

**IDAHO DEPARTMENT OF LANDS
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MICK THOMAS, DIVISION ADMINISTRATOR
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**IDAHO OIL AND GAS
CONSERVATION COMMISSION**
*Betty Coppersmith, Chair
Ray Hinchcliff, Vice Chair
Jennifer Riebe*

August 2, 2023

Michael Christian
Hardee, Pinol & Kracke, PLLC
1487 S David Lane
Boise, ID 83705

via e-mail: mike@hpk.law
and certified mail: 7016 1370 0000 2329 6063

Re: Kauffman # 1-9 (USWN 11-075-20027) Well Status

Dear Mr. Christian:

On December 15, 2022, your client, Snake River Oil and Gas, LLC (SROG), was provided notice by the Idaho Department of Lands' (IDL) that the circumstances of the Kauffman # 1-9 well required declaration of its inactive well status. As explained in the December 15 Notice, the determination of inactive status is mandatory under IDAPA 20.07.02.501.01 when that well has been inactive for at least twenty-four continuous months and the operator has not received approval from IDL for an extension of active status.

On December 21, 2022, SROG provided a written request to return the Kauffman # 1-9 to active status. The reasoning provided related to the poor economics of the well in the absence of a Class II injection well for disposal of produced water. However, no guarantees could be made for when the Class II injection well will be brought online by SROG.

SROG's request to return the Kauffman # 1-9 to active status has been reviewed by IDL for approval, modification, or denial as required by IDAPA 20.07.02.501.05. Additionally, IDL has reviewed the annual reports and all other filings for the well and has considered the uncertain probability of the factors that SROG would deem necessary for the well to be economically viable. Finally, IDL recognizes that in the event SROG determines that the Kauffman # 1-9 can be economically viable, the Idaho Oil and Gas Conservation Act and IDAPA 20.07.02 provide procedure and methods for converting the inactive well to an active well.

Acting with the discretion authorized by Idaho law, SROG's request to return the Kauffman # 1-9 to active status is denied. SROG must plug and abandon the Kaufmann # 1-9 on or before January 31, 2024, in compliance with IDAPA 20.07.02.502 and complete surface reclamation in compliance with IDAPA 20.07.02.510.

Michael Christian, Counsel, Snake River Oil & Gas
August 2, 2023
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SROG may appeal this decision denying the request to return the Kauffman # 1-9 to active status to the Idaho Oil and Gas Conservation Commission. Idaho Code § 47-328(4 and 5). The appeal must be filed with the oil and gas administrator within fourteen calendar days of the date of issuance of this decision, which is August 16, 2023. Idaho Code § 47-328(4). Such appeal shall include the reasons and authority for the appeal and shall identify any facts in the record supporting the appeal.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in cursive script that reads "Mick Thomas".

Mick Thomas
Division Administrator
Minerals, Navigable Waters, Oil & Gas
Idaho Department of Lands

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