

MINUTES  
**HOUSE RESOURCES & CONSERVATION COMMITTEE**

**DATE:** Monday, January 19, 2015

**TIME:** 1:30 P.M.

**PLACE:** Room EW40

**MEMBERS:** Chairman Raybould, Vice Chairman Gestrin, Representative(s) Moyle, Andrus, Shepherd, Wood, Boyle (Purdy), Vander Woude, Gibbs, Miller, Bateman, Burtenshaw, Mendive, VanOrden, Youngblood, Pence, Erpelding, Rubel

**ABSENT/  
EXCUSED:** Representative(s) Moyle, and Vander Woude

**GUESTS:** Keith Hobbs, Idaho Department of Parks and Recreation; Tammy Kolsky, Idaho Department of Parks and Recreation; A. Canning, Idaho Department of Parks and Recreation; Bobby Johnson, Idaho Department of Lands; Eric Wilson, Idaho Department of Lands; Joe Morton; Jim Claussen, Office of Environmental Conservation Commission; Brandon Lamb, Idaho Department of Lands; Dennis Stevenson, Idaho Office of Administrative Rules; Michael Christian, Attorney for Alta Mesa; Alma Hasse, Icare; Matt Wanick, Division of Financial Management; and Susanne Budge, SBS Associates, LLC.

**Chairman Raybould** called the meeting to order at 1:29 p.m.

**MOTION:** **Rep. Youngblood** made a motion to approve the minutes of the January 13, 2015 meeting. **Motion carried by voice vote.**

**DOCKET NO.  
20-0702-1401:** **Bobby Johnson** from the Idaho Department of Lands indicated the pending rule changes language based on comments submitted to the agency. Mr. Johnson stated this pending rule clarifies the consent of operator and unleased mineral owners. Mr. Johnson explained the integration statement in Idaho Code has no percentage prescribed for leasing of land and the agency studied variances of other states. Mr. Johnson indicated a percentage or majority of 55% property owners can force the other 45% of property owners of accepting a drilling lease even if the property owner does not consent. Mr. Johnson stated there is a good faith effort by the company through affidavits, lease terms, and due diligence to persuade property owners to participate. Mr. Johnson clarified the 45% of property owners who are not willing to lease their property would have to go along with the 55% of majority property owners. Mr. Johnson identified four different options for a property owner in choosing how to or not to participate in the lease. Property owners would be forced to choose one of the electives.

**Rep. Wood** stated he would like to hold the pending rule in committee as there is a large amount of information and questions to investigate prior to a decision.

**Joe Morton**, resident of Emmett, Idaho in Gem County, stated the pending rule indicated if the property owner fails to make an election, such owners interest will be deemed leased. Mr. Morton indicated there is only one well in the state located in New Plymouth and the Commission has asked for \$80,000 for regulatory personnel. **Mr. Morton** indicated thumper trucks were destroying the hillside, tearing up the landscape and the large vehicles are also destroying paved roads. Mr. Morton claims the money allocated for damages will not cover all of the costs.

**Jim Claussen** is an exploration geologist and a member of Idaho Conservation Commission for Oil and Gas. Mr. Claussen asserted he represents many years of experience and resides in Idaho. Mr. Claussen stated that proposed oil and gas development will happen and companies will try to do the right thing. Idaho currently has one well in production and 15 to 16 more wells will be operational in the near future. Mr. Claussen supports this rule and indicated it would create significant input of jobs, generate taxes, and activity for citizens.

**Bobby Johnson**, Idaho Department of Lands, in response to questions that gas requires a minimum of 640 acres and oil requires a minimum of 40 acres. If 1 to 2% of landowners refused to participate it would make the unit unattainable for production. Mr. Johnson stated there is no provision for senior landowners.

**Michael Christian**, attorney for Alta Mesa, stated he worked closely with the Idaho Department of Lands and negotiated in the rule making.

**Alma Hasse**, Executive Director of Idaho Care, a Payette County resident, business owner, farmer, and is a participating stakeholder feels the stakeholders were railroaded in the rule making sessions as few concerns were addressed. Ms. Hasse asserts that any type of property loan, government guarantee, or insurance may put a property owner in violation of the hazardous substance clause and put property owners in violation of mortgage. Ms. Hasse stated she contacted her mortgage company and was told she would be in technical violation if her property was leased by a oil and gas company. Ms. Hasse urged the committee to protect property owners.

