



IDAHO OIL AND GAS CONSERVATION COMMISSION

Kevin Dickey, Chairman  
Marc Shigeta, Vice Chairman  
Jim Classen, Commissioner  
Dr. Renee Love, Commissioner  
Dustin T. Miller, Commissioner

Mick Thomas, Secretary to the Commission

---

Final Minutes

Idaho Oil and Gas Conservation Commission Regular Meeting  
October 10, 2018

The regular meeting of the Idaho Oil and Gas Conservation Commission was held on Wednesday, October 10, 2018, at the State Capitol, House Hearing Room (EW42), Lower Level, East Wing, 700 W Jefferson St., Boise, Idaho. The meeting began at 1:00 p.m. Chairman Kevin Dickey presided. The following members were present:

Vice Chairman Marc Shigeta  
Commissioner Jim Classen  
Commissioner Renee Love (*via video conference*)  
Commissioner Dustin T. Miller

For the record, all five Commission members were present with Commissioner Love joining via video conference.

• **ANNOUNCEMENTS**

Chairman Dickey announced that the Commission will accept public comments on items listed on the agenda. He pointed out the location of the sign-in sheet at the back of the room and asked that those who wished to speak fill out the sign-in sheet.

Secretary Thomas introduced Dustin Miller as the new Director of the Idaho Department of Lands. Commissioner Miller replaces David Groeschl who was the Acting Director. Secretary Thomas also noted that Commissioner Love is joining via video conference and thanked Chris Gozzo, Oil and Gas Information Specialist and Soren Jacobsen, Senior IT Specialist from the Legislative Services Office who worked to make the video conferencing happen. Secretary Thomas reminded the Commissioners to speak into the microphones so Commissioner Love can hear.

**1. Division Administrator's Report**

A. Financial Update

Chairman Dickey asked about the \$5,700 spent from the dedicated fund. Secretary Thomas explained that \$5,000 was the annual rent payment, \$619 was for parking and the remaining were from a Verizon bill and a first aid course.

## B. Current Oil and Gas Activity

Vice Chairman Shigeta asked if staff would observe the plugging of the wells. Secretary Thomas responded that the oil and gas inspector would be on site but not for the entire time. Vice Chairman Shigeta stated that some of those wells are located in farm fields and that the rules note that wells will be plugged as not to interfere with soil cultivation; he asked how deep. Commissioner Classen responded about five feet, Secretary Thomas agreed it would be five to six feet deep. Commissioner Classen also stated that a well plate is put on top with some identification information. Chairman Dickey inquired about the Island Capitol well and whether or not there were plans for that well. Program Manager James Thum responded that the Island Capitol #1-19 was on a five-year extension which expires in December 2018. Mr. Thum followed up that Alta Mesa has not indicated their intentions for this well but must by December 2018. Vice Chairman Shigeta verified that Island Capitol is in the Little Willow field; Chairman Dickey responded that it was. Commissioner Love asked if the current application for permit to drill (Bell #17-2) would be a directional well. Mr. Thum clarified that it would be marginally deviated from the surface location slightly to the southeast for legal spacing for an oil well.

## C. Status Update

### i. Docket No. CC-2017-OGR-01-002 – Kauffman Complaint

Chairman Dickey clarified that there will be no hearing but that a recommended order is being written. Secretary Thomas responded yes and that order will be reviewed by the Commission who can then accept, decline or make adjustments to the order. Chairman Dickey asked if there was no hearing or evidence, would the case be lost. Deputy Attorney General Kristina Fugate explained that there are court proceedings where a plaintiff might move for summary judgement and that the recommended order is based on the record, the Commission will evaluate the order and make the final decision. Chairman Dickey asked if that decision could be appealed, Ms. Fugate responded yes. Chairman Dickey inquired about the timeline for the recommended order, Secretary Thomas responded that the hearing officer was working on it.

### ii. CPC Mineral LLC, Application for Permit to Drill

### iii. Class II Primacy – Permit Status

Commissioner Classen asked if the Commission could offer any input on the application. Secretary Thomas responded yes, that the Commission and Department could offer comments during the public comment period. Commissioner Classen inquired about submitting comments, Secretary Thomas responded that he would be happy to do so.

## D. Operator Compliance

Chairman Dickey asked if the Notice of Violation was in the meeting materials, Secretary Thomas responded that it was emailed to the Commission. Chairman Dickey inquired about what the Commission needed to do. Secretary Thomas explained that it could go to a hearing or it can go to a settlement. Commissioner Classen asked if the settlement was up to the Division Administrator; Secretary Thomas responded that the Deputy Attorney General will advise on that. Ms. Fugate explained that any settlement reached would be brought before the Commission.

- **CONSENT – ACTION ITEM(S)**

2. **Approval of Minutes** – September 12, 2018 - Regular Meeting (Boise)

*CONSENT AGENDA COMMISSION ACTION:* A motion was made by Vice Chairman Shigeta that the Commission approve the meeting minutes on the Consent Agenda. Commissioner Miller 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**

3. **Second Quarter 2018 Quarterly Reports** – Presented by James Thum, Program Manager – Oil and Gas

- **REGULAR – ACTION ITEM(S)**

4. **Operator Records Examined** – Presented by Mick Thomas, Division Administrator – Oil and Gas

*RECOMMENDATION:* Direct the Department to move forward with the next steps outlined in the October 1, 2018 Notice of Formal Investigation letter, including the subpoena of documents and related witnesses to appear before the Commission to investigate Alta Mesa’s compliance with Idaho Code §§ 47-315(i) and 47-324(1).

*DISCUSSION:* Chairman Dickey stated that he was disappointed in the apparent stall tactics of Alta Mesa. Secretary Thomas explained that the operator has a concern about confidentiality of the documents. Commissioner Classen explained that production data is not proprietary nor should it be confidential in any oil or gas producing state. Chairman Dickey responded that the operator is saying that allocation methods may be confidential but that should not be the case. Secretary Thomas read from Idaho Code § 74-1(3) and that it does relate to production volumes and also Idaho Code § 47-3 has a time frame for confidentiality but that the time frame has passed. Commissioner Classen asked if the Chairman was seeking a motion to proceed with getting the information through a subpoena, Chairman Dickey responded yes.

*COMMISSION ACTION:* A motion was made by Commissioner Classen to direct the Department to proceed with appropriate subpoenas for the information that the Department deems appropriate. Commissioner Love seconded the motion. Chairman Dickey reiterated that the motion is to direct the Department to proceed with the subpoena. The motion carried on a vote of 5-0.

Secretary Thomas announced that there was a technical glitch and a portion of the meeting may not have been streamed.<sup>1</sup>

---

<sup>1</sup> Department staff later discovered the meeting was recorded and streamed in full

