



IDAHO OIL AND GAS CONSERVATION COMMISSION

Betty Coppersmith, Chair  
Ray Hinchcliff, Vice Chair  
Jim Classen, Commissioner  
Dustin Miller, Commissioner  
Marc Shigeta, Commissioner

Mick Thomas, Secretary to the Commission

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Final Minutes

Idaho Oil and Gas Conservation Commission Regular Meeting  
November 16, 2021

The regular meeting of the Idaho Oil and Gas Conservation Commission was held on Tuesday, November 16, 2021, with the physical location at Idaho Department of Lands Office, Garnet Conference Room, 300 N. 6th St., Suite 103, Boise, Idaho. There was also a teleconference option. The meeting began at 2:30 p.m. (MT). Chairman Betty Coppersmith presided. The following members were present:

Vice Chairman Ray Hinchcliff  
Commissioner Jim Classen  
Commissioner Dustin Miller  
Commissioner Marc Shigeta

For the record, four Commissioners and Secretary Thomas were present at the physical location. Commissioner Miller was present via teleconference.

- **ANNOUNCEMENTS**

Chairman Coppersmith went over the agenda items. Chairman Coppersmith announced that public comment would be taken on agenda item number four. Chairman Coppersmith stated that advanced sign-ups were required and that three people expressed interest in providing public comment.

1. **Division Administrator's Report**

- A. Financial Update

Commissioner Classen inquired about the end of the last fiscal year and if the fund still had money. Secretary Thomas responded that he did not have those numbers in front of him but at the end of fiscal year 2021, there was a little over \$5,000 remaining in the general fund. Commissioner Classen asked what happens to that in which Secretary Thomas explained he believes it is reverted to the general fund. Commissioner Classen then asked about the other fund of money. Secretary Thomas stated that the dedicated fund rolls forward and that we do not lose that money. Commissioner Classen inquired about interest, Secretary Thomas responded that he did not know and that he did not think they were invested.

B. Current Oil and Gas Activity

Commissioner Hinchcliff asked if Secretary Thomas knew what the average product price was for this recent month, that Snake River received for their gas. Secretary Thomas responded that the average price reported by the operator for the production that's been reported for gas was approximately \$3.64 per MCF. Commissioner Classen inquired about the Barlow #2-14 well and if it was producing. Program Specialist James Thum responded that they were working on infrastructure and that the well is confidential so he could not discuss it. Mr. Thum added that he did not have any information indicating if it was producing or not.

Secretary Thomas updated the Commission on a recent trip that he and Mr. Thum took to Santa Fe for the Interstate Oil and Gas Compact Commission meeting. A few things he took away from the meeting were: revenue and production were up nationwide, other states have combined regulatory divisions which the Department has already done, to take advantage of technical expertise and save money on manpower, there was a lot of talk about carbon capture technology and that many states are trying to stay ahead of the curve. The understanding was that a lot of agencies understand that the energy market in the United States is becoming more diversified.

Secretary Thomas gave an update on the injection well and that the Environmental Protection Agency (EPA) is continuing its evaluation of the injection well application submitted by Snake River Oil & Gas. The Department has responded to inquiries regarding our statutes and rules for well plugging requirements in the state. The EPA has not given any indication of the status of the application, or time frame for their recommendations on the permit. The DJS Property #2-14 well is still intended to be the designated Class 2 injection well. Commissioner Classen remarked that the whole deal has been a fiasco. Secretary Thomas responded that it is not an isolated topic; he has been tracking other states as they move forward, the state of Michigan is moving forward with a Class 2 primacy, not an individual well but Class 2 primacy and they are in their eighth year of review. A question was asked about the site proposed for disposal. Secretary Thomas reiterated it was the DJS Property #2-14. Chairman Coppersmith commented that this is the first water injection well that the EPA is permitting in this region, so it was not surprising that it was taking a long time. Commissioner Classen and Secretary Thomas agreed.

- **CONSENT – ACTION ITEM(S)**

2. **Approval of Minutes** – August 4, 2021 – Regular Meeting (Boise)

*COMMISSION ACTION:* A motion was made by Commissioner Miller that the Commission approve the meeting minutes. Vice Chairman Hinchcliff seconded the motion. The motion carried on a vote of 5-0.

- **REGULAR – ACTION ITEM(S)**

3. **Omnibus Rulemaking – Adoption of Pending Rule for IDAPA 20.07.02 – Rules Governing Conservation of Oil and Natural Gas in the State of Idaho** – Presented by Mick Thomas, Division Administrator – Minerals, Public Trust, and Oil & Gas

*RECOMMENDATION:* Adopt the proposed fee rule as the pending rule for IDAPA 20.07.02 Rules Governing Conservation of Oil and Natural Gas in the State of Idaho and authorize the Department to submit a Notice of Adoption of Pending Rule consistent with that adoption.

*DISCUSSION:* Chairman Coppersmith stated that this processed has happened for the last two-three years. Secretary Thomas clarified it was two years.

*COMMISSION ACTION:* A motion was made by Commissioner Shigeta to adopt the proposed fee rule as pending rule for IDAPA 20.07.02 Rules Governing Conservation of Oil and Natural Gas in the State of Idaho and authorize the Department to submit a Notice of Adoption of Pending Rule consistent with that adoption. Vice Chairman Hinchcliff seconded the motion. The motion carried on a vote of 5-0.

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

- **INFORMATION**

- 4. **Proposed Legislation for Title 47, Chapter 3, Idaho Code for the 2023 Legislative Session – Presented by Mick Thomas, Division Administrator – Minerals, Public Trust, and Oil & Gas**

The Commission discussed this topic in detail. Public comment was accepted on this agenda item. JoAnn Higby provided comments in person at the meeting and Michael Christian provided comments over the phone. Chairman Coppersmith asked if James Piotrowski wanted to provide comment but there was no response. Ms. Higby stated she would like to be excused if there were no questions for her and commented that the current operator has been much better to deal with. A brief discussion was had on the timeline of this process.

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](mailto:public_records_request@idl.idaho.gov).

At 3:51 p.m., a motion was made by Commissioner Shigeta that the Commission convene into Executive Session pursuant to 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. Vice Chairman Hinchcliff seconded the motion. Chairman Coppersmith stated a roll call vote is required. Roll Call Vote: Aye: Coppersmith, Hinchcliff, Classen, Shigeta, Miller; Nay: None; Absent: None.

- **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: CAIA v. Miller]

