



IDAHO OIL AND GAS CONSERVATION COMMISSION

Kevin Dickey, Chairman
Marc Shigeta, Vice Chairman
Jim Classen, Commissioner
Dr. Renee Love, Commissioner
Dustin T. Miller, Commissioner

Mick Thomas, Secretary to the Commission

Final Minutes
Idaho Oil and Gas Conservation Commission Special Meeting
December 20, 2018

The special meeting of the Idaho Oil and Gas Conservation Commission was held on Thursday, December 20, 2018, at the State Capitol, House Hearing Room (EW42), Lower Level, East Wing, 700 W Jefferson St., Boise, Idaho. The meeting began at 1:00 p.m. Chairman Kevin Dickey presided. The following members were present:

Vice Chairman Marc Shigeta
Commissioner Jim Classen
Commissioner Renee Love (*via teleconference*)
Commissioner Dustin Miller

For the record, all five Commission members were present with Commissioner Love joining via teleconference.

• **ANNOUNCEMENTS**

Chairman Dickey gave an overview of the meeting agenda. He explained that the parties concerning Docket No. CC-2017-OGR-01-002 will present their arguments.

• **CONSENT – ACTION ITEM(S)**

1. Approval of Minutes – November 28, 2018 - Regular Meeting (Boise)

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

At 1:03 p.m., a motion was made by Commissioner Miller to convene in Executive Session pursuant to Idaho Code 74-206(1)(f) to communicate with legal counsel for the public agency to discuss legal ramifications of and legal options for pending litigation or controversies not yet being litigated but imminently likely to be litigated. Vice Chairman Shigeta seconded the motion. *Roll Call Vote: Aye:* Shigeta, Love, Classen, Miller, Dickey; *Nay:* None; *Absent:* None.

Chairman Dickey asked everyone to leave the room.

- **EXECUTIVE SESSION**

- 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: Docket No. CC-2017-OGR-01-002; Kauffman Complaint]

At 1:55 p.m., the Commission resolved out of Executive Session by unanimous consent. Chairman Dickey stated that no action was taken by the Commission during the Executive Session. For the record, a short break was taken and the meeting began again at 2:01 p.m.

- **REGULAR – ACTION ITEM(S)**

- 2. **Hearing Officer's Recommended Order in Docket No. CC-2017-OGR-01-002, Randy and Thana Kauffman v. AM Idaho, LLC and Alta Mesa Services, LP; Oral Argument on the Exceptions to the Recommended Order**

RECOMMENDATION: None.

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.

At 2:35 p.m., a motion was made by Commissioner Miller to convene in Executive Session pursuant to Idaho Code 74-206(1)(f) to communicate with legal counsel for the public agency to discuss legal ramifications of and legal options for pending litigation or controversies not yet being litigated but imminently likely to be litigated. Vice Chairman Shigeta seconded the motion. Roll Call Vote: Aye: Shigeta, Love, Classen, Miller; Nay: Dickey; Absent: None.

Chairman Dickey asked everyone to leave the room.

At 2:48 p.m., the Commission resolved out of Executive Session by unanimous consent. Chairman Dickey stated that no action was taken by the Commission during the Executive Session.

COMMISSION ACTION: A motion was made by Commissioner Classen that the Commission declines the Hearing Officer's recommended order and vacates the Hearing Officer's protective order as per Idaho Code § 332(4) and remands to the Hearing Officer for further proceedings consistent with this motion and authorize the Chairman to work with counsel and sign the order on behalf of the Commission. Vice Chairman Shigeta seconded the motion. The motion carried on a vote of 5-0.

At 2:58 p.m., a motion was made by Commissioner Miller to convene in Executive Session pursuant to Idaho Code 74-206(1)(f) to communicate with legal counsel for the public agency to discuss legal ramifications of and legal options for pending litigation or controversies not yet being litigated but

imminently likely to be litigated. Vice Chairman Shigeta seconded the motion. Roll Call Vote: *Aye*: Shigeta, Love, Classen, Miller, Dickey; *Nay*: None; *Absent*: None.

Chairman Dickey asked everyone to leave the room.

- **EXECUTIVE SESSION**

- B. 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: Operator Records Examined/Allocation Investigation]

At 3:21 p.m., the Commission resolved out of Executive Session by unanimous consent. Chairman Dickey stated that no action was taken by the Commission during the Executive Session.

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

- **INFORMATION**

3. Operator Records Examined/Allocation Investigation – Presented by Mick Thomas, Division Administrator – Oil and Gas

DISCUSSION: Chairman Dickey discussed a timeline of the process so far. Secretary Thomas stated that the Department has enough information to proceed with an investigation. At the end of the investigation, the Department will present the findings and determine the next steps. Commissioner Classen explained that he was still focused on getting data for the oil production. Secretary Thomas clarified that oil does not go through the processing plant. Commissioner Miller asked if Capitalize Consulting was going to provide more data by the deadline. Secretary Thomas responded that he had not had any further communication with them since the last email correspondence. Secretary Thomas explained that he is under the impression that Alta Mesa is moving to correct the allocation issue and that the Department will move forward with the investigation.

There being no further business before the Commission, at 3:34 p.m. a motion to adjourn was made by Commissioner Classen. Vice Chairman Shigeta seconded the motion. The motion carried on a vote of 5-0. Meeting adjourned.

