



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
November 17, 2016

The regular meeting of the Idaho Oil and Gas Conservation Commission was held on Thursday, November 17, 2016 in the State Capitol, Lincoln Auditorium (WW02), Lower Level, West Wing, 700 W Jefferson St., Boise, Idaho. The meeting began at 9:40 a.m. Chairman Chris Beck presided. The following members were present:

Vice Chairman Margaret Chipman
Commissioner Jim Classen

For the record, Chairman Beck recognized the presence of three Commission members and the absence of Commissioner Cellan and Commissioner Smith. Chairman Beck also affirmed that three members constitute a quorum of the Commission.

• **ANNOUNCEMENTS**

For the record, Chairman Beck announced that the Commission will accept public testimony on agenda item number 6 and advised anyone in the audience who wished to testify to sign up on the sheets provided.

1. Director's Report

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

• **CONSENT**

2. Approval of Minutes – October 20, 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 Classen seconded the motion. The motion carried on a vote of 3-0.

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

- **INFORMATION**

3. Oil and Gas Records- Data Access Policy – Presented by James Thum, Oil and Gas Program Manager

4. Production Study Update – Presented by James Thum, Oil and Gas Program Manager

- **REGULAR**

5. Guidelines for the Idaho Oil and Gas Conservation Commission – Presented by Tom Schultz, Secretary to the Commission and Director of Idaho Department of Lands

RECOMMENDATION: Approve the Guidelines for Regular and Special Meetings of the Idaho Oil and Gas Conservation Commission.

DISCUSSION: Vice Chairman Chipman asked about the time of year in which the election of the Chairman and Vice Chairman is to be held. Director Schultz explained that statute basically prescribes that the Commission will do that annually. Chairman Beck stated that having flexibility to conduct the election may be beneficial because Commissioners are reappointed in July but confirmations by the Senate occur during the following legislative session.

Commissioner Classen brought attention to Guideline 4.a.; one sentence states "Chairman **or** Secretary" while another sentence has "Chairman **and** Secretary." [*Emphasis added.*] Commissioner Classen suggested making both sentences "Chairman or Secretary" to keep it consistent. Commissioner Classen also mentioned item 4.d. that states the public may request to add an agenda item ". . . 30 days before the next regularly scheduled meeting." Commissioner Classen remarked that 30 days is perhaps 5 days too long. Director Schultz noted that it is the Commission's discretion to prescribe a time frame, but noted that 30 days is more feasible for the Department to plan, organize and prepare for a reasonable discussion of any agenda item.

COMMISSION ACTION: A motion was made by Commissioner Classen that the Commission adopt the Guidelines for the Idaho Oil and Gas Conservation Commission with the change under item 4.a., the fourth line "only the Chairman . . ." change the word 'and' to ". . . or the Secretary may request a late addition . . ." Vice Chairman Chipman seconded the motion. The motion carried on a vote of 3-0.

6. Pending Rule-IDAPA 20.07.02, Rules Governing the Conservation of Oil and Natural Gas in the State of Idaho – Presented by Eric Wilson, Resource Protection and Assistance Bureau Chief

RECOMMENDATION: Direct the Department to submit the Pending Rule for consideration by the 2017 Legislature.

DISCUSSION: The audio recording of this agenda item is 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.

For the record, at 11:33 a.m. Chairman Beck called for a brief recess and reconvened the meeting at 11:43 a.m. Following public testimony, at 11:58 a.m. Chairman Beck called for a second recess to allow Department staff to discuss and consider suggested language to the pending rule. The meeting reconvened at 12:50 p.m.

COMMISSION ACTION: A motion was made by Vice Chairman Chipman that the Commission adopt the pending rule as presented in the staff's final proposal with the following revision: Section 120, subsections 07.b. and 07.c.i., replace the words "in offset unit" with "within 660 feet of proposed unit boundary." Commissioner Classen seconded the motion. The motion carried on a vote of 3-0.

- **EXECUTIVE SESSION**

NONE

There being no further business before the Commission, at 1:53 p.m. a motion to adjourn was made by Vice Chairman Chipman. Commissioner Classen seconded the motion. The motion carried on a vote of 3-0. Meeting adjourned.

