

From: [Tom Kennedy](#)
To: [Oil and Gas Conservation Rulemaking](#)
Subject: RE: IDL Proposed Rulemaking for Oil and Gas Conservation, Docket No. Docket No. 20-0702-1601
Date: Wednesday, October 26, 2016 07:41:08 AM

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Dear Mr. Wilson,

The following comment relates to issues of Section 110 - Surface Owner Protections:

Section 110 - SURFACE OWNER PROTECTIONS

Section 110, subsection 04. Surface Use Bond

The minimum surface use bond in all instances with no surface use agreement will be twenty thousand dollars (\$20,000), and will be paid in cash to the Department. If the surface owner objects to the owner's or operator's proposed bond amount, the Department will determine a surface use bond based on the information received from both the owner or operator and the surface owner. The Department will then request that the owner or operator submit this bond. The Department may issue the permit to drill and authorize the commencement of drilling operations after this bond has been received. The purpose of this bond is to safeguard the surface owner's loss of agricultural income and improvement values pending the results of a hearing on the final bond.

The proposed language establishes a minimum bond of five thousand dollars (\$5,000.00) to remediate damages or loss to agricultural income and improvements values resulting from oil and gas operations. The proposed amount of \$5,000 is grossly inadequate to compensate for the likely covered losses in the event of an accident, leak, spill, blowout, explosion, fire or other disaster at an oil and gas facility or infrastructure. The minimum surface bond amount should be no less than \$1 Million per occurrence. A low bond amount favors a commercial interest over that of a taxpaying Idaho citizen who deserves fair compensation for his losses in a timely manner so as not to adversely impact his or her financial stability or their ability to meet outstanding debt obligations that are dependent upon producing their agricultural products and getting them to market. Further, any reputable company with a good credit rating can purchase a large bond for only a nominal difference in rate over a low dollar bond, and any company that cannot afford to adequately protect Idaho and its citizens should not be allowed to operate in Idaho.

Please make sure this e-mailed information is included in the official record of public documents submitted to IDL regarding Proposed Rules for Oil and Gas Conservation, Docket No. 20-0702-1601, as required by federal and state laws.

Most sincerely,

tom kennedy
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"We only have one environment. When we destroy it we will become as extinct as the dinosaurs!"