BEFORE THE IDAHO DEPARTMENT OF LANDS

In the Matter of Application of Snake River Oil and Gas, LLC, to Integrate the Spacing Unit Consisting of the SE¼ of Section 15, the E ½ of the SW¼ of Section 15, and the NE ¼ of Section 22, Township 8 North, Range 5 West, Boise Meridian, Payette County, Idaho **SNAKE RIVER OIL AND GAS, LLC, Applicant.**	Agency Docket No. CC-2025-OGR-01-005 OAH Case No. 25-320-OG-04 **MOTION TO EXCLUDE UNTIMELY OBJECTION OF CITY OF FRUITLAND**

For the reasons set forth below, Applicant Snake River Oil and Gas, LLC objects to the untimely objection to the application for an integration order filed by the City of Fruitland on December 23, 2025, and moves to exclude the filing from the record.

I. INTRODUCTION.

The City of Fruitland ("the City"), an uncommitted mineral owner in the subject spacing unit, was on notice of Applicant Snake River Oil and Gas, LLC's application for an integration order since shortly after October 6, 2025, when it was sent a copy of the application materials by certified mail. It did not file a written objection or other reply to the application within the time permitted by Idaho Code §47-328(3)(b). It did not file an appearance in the proceedings, disclose any witnesses or exhibits, or otherwise participate in the evidentiary hearing on the application on December 17, 2025. Then, on the afternoon of December 23, 2025, one day before the end of the extended period allowed by the hearing officer for written public comment by non-parties, it filed an extensive written objection to the application, along with a memo from its attorney and several documents. At no time before then had the City raised any of the issues included in its December

23 filing, including over the several years Applicant attempted to lease the City's minerals in the spacing unit area.

The City's late objection violates Idaho Code § 47-328(3)(b), the hearing officer's prehearing scheduling order, Idaho Code § 67-5251, and several parts of the Idaho Rules of Administrative Procedure. It is unfair and prejudicial to Applicant, is inadmissible, and should be excluded from the record.[1]

II. FACTS.

1. The City is an uncommitted mineral owner in the spacing unit that is the subject of Applicant's request for an integration order. *See* Ex. SR-05 (owner list and resume of efforts), pp. SR-282, SR-292; (Tracts #122, #135).

2. Applicant made extensive efforts to lease the City's minerals within the spacing unit between 2022 and 2025. Ex. SR-05, p. SR-282.

3. Applicant filed its application for an order integrating the uncommitted mineral interests in subject spacing unit, including the City's, on September 29, 2025. Ex. SR-01.

4. Applicant mailed copies of the application materials, and a notice of the initial regularly scheduled hearing date, to all locatable uncommitted mineral owners in the spacing unit, including the City, on October 6, 2025. Ex. SR-03a, p. SR-235 (certified mailing receipt). The notice included with the mailing informed the City that, pursuant to Idaho Code § 47-328(3)(b)

[1] Had the City made its claim in a timely and proper manner, Applicant would have vigorously contested it. However, Applicant's entitlement to an integration order should not be affected even if the City's untimely objection is credited. The City asserts that it owns the minerals under 21.374 additional acres within the spacing unit, or about 5.34% of the net mineral acres. The application materials reflect that Applicant has the commitment of 61.90% of the unit's net mineral acres. Even crediting the City's assertion for purposes of argument, Applicant would still have the commitment of 56.56% percent of the net mineral acres, exceeding the 55% commitment level required to entitle it to an integration order pursuant to Idaho Code §47-320(6)(a). As a result, the City's eleventh-hour title dispute with the Highway District is not a basis to deny Applicant an integration order. Any disagreement between the City and Highway District No. 1 over who owns the acreage in question could be resolved later and royalty held in suspense until those parties resolve it. Applicant will address this further in its proposed findings of fact and conclusions of law. However, the City's dilatory tactics are contrary to law and unfair to Applicant and should not be allowed.

any objection or other response to the application by an uncommitted mineral owner was required to be filed fourteen days before the hearing date. Ex. SR-01, p. SR-001.

5. After the evidentiary hearing on the application was rescheduled to December 17, 2025, any objection or other response of an uncommitted owner was required to be filed by December 3, 2025.

6. The City filed no objection or other response to the application by December 3, 2025.

7. The City did not appear or disclose any witnesses or exhibits for the evidentiary hearing by December 3, 2025, as required by the hearing officer's November 4, 2025 prehearing Scheduling Order, or at any time prior to the evidentiary hearing.

8. The City did not appear or participate in the evidentiary hearing on the application on December 17, 2025.

9. Immediately after the evidentiary hearing, Stuart Grimes, the City's administrator, made oral comments on behalf of the City that purported to be public witness testimony, even though the City is an uncommitted owner. Mr. Grimes' comments indicated the City opposed the issuance of an integration order largely on the basis that it objected to the placement of *any* well in the subject spacing unit, confirming that the City would never have leased its minerals for development of a well in the spacing unit, and consistent with its refusal to lease before the application was filed. Mr. Grimes did not raise any argument about title to minerals in the unit.

