

**BEFORE THE IDAHO DEPARTMENT OF  
LANDS**

In the Matter of the Application of Snake River Oil and Gas, LLC for an Order Establishing a Spacing Unit Consisting of the SE ¼ of Section 15, the E ½ of the SW ¼ of Section 15, and the NE ¼ of Section 22, Township 8 North, Range 5 West, Payette County, Idaho.

Agency Case No. CC-2025-OGR-01-002

**FINAL ORDER ESTABLISHING A  
SPACING UNIT**

**PROCEDURAL BACKGROUND**

On May 22, 2025, Snake River Oil & Gas, LLC (“SROG”) filed an application requesting a spacing order (“Application”) for a proposed 400-acre unit situated in Sections 15 and 22, Township 8 North, Range 5 West, Canyon County, Idaho (“Proposed Spacing Unit”). On June 4, 2025, IDL referred the matter to the Office of Administrative Hearings (“OAH”) to conduct a public hearing and issue a recommended order. OAH appointed Administrative Law Judge Scott Zanzig as the hearing officer.

On June 17, 2025, Hearing Officer Zanzig held a scheduling conference, wherein representatives from SROG and IDL appeared via Zoom. Following the scheduling conference, Hearing Officer Zanzig issued a Scheduling Order setting prehearing deadlines and scheduling the public hearing on the Application for July 10, 2025, which was subsequently vacated and reset to September 18, 2025.

The Parties submitted prehearing statements and witness and exhibit lists. SROG submitted Exhibits SR-01 through SR-29, and IDL submitted exhibits IDL-01 through IDL-03.

On September 11, 2025, Applicant requested the Administrator to decide the matter on the merits without a public hearing as no objections or responses were received within 14 days prior to the hearing, pursuant to I.C. § 47-328(3)(b). The matter was withdrawn from OAH on September 15, 2025.

As the Administrator of IDL's oil and gas regulatory program, it is my responsibility to render a decision pursuant to I.C. § 47-328(3)(d) based on the record reviewed in the context of my personal expertise gained through education, training and experience. I relied on the entire record for this matter. Set forth below are my findings of fact and conclusions of law. For the reasons stated below, Applicant's request for an order establishing a spacing unit is **APPROVED**, subject to the conditions stated in the Order below.

### **FINDINGS OF FACT**

1. On May 22, 2025, SROG filed an Application for a 400-acre gas spacing unit located in the SE ¼ of Section 15, the E ½ of the SW ¼ of Section 15, and the NE ¼ of Section 22, Township 8 North, Range 5 West, Canyon County, Idaho. SROG-01.

2. The Application included: a legal description and plat map of the Proposed Spacing Unit; a list of mineral interest owners; a declaration from Richard Brown describing SROG's ownership interest; and a declaration from geologist David M. Smith, describing the methods and procedures used to determine the boundaries of the Proposed Spacing Unit. *Id.*

3. On May 30, 2025, IDL Oil & Gas Program Manager James Thum responded to SROG's Application, requesting additional technical information. IDL-02.

4. On June 26, 2025, OAH received an objection from Charlene Gomez, an uncommitted mineral interest owner in the Proposed Spacing Unit. IDL-03.

5. On June 10, 2025, SROG submitted receipts showing to whom it sent by certified mail notice of the Application and hearing materials. When compared against the list of uncommitted owners, IDL determined SROG did not have a complete copy. Docket 10, p. 4.

6. SROG caused notice of the Application and hearing to be published in the Idaho Press Tribune on July 18, 2025. SROG-27.

7. On July 7, 2025, IDL submitted a prehearing statement, witness and exhibit list, and exhibits IDL-01 through IDL-03. SROG submitted a prehearing statement, witness and exhibit list, and exhibits SROG-01 through SROG-026.

8. On July 7, 2025, the Parties appeared at a pre-hearing status conference, where SROG requested OAH vacate and reset the hearing in order to allow SROG to provide proper notice to all mineral interest owners. The hearing was reset to September 11, 2025. Order Vacating and Resetting Evidentiary Hearing, Jul. 8, 2025.

9. On September 4, 2025, SROG submitted supplemental Exhibits SROG-27 through

29, and an updated SROG-04.

