



The Idaho Organization of Resource Councils

910 Main Street, Suite #244, Boise, ID 83702

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October 26, 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 for the opportunity to submit comments on the proposed rule IDAPA 20.07.02 *Rules Governing Conservation of Oil and Natural Gas in the State of Idaho*, Docket No. 20-0702-1601. We appreciate the job you have done to include all stakeholders in this process.

The Idaho Organization of Resource Councils represents farmers, ranchers, and concerned citizens from all across the state of Idaho. IORC is a 501(c)(3) tax exempt nonprofit organization based in Boise, Idaho with 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:

400. Production Reports:

Production reports are critical to ensuring accountability, transparency, and the fair and accurate reporting of production for the protection of mineral interest owners and the taxpayers of the state of Idaho. Please see Attachment 1 which documents when production records are submitted to various states and when they are made public. The Department has repeatedly asserted that the current proposal would put Idaho right in the middle of the range of confidentiality periods. The state of Idaho, however, should strive to be consistent with best management practices. This means the rule should require the highest level of transparency accountability possible by requiring production reports to be made available to the Department and public immediately.

410. Meters:

Metering and reporting should be consistent with the state of Idaho's mandate to prevent waste of oil and gas and maximize returns to the state endowment. This means metering and accounting for all hydrocarbons removed from the earth. No oil or gas should be leaked, flared, spilled, or used for private purposes, such as to fuel production equipment, without the collection of severance taxes and royalties and to protect public health and safety. Calibration should be done by an independent third party as

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often as is necessary to ensure accurate measurements. These reports should be made immediately available to the Department and to the public and also include volumes leaked, flared, vented, used for private purposes and otherwise wasted.

200.04 Location of Wells; 430.01 Location of Gas Processing Facilities; 420.01 Location of Tank Batteries:

Oil and gas air pollution is one of the most harmful byproducts of oil and gas production. Methane pollution and toxic chemicals leaked, flared or vented pose a threat to public health and the environment. Oil and gas facilities emit methane pollution that can create high levels of smog and hazardous toxins. This toxic air pollution can cause serious health problems, including asthma, cancer, and birth defects posing a risk to workers and neighbors.

Recent research in peer-reviewed journals 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 also finds a correlation between disease rates and proximity to oil and gas facilities.¹

To put in perspective the magnitude of this problem, we offer some facts about oil and gas; across the U.S. there are 1,193,118 oil or gas wells. Conservatively, these wells affect 184,578 square miles of land on which lies 11,543 schools, 639 medical facilities, and about 12.4 million people nationwide.

The combination of reducing flaring, venting, and leaking from wells and infrastructure and having adequate setbacks from occupied structures and water supplies is a very good step toward protecting our communities, in particular at-risk populations such as children, seniors and persons with respiratory problems. Setbacks should be greater than 300 feet to better protect the health and safety of those who live, work, or go to school near oil and gas infrastructure. Setbacks in this rule should be considered the minimum distance across the state. Additionally, IORC supports the doctrine of local control and the responsibility of local governments to protect the health, safety, and welfare of their citizens. Therefore, state setbacks should not infringe on the right of a local government to implement additional protections as they see fit. Ideally, setbacks should be determined on case-by-case basis taking into account wind patterns, geographical features, and site-specific on-the-ground data.

¹ Pétron, G., et al. (2014), A new look at methane and nonmethane hydrocarbon emissions from oil and natural gas operations in the Colorado Denver-Julesburg Basin, *J. Geophys. Res. Atmos.*, 119, 6836–6852, doi:10.1002/2013JD021272.

Warneke, C., et al. (2014), Volatile organic compound emissions from the oil and natural gas industry in the Uintah Basin, Utah: Oil and gas well pad emissions compared to ambient air composition, *Atmospheric Chemistry and Physics* 14(8):11895-11927.

McKenzie L.M., et al. (2014), Birth outcomes and maternal residential proximity to natural gas development in rural Colorado. *Environ Health Perspect* 122:412–417; <http://dx.doi.org/10.1289/ehp.1306722>.

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110. Surface Owner Protections:

Surface estate owners are often the lost element of the oil and gas equation. They have very few rights and little leverage to negotiate, and yet, split estate situations are very common in Idaho. The Department should do everything in its power to protect surface estate owners who may not want wells, roads, or other infrastructure on or near their property. One way to improve this is to strengthen the requirements for surface use agreements by the addition of a strong definition of what constitutes a “good faith negotiation.” Surface estate owners should have all of their property protected. These agreements should not be 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 rule should allow for a hearing if necessary to determine surface bond amount. In the absence of an agreement, the minimum surface use bond should be increased to \$10,000 per well. \$5,000 is not sufficient to compensate a surface owner for damages, reclamation, and lost income.

220. Bonding:

In parts of the U.S. there is an abundance of abandoned wells. The problems caused by these orphaned wells are creating an environmental and public health crisis. The Department should take all precautions necessary to ensure bonding amounts, particularly blanket bonds, are adequate to prevent a legacy of abandoned wells currently seen in other oil and gas producing states. Also, the Department should ensure bonds stay in place over the life of the well and in cases when ownership is transferred to another party. Finally, please consider the creation of a statewide reclamation fund to reclaim oil and gas drilling operations.

Thank you again for the opportunity to provide comments and participate in this rulemaking. We look forward improving Idaho’s health, safety, environment, and private property rights for current and future generations

Sincerely,

A handwritten signature in black ink, appearing to read 'Julia Page', is written in a cursive style.

Julia Page
Chair, IORC Board of Directors



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Attachment 1

PRODUCTION REPORTS RELEASED BY STATE AND TIME												
FOR JANUARY PRODUCTION												
STATE	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN
Alabama	#											
Alaska	#											
Arkansas	#			*								
California	# *	May Request Confidentiality										
Colorado		# by 15th										
Dakota N												
Dakota S										#		
Florida												
Idaho	Proposed statute					# by 20th						*
Illinois												
Indiana												
Kansas												
Kentucky	yearly											
Louisiana		# * by 15th										
Oregon												
Michigan												
Mississippi	# *											
Montana	# *											
Nebraska	# *											
New Mexico	#											
New York												
Ohio												
Oklahoma		#	*									
Pennsylvania												
Texas	#											
Utah	#											
Virginia												
Virginia W												
Wyoming	# *											

The scenario represents a well with first production on January 1st. The # symbol represents the month the operator would be required to report the production to the state. The * symbol represents when a state would make the information public.

= REPORTED TO STATE

* = AVAILABLE TO PUBLIC