tom Schultz, Secretary to the Commission

Final Minutes
Idaho Oil and Gas Conservation Commission Special Meeting
December 17, 2015

The special meeting of the Idaho Oil and Gas Conservation Commission was held on Thursday, December 17, 2015 in the State Capitol Building, Hearing Room WW53, Lower Level, West Wing, 700 W Jefferson Street, Boise, Idaho. The meeting began at 3:30 p.m. Chairman Chris Beck presided. The following members were present:

Vice Chairman Margaret Chipman (*via teleconference*)
Commissioner Jim Classen
Commissioner Ken Smith
Commissioner Sid Cellan

For the record, Chairman Beck stated he was joining the meeting via conference phone, as was Vice Chairman Chipman. Chairman Beck recognized the presence of five Commission members.

- **CONSENT**

1. **Approval of Minutes** - October 7, 2015 Special Meeting (Boise)

CONSENT AGENDA COMMISSION ACTION: A motion was made by Vice Chairman Chipman that the Commission approve the meeting minutes on the Consent Agenda. Commissioner Cellan seconded the motion. The motion carried on a vote of 5-0.

- **REGULAR**

2. **Frequency of Regular Commission Meetings and Scheduled Dates for Calendar Year 2016** [Idaho Code § 47-317(4)] – *Presented by Diane French, Deputy Director-Lands and Waterways*

RECOMMENDATION: The Department recommends the Commission meet monthly each calendar year, on the third Thursday of each month beginning in January 2016, with meetings scheduled to begin at 10:00 AM Mountain time.

Regular Commission meetings are routinely held in Boise. The Department recommends that one regular meeting be held at an off-site location in calendar year 2016.

Meetings will be scheduled on the following dates for calendar year 2016:

January 21
February 18 – *off-site location, to be determined*
March 17
April 21
May 19
June 16
July 21
August 18
September 15
October 20
November 17
December 15

DISCUSSION: Vice Chairman Chipman remarked that it makes sense to alleviate extra duty on staff in coordinating meetings.

COMMISSION ACTION: A motion was made by Commissioner Classen that the Commission approve the Department's recommendation of monthly Commission meetings to start in January of 2016. Commissioner Cellan seconded the motion. Chairman Beck requested a roll call vote. Roll Call Vote: *Aye:* Chipman, Cellan, Classen, Smith, Beck; *Nay:* None; *Absent:* None. The motion carried on a vote of 5-0.

3. Appoint Hearing Officer in the matter of Alta Mesa Services, LP's Applications for Integration, Docket No. CC-2015-OGR-01-003 and Docket No. CC-2015-OGR-01-004 – Presented by Eric Wilson, Bureau Chief, Resource Protection and Assistance

RECOMMENDATION: Appoint Tommy Butler as hearing officer and presiding officer in the matter of Alta Mesa's applications for integration in Docket No. CC-2015-OGR-01-003 and Docket No. CC-2015-OGR-01-004.

DISCUSSION: Chairman Beck commented that this recommendation falls in line with Commission action on previous integration requests, appointing Mr. Butler to act as hearing officer. Chairman Beck noted that Mr. Butler is joining by teleconference today and will answer any questions. Ms. French suggested that Mr. Butler provide an overview of his professional experience for the benefit of those in attendance. Mr. Butler stated that he is a former special assistant attorney general for the state of Montana, advising their state board of land commissioners for the past 30 years on its holdings of 6.2 million mineral acres. Mr. Butler commented he has handled approximately 25 appellate cases, the majority of those dealing with natural resource issues, specifically with oil and gas law. Mr. Butler attended the University of Tulsa, and was a research assistant for Professor John Lowe who is now a professor of oil and gas law at SMU [Southern

Methodist University]. Professor Lowe drafted the *Oil and Gas Law in a Nutshell* series; Mr. Butler assisted Professor Lowe with research for that publication.

COMMISSION ACTION: A motion was made by Commissioner Smith that the Commission appoint Tommy Butler as hearing officer and presiding officer in Docket No. CC-2015-OGR-01-003 and Docket No. CC-2015-OGR-01-004. Commissioner Classen seconded the motion. Chairman Beck requested a roll call vote. Roll Call Vote: *Aye:* Chipman, Cellan, Classen, Smith, Beck; *Nay:* None; *Absent:* None. The motion carried on a vote of 5-0.

4. FY 2017 Budget Proposal - Revised – Presented by Donna Caldwell, Support Services Division Administrator

RECOMMENDATION: Direct the Department to reduce the FY2017 budget request for the Oil and Gas Program to \$326,500.

DISCUSSION: Commissioner Classen noted he is not familiar with the budget process and asked if the Department can take the total amount requested and "mix and match" within these various categories as the need determines within the next year. Ms. Caldwell replied if for instance the Department did not need as much funding for professional engineering services and wanted to do more in another area it is permitted. There is flexibility within the program and within the funding structure.

COMMISSION ACTION: A motion was made by Commissioner Classen that the Commission direct the Department to reduce the FY2017 budget request for the Oil and Gas Program to \$326,500. Vice Chairman Chipman seconded the motion. Chairman Beck requested a roll call vote. Roll Call Vote: *Aye:* Chipman, Cellan, Classen, Smith, Beck; *Nay:* None; *Absent:* None. The motion carried on a vote of 5-0.

There being no further business before the Commission, at 3:47 p.m. a motion to adjourn was made by Vice Chairman Chipman. Commissioner Cellan seconded the motion. The motion carried on a vote of 5-0. Meeting adjourned.

IDAHO OIL AND GAS CONSERVATION COMMISSION

/s/ Chris C. Beck

Chris C. Beck, Chairman
Idaho Oil and Gas Conservation Commission

/s/ Thomas M. Schultz, Jr.

Thomas M. Schultz, Jr.
Secretary to the Commission

<p>The above-listed final minutes were approved by the Commission at the January 21, 2016 regular Idaho Oil and Gas Conservation Commission meeting.</p>
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