



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 Regular Meeting
August 23, 2016

The regular meeting of the Idaho Oil and Gas Conservation Commission was held on Tuesday, August 23, 2016 in the State Capitol, Lincoln Auditorium (WW02), Lower Level, West Wing, 700 W Jefferson St., Boise, Idaho. The meeting began at 9:00 a.m. Chairman Chris Beck presided. The following members were present:

Vice Chairman Margaret Chipman
Commissioner Ken Smith
Commissioner Sid Cellan
Commissioner Jim Classen

For the record, Chairman Beck recognized the presence of all five Commission members.

• **ANNOUNCEMENTS**

For the record, Chairman Beck announced that the Commission will accept public testimony on agenda item number 4 and advised anyone in the audience who wished to testify to sign up on the sheets provided. Chairman Beck stated that testimony will be limited to three minutes. Chairman Beck noted that the Commission will hear agenda items 1-3, then break for lunch and reconvene this afternoon to hear agenda items 4 and 5.

1. Director's Report

- A. Financial Update
- B. Summary of Current Well Permits

• **CONSENT**

2. Approval of Minutes – July 21, 2016 Regular 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 Smith seconded the motion. The motion carried on a vote of 5-0.

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

The audio recording of agenda items 3 and 4 are available by request to the Department of Lands, Attn: Oil and Gas Commission Recording Secretary, PO Box 83720, Boise, Idaho 83720-0050 or by email to public_records_request@idl.idaho.gov.

- **INFORMATION**

- 3. Oil and Gas Presentations**

- Kelly Williams – Legal Aspects and Case Law regarding Oil and Gas Conservation*

- Tom Richmond – Administration of Oil and Gas Conservation Laws*

For the record, Chairman Beck called for a recess at 10:25 a.m. at the conclusion of Ms. Williams' presentation. The Commission reconvened at 10:38 a.m. and heard Mr. Richmond's presentation.

-Lunch Break-

For the record, the Commission adjourned for lunch at 12:30 p.m. The Commission meeting resumed at 1:35 p.m.

- 4. Proposed Rule for IDAPA 20.07.02, Rules Governing Conservation of Oil and Natural Gas in the State of Idaho**

For the record, the Commission paused for a break at 2:34 p.m. The Commission meeting began again at 2:41 p.m.

- **REGULAR**

- 5. Recommended Order to Vacate Hearing- Applications for Integration, Docket No. CC-2015-OGR-01-003 and Docket No. CC-2015-OGR-01-004**

For the record, Vice Chairman Chipman disclosed a potential conflict of interest regarding the Commission's consideration of a recommended order addressing two withdrawn integration applications by Alta Mesa Services (agenda item 5). Alta Mesa is developing oil and gas resources in Idaho under a joint operating agreement with Snake River Oil and Gas. Vice Chairman Chipman owns mineral rights and has leased minerals to Snake River. Vice Chairman Chipman acknowledged the potential conflict of interest in the pending matter and affirmed her ability to impartially evaluate this matter.

RECOMMENDATION: The Idaho Department of Lands recommends that the Commission approve the Recommended Order to Vacate Hearing- Applications for Integration, Docket No. CC-2015-OGR-01-003 and Docket No. CC-2015-OGR-01-004.

DISCUSSION: NONE

COMMISSION ACTION: A motion was made by Commissioner Classen to approve the Recommended Order to Vacate Hearing- Applications for Integration, Docket No. CC-2015-OGR-01-003 and Docket No. CC-2015-OGR-01-004. Vice Chairman Chipman seconded the motion. The motion carried on a vote of 5-0.

- **EXECUTIVE SESSION**

NONE

There being no further business before the Commission, at 3:56 p.m. a motion to adjourn was made by Commissioner Classen. Commissioner Smith 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

The above-listed final minutes were approved by the Commission at the September 15, 2016 regular Idaho Oil and Gas Conservation Commission meeting.