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Lone Tree respectfully submits the following final comments on the rules session ending this month. Our position and comments remain the same as previously entered.

**Subject: Lone Tree Petroleum Comments on IDAPA 20
Docket No. 20.0702-1601 Proposed Rule**

TITLE 07 CHAPTERS 02

20.07.02 - RULES GOVERNING CONSERVATION OF OIL AND NATURAL GAS IN THE STATE OF IDAHO

SUBCHAPTER A - GENERAL PROVISIONS

Lone Tree requests the following revisions to the rules as published in the October 5, 2016 Vo. 16-10 of the Idaho Administrative Bulletin, page 526 – 584.

Idaho rules should be in alignment with state and national standards, and should provide a level playing field for all industry participants. The following changes are needed:

1. Gas well spacing providing for 160-640 acres to be consistent with the size and shape of the pool, in order to avoid waste and maximize development of the resource. Industry experts and scientific data support this change.
2. Production Reporting & Metering: Production should be reported within 30 days of first production, which is consistent with the majority of states. Metering and calibration should be required immediately to provide transparency, and to protect the state and mineral interest owners.
3. Oil Gas Ratio – In absence of field specific data, Idaho should utilize state and national standard of 100,000 to 1.
4. Transparency and Integrity of the Process – Changes to the rules should be based on industry standards and be consistent with other states. The rules should also reflect the input of all parties when valid issues are raised. Changes to the rules should not favor any one company.

Specifically:

1. Page 540, #26, **Definition Oil Gas Ratio**;
 - a. restore the word “condensate” to the definition.
2. Page 552, 120.01 b., **Well Spacing**
 - a. Restore the words “or lots equivalent thereto”.
 - b. Add new language to provide for spacing at the discretion of the operator of 160, 320, 640 acres to be described by the PLS, and to be movable to reflect the best actual location of the pool.

3. Page 553 #120.07 **Spacing Unit Changes**
 - a. Restore the language in 07, to the language on the 8-23-16 version.
4. Page 576 #400.02, **Production Reports; Frequency**
 - a. "Monthly Production Reports "all production reports should be required beginning 30 days after initial production and monthly afterwards.
5. Page 576 #404 **Gas-Oil Ratio for Well Classification**
 - a. The oil gas ratio should be increased from 5000 to 100,000 to 1.
6. Page 577 , #410.02; **Meters**
 - a. Language should require Oil meters to be proven/calibrated quarterly
 - b. Language on Gas meters should require proven/calibration monthly.

This meter issue is the industry standard and the only first line protection landowners, mineral holders and the state have.

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