10. On September 10, 2025, Charlene Gomez withdrew her objection. Docket No. 027. No other objections were received.

11. On September 11, 2025, SROG asked the Administrator to withdraw the matter from OAH and decide the Application on the merits without a hearing as the Application was no longer contested. Docket No. 028.

12. On September 15, 2025, the Administrator issued an order vacating the hearing and withdrawing the matter from OAH. Docket No. 029.

13. The Application seeks permission to establish a 400-acre spacing unit, which is less than 640 acres pursuant to I.C. § 47-317(3)(c). SROG-01.

14. A 640-acre spacing unit, instead of the requested 400 acres would place large areas outside of the mapped drainage area targeting Sands A and B.

15. Compensation to owners outside of the proposed 400 acres would unfairly injure correlative rights of owners within the drainage area.

16. The spacing unit will consist of a single well to drain hydrocarbons from the pool. SROG-01.

17. IDL has thoroughly vetted the Application and reviewed all technical and geological reports regarding the proposed presence of hydrocarbons.

18. The geologic evidence submitted by SROG demonstrates a probable areal extent of the productive limits of a hydrocarbon pool within a 400-acre spacing unit.

### **CONCLUSIONS OF LAW**

#### **I. The Administrator has jurisdiction over this matter.**

1. The Idaho Oil and Gas Conservation Act, I.C. §§ 47-306 through 336 (“Act”) applies to matters affecting oil and gas development on lands in the state of Idaho. I.C. § 47-313.

2. The Act and the Rules Governing Conservation of Oil and Natural Gas in the State of Idaho (IDAPA 20.07.02) govern this matter.

3. The Commission is “authorized to make and enforce rules, regulations, and orders reasonably necessary to prevent waste, protect correlative rights, to govern the practice and procedure before the commission, and otherwise to administer [the Act].” I.C. § 47-315(8). IDL is

the administrative instrumentality of the Commission, and the Administrator has authority over these proceedings pursuant to I.C. §§ 47-314(7), -317, and -328(3).

## **II. SROG bears the burden of proof.**

1. SROG bears the burden of proof in this matter. IDAPA 62.01.01.477.
2. Under Idaho law, “preponderance of the evidence” is generally the applicable standard for administrative proceedings, unless the Idaho Supreme Court or legislature has said otherwise. *N. Frontiers, Inc. v. State ex rel. Cade*, 129 Idaho 437, 439, 926 P.2d 213, 215 (Ct. App. 1996). “A preponderance of the evidence means that when weighing all of the evidence in the record, the evidence on which the finder of fact relies is more probably true than not.” *Oxley v. Medicine Rock Specialties, Inc.*, 139 Idaho 476, 481 80 P.3d 1077, 1082 (2003).
3. A court shall affirm an agency’s action unless the decision is “not supported by substantial evidence on the record as a whole; or [the decision] is arbitrary, capricious, or an abuse of discretion.” I.C. § 67-5279(3)(d)-(e).

## **III. SROG provided adequate notice pursuant to I.C. § 47-328.**

1. Idaho Code § 47-328(3)(b) sets forth the applicable notice requirements, requiring the Applicant give notice to “all known and located uncommitted mineral interest owners, all working interest owners within the proposed spacing unit, and the respective city or county where the proposed unit is located.”
2. SROG provided an affidavit of Sharon Jessen, Principle Clerk of the Idaho Press Tribune, testifying that SROG published notice of the Application and hearing in the newspaper of general circulation in Canyon and Ada County. SROG-27.
3. SROG provided certified mail receipts for all known and located uncommitted mineral interest owners, all working owners, and the city, who received a copy of the Application and supporting documents. SROG-02, SROG-28
4. SROG has met the notice requirements pursuant to I.C. § 47-328(3)(b).

