

3/16/2022 Draft 4 Proposed 47-3 Revisions Oral Comments Summary

Statute Title	Code Section	Comment	Response
Commission Created	§ 47-314(1)(b)	Commenter asked if the number of commissioners is reduced to three will a county commissioners still be on the commission?	The current draft maintains five commissioners including a county commissioner from a county that is producing or has produced oil and gas within the past ten years.
		Commenter has not seen a commission with a majority of industry trained and experienced people. Commenters specifically called out one commissioner who repeatedly shared on the record that it is taking too long to finalize decisions that will benefit the industry. This point was repeated by most of those who shared comments. Audience is disappointed in the tone/direction of the commission. Commenters shared that some of CAIA’s involvement is a distraction but they represent individual interests.	The current commission make up was designed to provide technical expertise while protecting the correlative rights of land owners and preventing waste. The composition of the Commission is being evaluated as part of the statute revision process.
		Commenter shared concern on the commission make-up. Doesn’t like 3 of 5 being in industry either. Proposal for balanced Commission with two that are property owners in a county with production (not necessarily leased). There is the impression that there is a bias for the industry.	
Integration of Tracts	§ 47-320(1)	Commenter shared a desire to clearly determine the difference between the wordage of "terms" versus "factors" involving just and reasonable.	The insertion of these terms into statute is to comply with the order provided by U.S. District Court 1:17-cv-00264-BLW. In that order the judge used the word "terms", and ordered that just and reasonable terms be provided.
	§ 47-320(3)(c)	Commenter prefers the use of "deemed leased" vs. base entitlement.	The term "base entitlement" was used to provide more clarity for mineral interest owners.
	§§ 47-320(3)(c)(4), 47-334	Commenter asked if the operator can directionally drill to avoid surface intrusion? Example- if they tried to occupy an area around the water treatment plant there is so much infrastructure there that it would be impossible.	It is to protect the correlative rights of the majority who approve of the development. Any decision made by the commission would be under the advice of the AG’s office as well.
		Commenter shares concern that the wordage could constitute a taking of property. He can see the Dutch Lane from his back porch, he’s felt he’s lost his “entitlement” to a quiet living. Non-binding mediation cannot stop operations, you are sharing the expense with an operator who already has permission.	47-334 provides recourse. Mick- definitely need to address that “occupation” does not mean they will set up a rig on your property. There is an appeal process but it needs clarified in statute.