10. Following the completion of the evidentiary hearing after the parties rested, and after public witness testimony, the hearing officer held the record open until December 24, 2025, solely for the purpose of receiving any further written public comment.

11. On the afternoon of December 23, two and a half months after it first received a copy of the Applicant's integration application materials, three weeks after failing to meet the deadline for an uncommitted owner to file an objection to the application, a week after the evidentiary hearing in which it failed to participate, and after Mr. Grimes had already attempted to testify for the City following the hearing, the City filed: (a) a lengthy written comment from Mr. Grimes on behalf of the City arguing that the City owns certain additional property in the spacing unit[2]; (b) a legal memo from the City's attorney making various assertions regarding the City's ownership of certain property in the spacing unit and regarding Highway District 1's ability to lease its minerals; and (c) copies of two subdivision plats and a county annexation ordinance, apparently in support of Mr. Grimes' arguments.

12. At no time before its December 23 filing, including over three years during the time that Applicant attempted to lease the City's minerals in the spacing unit area, did the City ever inform Applicant or take the position that it owned the minerals in the areas discussed in Mr. Grimes' December 23 filing.

I. ARGUMENT AND AUTHORITY.

1. The City's December 23, 2025 filing is an untimely objection or other response to the application by an uncommitted mineral owner in the spacing unit.

Idaho Code §47-328(3)(b) provides, in pertinent part: "Only an uncommitted owner in the affected unit may file an objection or other response to the application, and the uncommitted owner shall file at least fourteen (14) days before the hearing date provided in the notice." The City's December 23 filing is clearly an objection to the application based specifically on its status as an uncommitted mineral owner in the unit. The City was required by Idaho Code § 47-328(3)(b) to

[2] Thus, the City's untimely objection is specifically about its status as an uncommitted mineral owner.

raise the objection at least fourteen days before the evidentiary hearing, or by December 3, or at the latest by participating as a party in the evidentiary hearing on the December 17. It did neither. Its objection is untimely.

2. The City is a respondent party and not a "public witness" under the Idaho Administrative Rules, and it cannot not offer testimony or other evidence as a public witness not subject to objection or examination.

In contested cases conducted under the Idaho Rules of Administrative Procedure, "[u]nless otherwise labeled by statute or by agency practice, parties to contested cases before the agency are called petitioners, respondents, or intervenors." IDAPA 62.01.01.200. Respondents are "[p]ersons against whom petitions or complaints are filed or about whom investigations are initiated are called "respondents." This definition applies irrespective of whether a party files any response to a petition or participates in an evidentiary hearing regarding it.

An application to integrate the mineral interest in a spacing unit is a petition directed at the interests of uncommitted mineral owners. Idaho Code §47-320(1) provides in pertinent part:

> In the absence of voluntary integration, the department, upon the application of any owner in that proposed spacing unit, shall order integration of all tracts or interests in the spacing unit for drilling of a well or wells, for development and operation thereof and for the sharing of production therefrom. The department, as a part of the order establishing a spacing unit, may prescribe the terms and conditions upon which the royalty interests in the unit shall, in the absence of voluntary agreement, be deemed to be integrated without the necessity of a subsequent separate order integrating the royalty interests.

The "tracts or interests" and "royalty interests in the unit" referred to in the above language consists of the interests already leased by the applicant, and the unleased interest such as that owned by the City of Fruitland. Idaho Code §47-320(4)(g) requires the applicant to list "all *uncommitted owners in the spacing unit to be integrated* under the application" (emphasis added). Thus, the City is a "respondent" party for purposes of IDAPA 62.01.01.200, irrespective of whether it timely objected or elected to participate in the evidentiary hearing of the contested case.

On the other hand, a "public witness" is explicitly defined in the administrative rules to *exclude* parties. IDAPA 62.01.01.207 provides:

> Persons not parties and not called by a party who may be permitted to testify at hearing are called "public witnesses." Public witnesses do not have parties' rights to examine witnesses or otherwise participate in the proceedings as parties. Public witnesses' written or oral statements and exhibits are subject to examination and objection by parties. Subject to a presiding officer's determination of hearing procedure and admissibility of evidence, public witnesses have a right to offer evidence at hearing through written or oral statements and exhibits, except that public witnesses offering expert opinions at hearing or detailed analyses or detailed exhibits must comply with these rules and any order of the presiding officer regarding the prehearing disclosure of expert testimony.

The City's filing is contrary to Rule 207 in several ways.

First, "public witness" includes only those "persons [who are] *not parties.*" *Id.* The City, as a respondent party, cannot be a public witness. It cannot fail to timely respond to the application, decline the opportunity to participate in the evidentiary hearing on the application, and then use the extended written public comment period allowed by the hearing officer to introduce extensive evidence directly related to its status as an uncommitted owner in an effort to defeat the application.

