



The Idaho Organization of Resource Councils

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July 6, 2016

Eric Wilson
Resource Protection and Assistance Bureau Chief
Idaho Department of Lands
300 N. 6th Street, Suite 103
Boise, ID 83702

Dear Mr. Wilson:

Thank you again for the opportunity to participate in the negotiated rulemaking for IDAPA 20.07.02 Rules Governing Conservation of Oil and Natural Gas in the State of Idaho, Docket No. 20-0702-1601.

The Idaho Organization of Resource Councils (IORC) is a 501(c)(3) tax exempt nonprofit organization based in Boise, Idaho. IORC has two local chapters representing members in Washington, Payette, and Bannock Counties. Its mission is to protect Idaho's way of life by empowering citizens to improve the economic well-being of their local communities by preserving family farms and ranches; supporting local, sustainable agriculture; developing small businesses and clean energy; and being responsible stewards of Idaho's water, land, air, and natural resources.

Please accept the following comments from both the June 29 and July 6 meetings regarding IDAPA 20.07.02, Docket No. 20-0702-1601:

1. **Improve surface owner protections in section 110.**
 - a. In response to IDL comment that surface use bonds are beyond the scope of the ARRF:
 - i. If a surface use agreement is a requirement for a permit to be processed then section 110 should be considered within the scope of the ARRF.
 - b. In response to comparison to BLM surface bond standards:
 - i. BLM surface use bonds are inadequate as well. IDL should set minimum bond amount based on the needs of Idaho's people and err on the side of protection for private property owners.
2. **Require proof entire section is leased, section 120.04.a.**
 - a. A carried property does fit the definition of lease because there is no lease, agreement, or governmental order. There is already a process for integrating unleased mineral owners in statute. This rulemaking should not be used to create yet another process to require unwilling mineral owners to sell their rights or to create a system for drainage leasing.
3. **Production report submittal, section 400.02**
 - a. Production reports should be submitted to the department as soon as is practicable. Suggested language change to "as soon as is practicable" or "at the earliest possible date."

Comments re: IDAPA 20.07.02 Rules Governing Conservation of Oil and Natural Gas in the State of Idaho, Docket No. 20-0702-1601



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- b. Production reports should be based off amount of oil/gas taken from the ground rather than point of sale. This allows for fair compensation of mineral rights owners and the state of Idaho and accounts for venting, flaring, leaking, and other pre-sale uses. Section 402 states “the owner or operator of a gas well shall meter or caused to be metered all natural gas produced from a well.” Similar language should be used and enforced for section 401.

Thank you again for the opportunity to provide comments for this rulemaking. If you have any questions please feel free to contact me at 208-991-4451.

Sincerely,
Doug Paddock
Field Organizer, IORC