See attachment.

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November 23, 2021

Mick Thomas  
Division Administrator  
Mineral, Public Trust, and Oil & Gas Programs  
Idaho Department of Lands  
300 N. 6th Street, Suite 103  
Boise, ID 83702

Dear Administrator Thomas:

Thank you for the opportunity to submit comments on the proposed legislation to amend Idaho Code § 47-3. We thank you for the opportunity to provide input during the drafting process.

The Idaho Organization of Resource Councils is a 501(c)(3) tax exempt nonprofit organization based in Boise, Idaho with two local chapters representing members in Bannock and Canyon Counties and members across southern Idaho. Our mission is to empower people to improve the well-being of their communities, sustain family farms and ranches, transform local food systems, promote clean energy, and advocate for responsible stewardship of Idaho’s natural resources.

Please accept the following comments:

47-310. DEFINITIONS:  
Provide a definition of “arms-length transaction” to ensure there is a clear standard of fairness to avoid price fixing, collusion, and market manipulation between parties and ensure tax payers and mineral interest owners are fairly compensated.

47-314. OIL AND GAS CONSERVATION COMMISSION CREATED — POWERS — LIMIT ON LOCAL RESTRICTIONS — ATTORNEY GENERAL:  
Should provide guidance and clear legislative intent to require members of the Oil & Gas Conservation Commission are appointed to reflect a broad range of public interests by recruiting professionals who have backgrounds in public land & natural resources management, air & water quality management, and environmental & public health management.

47-315. AUTHORITY OF COMMISSION:  
Revise the mission of the commission and department to regulate oil and gas development in a manner that protects public health and safety, clean air and water, and broader public interests.

Eliminate blanket bonds unless they are tied to projected site-specific costs of reclamation and ongoing monitoring. Bonds should be evaluated annually to adjust for factors that contribute to reclamation and

Comments Re: Idaho Code § 47-3 OIL AND GAS WELLS — GEOLOGIC INFORMATION, AND PREVENTION OF WASTE
monitoring costs, including the consumer price index, number of wells, well depth, location or proximity to residential developments, the size of the surface disturbance, and expansion/growth of facilities/infrastructure.

Ensure bonds stay in place over the life of the well and transfer with owners of the well. Authorize the creation of a statewide reclamation fund paid by developers to reclaim oil and gas drilling operations and fund ongoing tests, including air & water quality monitoring, to ensure the integrity of the plugged well.

47-319. SETBACKS:
Setbacks should be updated to reflect the growing body of peer-reviewed research that indicates higher levels of harmful air pollution near oil and gas production and has traced oil and gas production as the source of that increased pollution. This research finds a correlation between disease rates and proximity to oil and gas facilities. The setbacks should be scientifically defensible, reflect the population growth trends in the Treasure Valley, err toward mitigating conflicts that arise between residential use/development and natural resource extraction, and be determined on case-by-case basis taking into account wind patterns, geographical features, and site-specific on-the-ground data.

47-320. INTEGRATION OF TRACTS — ORDERS OF DEPARTMENT:
The just and reasonable clause should meet the highest possible standards for due process.

47-334. USE OF SURFACE LAND BY OWNER OR OPERATOR:
Strengthen the requirements for surface use agreements by the addition of a standards or a definition of what constitutes a “good faith negotiation.” These agreements should be extended to cover any all damages including wells and groundwater sources and not restricted to lost agricultural income and lost value of improvements. In cases when the developer and the surface estate owner cannot come to an agreement, the statute should allow for a hearing if necessary to determine surface bond amount. In the absence of an agreement, the surface use bond should be increased to a minimum of $10,000 per well. A bond should be in effect for the entire lifetime of the well to insure against failure and damages even after the well has been plugged and abandoned.

Thank you again for the opportunity to provide comments during the drafting process.

Sincerely,

Doug Paddock,
Lead Organizer
Idaho Organization of Resource Councils

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