

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION  
STATE OF IDAHO**

In the Matter of Application of AM Idaho, )	Docket No. CC-2019-OGR-01-002
LLC, for Spacing Order and Integration )	
of Unleased Mineral Interest Owners in the )	<b>OBJECTION TO MOTION TO</b>
SW ¼ Section 10, Township 8 North, )	<b>INTERVENE ON BEHALF OF</b>
Range 5 West, Boise Meridian, )	<b>APPLICANT AM IDAHO, LLC</b>
Payette County, Idaho )	
)	
AM Idaho, LLC, Applicant. )	
)	

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Applicant AM Idaho, LLC (“AMI”), submits its *Objection to the Motion to Intervene on Behalf of Effected But Excluded Mineral Rights Owners and Motion to Reopen Hearing* (the “Objection”) pursuant to Idaho Code § 47-328, the Order issued October 9, 2019 by the Administrator (the “Order”) and Idaho Administrative Code §§ 04.11.01.350-354.2.

**ARGUMENT**

***1. Idaho Code precludes a Motion to Intervene by these mineral owners.***

Idaho Code § 47-328 states that “[o]nly an uncommitted owner in the affected unit may file an objection or other response to the application ....” I.C. § 47-328(3)(b) (emphasis added). The mineral owners seeking to intervene here are not uncommitted owners within the proposed application area and thus are not allowed to participate pursuant to the statute.

AMI properly submitted its application for a spacing and integration order pursuant to Idaho Code. *See*, I.C. §§ 47-318, 47-320, 47-328. AMI also complied with Idaho Code § 47-320(4)(j) and diligently identified and notified uncommitted owners in the proposed spacing unit. *See Application of AM Idaho, LLC*. The 160 acre unit “is the best fit to cover the lands

underlaid by the gas pool, and ... the proposed 160 acre unit is not smaller than the maximum area that could be effectively and economically drained by one well.” *Declaration of David M. Smith*, at ¶ 20; *see also Application of AM Idaho, LLC*. This is also consistent with the default drilling unit configuration for vertical gas wells as set forth in Idaho Code §47-317(3)(b), and the size of the spacing units are not smaller than the maximum area that can be efficiently and economically drained, pursuant to Idaho Code § 47-318(2). AMI proposed the largest area that can be efficiently and economically drained. The Fallon #1-10 well is located close to the center of the proposed spacing unit and AMI’s testing shows that the well will produce natural gas and gas condensate within the proposed unit. *Declaration of David M. Smith*, at ¶ 21.

Additionally, the parameters of Idaho Code § 47-328 are consistent with the purposes set forth in the Idaho Oil and Gas Conservation Act (the “Act”), because only mineral interest owners have correlative rights as related to the economical development of resources. *See Response Br. of AM Idaho, LLC*, p. 2. AMI analyzed this extensively in its prior briefings.

***2. The Motion to Intervene fails to identify authority for participation.***

The Motion to Intervene fails to provide statutory or other legal authority contrary to the standards required by Idaho Code discussed above. In fact, the parties seeking to intervene assert incorrect legal standards and essentially request that anyone who may, at some point in time, potentially be under an integration order has a due process right to participate in integration and spacing applications. This assertion is unsupported by statute and the Motion to Intervene provides no basis for deviating from the standards required by Idaho Code. As discussed above, AMI complied with the requirements for integration and spacing units set forth by statute. *See Application of AM Idaho, LLC; Opening Br. of AM Idaho, LLC*, p. 2-5. AMI previously

addressed other concerns related to due process raised in the Motion to Intervene in its prior briefings.

**CONCLUSION**

AMI respectfully requests that the Administrator deny the Motion to Intervene and not reopen the record for additional evidence or argument.

DATED this 14th day of October, 2019.

SMITH + MALEK, PLLC

A handwritten signature in blue ink, appearing to read "Michael Christian", is written over a light blue rectangular background.

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MICHAEL CHRISTIAN  
Attorney for Applicant

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 14th day of October, 2019, I caused to be served a true and correct copy of the foregoing by the method indicated below, and addressed to all counsel of record as follows:

Kristina Fugate Deputy Attorney General P.O. Box 83720 Boise, ID 83720-0010	<input type="checkbox"/> U.S. Mail <input type="checkbox"/> Certified Mail, return receipt requested <input type="checkbox"/> Overnight Delivery <input type="checkbox"/> Messenger Delivery <input checked="" type="checkbox"/> Email: kristina.fugate@ag.idaho.gov
Joy Vega Deputy Attorney General P.O. Box 83720 Boise, ID 83720-0010	<input type="checkbox"/> U.S. Mail <input type="checkbox"/> Certified Mail, return receipt requested <input type="checkbox"/> Overnight Delivery <input type="checkbox"/> Messenger Delivery <input checked="" type="checkbox"/> Email: joy.vega@ag.idaho.gov
Mick Thomas Division Administrator Idaho Department of Lands P.O. Box 83720 Boise, ID 83720-0050	<input type="checkbox"/> U.S. Mail <input type="checkbox"/> Certified Mail, return receipt requested <input type="checkbox"/> Overnight Delivery <input type="checkbox"/> Messenger Delivery <input checked="" type="checkbox"/> Email: mthomas@idl.idaho.gov
James Thum Idaho Department of Lands P.O. Box 83720 Boise, Idaho 83720-0050	<input type="checkbox"/> U.S. Mail <input type="checkbox"/> Certified Mail, return receipt requested <input type="checkbox"/> Overnight Delivery <input type="checkbox"/> Messenger Delivery <input checked="" type="checkbox"/> Email: jthum@idl.idaho.gov
Kourtney Romine Idaho Department of Lands P.O. Box 83720 Boise, Idaho 83720-0050	<input type="checkbox"/> U.S. Mail <input type="checkbox"/> Certified Mail, return receipt requested <input type="checkbox"/> Overnight Delivery <input type="checkbox"/> Messenger Delivery <input checked="" type="checkbox"/> Email: kromine@idl.idaho.gov
City of Fruitland Attn: Rick Watkins-City Clerk PO Box 324 Fruitland ID 83619	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> Certified Mail, return receipt requested <input type="checkbox"/> Overnight Delivery <input type="checkbox"/> Messenger Delivery <input type="checkbox"/> Email

Jimmie and Judy Hicks 1540 NW 6th Ave Payette, ID 83661	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> Certified Mail, return receipt requested <input type="checkbox"/> Overnight Delivery <input type="checkbox"/> Messenger Delivery <input type="checkbox"/> Email
Anadarko Land Corp. Attn: Dale Tingen 1201 Lake Robbins Dr The Woodlands, TX 77380	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> Certified Mail, return receipt requested <input type="checkbox"/> Overnight Delivery <input type="checkbox"/> Messenger Delivery <input type="checkbox"/> Email
Shady River, LLC 3500 E. Coast Hwy. Ste 100 Corona Del Mar, CA 92625	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> Certified Mail, return receipt requested <input type="checkbox"/> Overnight Delivery <input type="checkbox"/> Messenger Delivery <input type="checkbox"/> Email
Alan and Glenda Grace 1755 Killebrew Dr. Payette, ID 83661	<input checked="" type="checkbox"/> U.S. Mail <input type="checkbox"/> Certified Mail, return receipt requested <input type="checkbox"/> Overnight Delivery <input type="checkbox"/> Messenger Delivery <input type="checkbox"/> Email
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*/s/ Lauren Smyser*

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LAUREN SMYSER