## **IV. The Proposed Spacing Unit meets the statutory requirements of I.C. § 47-317.**

1. Idaho Code § 47-317(1) grants IDL the power to “issue an order establishing spacing units on a statewide basis, or for defined areas within the state, or for oil and gas wells drilled to varying depths,” “to prevent or assist in preventing the waste of oil and gas, to avoid drilling unnecessary wells or to protect correlative rights.”
2. Section 47-317(2) provides that:

- a. a spacing unit order “shall specify the location, size, and shape of the unit, which, in the opinion of [IDL], shall result in the efficient and economical development of the pool as a whole”;
  - b. spacing “units established by [IDL] shall be geographic. The geographic boundary of the unit shall be described in accordance with the public land survey system”; and
  - c. “[IDL] shall issue an order establishing a spacing unit or units to determine the area that can be efficiently and economically drained by one (1) well for the orderly development of the pool.”
3. Idaho Code § 47-317 allows an operator to request an amendment in the size, shape, or location of a spacing unit that is larger or smaller than 640 acres for gas. I.C. § 47-317(4)(b).
4. David Smith is a geologist with over 40 years of experience in gas exploration and provided ample technical information commonly relied upon in the industry and compared the data against earlier reviews from geologists in the area. SROG-01, pp. 51-59.
5. Mr. Smith’s review of the 3-D seismic data indicated specific rock types and formations, mapping the areas of gas bearing zones in Sands A and B, supporting the request to amend the spacing unit from 640 acres to 400 acres.
6. As an example, Mr. Smith compared the data against existing Sand B production wells to show the process for determining the presence of gas bearing sands in order to accurately map their distribution spatially.
7. A standard 640-acre spacing unit would likely result in inefficient drainage and cause waste by diminishing the quantity of hydrocarbons produce from Sands A and B.
8. James Thum, IDL Oil & Gas Program Manager, thoroughly reviewed the Application and Mr. Smith’s testimony and agrees that the evidence suggests the presence of hydrocarbon accumulation within the proposed unit, supporting the request for amendment.
9. SROG has provided sufficient evidence to show that the requested 400-acre spacing unit will assist in preventing the waste of gas, avoid drilling unnecessary wells, and protect correlative rights.
10. In addition, the evidence sufficiently shows the location, size, and shape of the 400-acre spacing unit will result in the efficient and economical development of the pool as a whole.
11. In addition, the evidence sufficiently shows that the proposed 400-acre area can be

efficiently and economically drained by a single well for the orderly development of the pool.

12. SROG has satisfied its burden of proving that the Application for a Proposed Spacing Unit, as amended, satisfies the requirements of the Act and the Rules Governing Conservation of Oil and Natural Gas in the State of Idaho (IDAPA 20.07.02).

### **ORDER**

Based on the foregoing findings of fact and conclusions of law, pursuant to Idaho Code §§ 47-317 and 328, the Proposed Spacing Unit in Docket No. CC-2025-OGR-01-002 is **GRANTED** subject to the following conditions:

1. This order approving the spacing unit shall allow for only one well within the unit.
2. The spacing unit be amended to 400 acres, consisting of the SE ¼ of Section 15, the E ½ of the SW ¼ of Section 15, and the NE ¼ of Section 22, Township 8 North, Range 5 West, Canyon County, Idaho, as further described at Exhibit A.
3. Setbacks shall be 330 feet from the closest exterior geographic boundary of the unit as described in I.C. § 47-317(3)(a)(i).
4. The spacing unit will expire 90 days after final plugging and reclamation has been completed, inspected, and approved by IDL.

Pursuant to Idaho Code § 47-328(3)(e), this Order shall not be subject to any motion to reconsider or further review, except for appeal to the Idaho Oil and Gas Commission. Applicant or any owner who filed an objection or other timely response to the application may file an appeal to the Commission within fourteen (14) calendar days of the date of this Order.

An appeal must include the reasons and authority for the appeal, and shall identify any facts in the record supporting the appeal. Appellant must provide proof of service of appeal materials on other persons as required in I.C. § 47-328.

If no appeal is filed with the Commission within the required time, this Order shall become a Final Order pursuant to I.C. § 47-328(6).

**IT IS SO ORDERED.**

DATED this 30th day of September, 2025.



Shannon Chollett  
Oil and Gas Division Administrator

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 30th day of September, 2025, I caused to be served a true and correct copy of the foregoing by the following method to:

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c/o Michael Christian  
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J.J. Winters  
Attorney, Idaho Department of Lands

## EXHIBIT A



**Exhibit IDL-01**

6/18/2025



**IDAHO OIL & GAS  
CONSERVATION COMMISSION**

### Map Explanation

Map Notes and Data Sources:  
Scale - 1:24,000  
Oil And Gas Well data from IG

**Disclaimer:**  
This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources.