Second, even if the City could qualify as a public witness, Rule 207 provides that "[p]ublic witnesses' written or oral statements and exhibits are subject to examination and objection by parties." The City's untimely attempt to fill the record did not allow Applicant the opportunity to examine its representative Mr. Grimes about his statements or the documents filed, violating this restriction.

Third, Rule 207 only permits public witnesses to "offer evidence *at hearing* through written or oral statements and exhibits." This is consistent with the idea that parties must have the opportunity to contemporaneously object and cross-examine a public witness on his or her statements and exhibits. The City's late filing violates this restriction.

As a respondent party, the City cannot submit extensive, unchallenged additional evidence as a public witness. To allow the City to do so would violate the clear language of IDAPA 62.01.01.207, as well as the clear language and spirit of Idaho Code §47-320 and §47-328.

3. The hearing officer has the authority to exclude the City's untimely objection to the application, and it should be excluded on several grounds.

The presiding officer in a contested case has the authority to "rule upon objections to evidence." IDAPA 62.01.01.252.01.c. "The presiding officer may exclude inadmissible evidence with or without motion." IDAPA 62.01.01.475.

"Evidence is admissible, and excludable, as provided in Section 67-5251, Idaho Code. IDAPA 62.01.01.475. Idaho Code § 67-5251(1) provides in pertinent part that "[t]he presiding officer may exclude evidence that is irrelevant, unduly repetitious, or excludable on constitutional or statutory grounds[.]" Idaho Code § 67-5251(2) provides that "evidence may be received in written form if doing so will expedite the hearing without substantially prejudicing the interests of any party."

The City's untimely objection is excludable on multiple grounds:

First, it is excludable "on statutory grounds," as it violates the timeliness requirement for written objections by uncommitted owners set forth in Idaho Code §47-328(3)(b). Idaho Code § 67-5251(1).

Second, it is excludable because it does not "expedite the hearing," but instead "substantially prejudice[es] the interest of" a party, the Applicant, because it was filed not only well after the statutory deadline of Idaho Code §47-328(3)(b), but also after the evidentiary hearing and after all parties who did appear had rested, preventing Applicant from subjecting Mr. Grimes' statement and the additional documents to objection and examination. Idaho Code § 67-5251(2).

Third, IDAPA 62.01.01.304 provides that "[d]efective, insufficient, or late pleadings may be returned, dismissed, or rejected." The City's filing is an untimely objection or response to the application, and thus a "late pleading," which may be rejected.

Fourth, IDAPA 62.01.01.403 provides that prehearing scheduling orders "will control the course of subsequent proceedings" absent modification by the presiding officer for good cause. Mr. Grimes was never disclosed as a witness, nor were the documents included in the City's December 23 filing ever disclosed as exhibits, in compliance with the November 3, 2025 scheduling order.

Fifth, as discussed above, the City cannot be a public witness, and its filing violates the clear terms of IDAPA 62.01.01.207.

Sixth, testimony at an evidentiary hearing is required to be made under oath. IDAPA 62.01.01.507. Mr. Grimes' statement included in the City's late filing was not made under oath.

Seventh, "[a] factual finding cannot be based solely on hearsay unless permitted by statute or where no objection has been made to the admission of the hearsay." IDAPA 62.01.01.478. The City's late filing, because it was made entirely outside the evidentiary hearing and was made for the truth of the matter asserted in it, is hearsay. I.R.E. 801(c) (Hearsay is a statement, other than one made by the declarant while testifying at the trial or hearing, offered in evidence to prove the truth of the matter asserted). There is no other evidence in the record to support the assertions made in the City's late filing.[3] Thus, it cannot support a factual finding and should be excluded.

[3] There are also no "circumstantial guarantees of trustworthiness, such as other corroborating evidence," in the record. IDAPA 62.01.01.478.

II. CONCLUSION.

The City's late filing is an improper and untimely objection to the application for an integration order. The City is a respondent party, and cannot insert evidence into the record well after the evidentiary hearing on the application under the guise of being a public witness, thereby preventing Applicant from examining the statement and documents during the hearing. The filing is inadmissible hearsay which cannot be the basis of a factual finding, substantially prejudices Applicant, and violates several provisions of the Idaho Administrative Rules. An untimely title dispute cannot be the basis for denial of an integration order where the Applicant meets the requirements for obtaining the order. The City's untimely objection should be excluded from the record.

DATED this 29th day of December, 2025.

HARDEE, PIÑOL & KRACKE, PLLC

MICHAEL CHRISTIAN
Attorney for Applicant

CERTIFICATE OF SERVICE

I hereby certify that on this 29th day of December, 2025, I caused to be served a true and correct copy of the foregoing by the following method to:

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