**Suzanne Budge**, Idaho Petroleum Council, supports the legislation and asked the committee to approve this rule.

**MOTION:** **Rep. Wood** made motion to **HOLD Docket No. 20-0702-1401** in committee for further review.

**Rep. Purdy** stated she is in support of the rule as the rule brings jobs, protects the environment and she is against the motion.

**Tom Schultz**, Idaho Department of Lands, explained the landowner's property may or may not be over a resource. He said the resource is drawn from around a consenting owner's property which would not protect adjacent landowners.

**MOTION:** **Rep. Wood** made motion to **HOLD Docket No. 20-0702-1401** in committee at the discretion of the Chairman.

**ROLL CALL VOTE:** **Rep. Purdy** asked for a **roll call vote** on **Docket No. 20-0702-1401**. **Motion carried by a vote of 14 AYE, 2 NAY and 2 absent/excused.** **Voting in favor of the motion: Reps. Raybould, Gestrin, Andrus, Wood, Gibbs, Miller, Bateman, Burtenshaw, Mendive, Van Orden, Youngblood, Pence, Erpelding, and Rubel.** **Voting in opposition to the motion: Reps. Purdy and Shepard.** **Reps. Moyle and Vander Woude were absent/excused.**

**DOCKET NO. 26-0103-1401:** **Anna Canning**, Idaho Department of Parks and Recreation, explained **Docket No. 26-0103-1401** are rules governing recreational registration vendors. She stated this rule is being adopted as originally proposed in **H 492** of the 2014 Legislative Session distinguishing the Idaho Parks and Recreation registrations from the Idaho Department of Transportation vehicle registrations.

**MOTION:** **Rep. Wood** made a motion to approve **Docket No. 26-0103-1401**. **Motion carried by voice vote.**

**DOCKET NO. 26-0120-1401:** **Anna Canning**, Idaho Department of Parks and Recreation, explained **Docket No. 26-0120-1401** are rules clarifying terminology for registrations of recreational areas and facilities. She stated this rule is being adopted as originally proposed in **H 492** of the 2014 Legislative Session distinguishing the Idaho Parks and Recreation registrations from the Idaho Department of Transportation vehicle registrations.

**MOTION:** **Rep. Gibbs** made a motion to approve **Docket No. 26-0120-1401**. **Motion carried by voice vote.**

**DOCKET NO. 26-0121-1401:** **Keith Hobbs**, Idaho Department of Parks and Recreation, explained **Docket No. 26-0121-1401** is to comply with **S 1346aa** to clarify and delineate lease terms for cottage site leases and for float home moorage site leases within Heyburn State Park.

**MOTION:** **Rep. Pence** made a motion to approve **Docket No. 26-0121-1401**. **Motion carried by voice vote.**

**DOCKET NO. 26-0130-1401:** **Anna Canning**, Idaho Department of Parks and Recreation, explained **Docket No. 26-0130-1401** is to comply with **H 492** to clarify and distinguish between the recreational registrations the Idaho Department of Parks and Recreation performs and the vehicle registrations performed by the Idaho Transportation Department.

**MOTION:** **Rep. Erpelding** made a motion to approve **Docket No. 26-0130-1401**. **Motion carried by voice vote.**

**DOCKET NO. 26-0131-1401:** **Anna Canning**, Idaho Department of Parks and Recreation, explained **Docket No. 26-0131-1401** is to comply with **H 492** to clarify and distinguish between the recreational registrations the Idaho Department of Parks and Recreation performs and the vehicle registrations performed by the Idaho Transportation Department.

**MOTION:** **Rep. Andrus** made a motion to approve **Docket No. 26-0131-1401**. **Motion carried by voice vote.**

**DOCKET NO. 26-0134-1401:** **Anna Canning**, Idaho Department of Parks and Recreation, explained **Docket No. 26-0134-1401** is to comply with **H 492** to clarify and distinguish between the recreational registrations the Idaho Department of Parks and Recreation performs and the vehicle registrations performed by the Idaho Transportation Department.

**MOTION:** **Rep. Mendive** made a motion to approve **Docket No. 26-0134-1401**. **Motion carried by voice vote.**

**DOCKET NO. 26-0136-1401:** **Anna Canning**, Idaho Department of Parks and Recreation, explained this pending rule is to comply with **H 492** to clarify and distinguish between the recreational registrations the Idaho Department of Parks and Recreation performs and the vehicle registrations performed by the Idaho Transportation Department.

**MOTION:** **Rep. Miller** made a motion to approve **Docket No. 26-0136-1401**. **Motion carried by voice vote.**

**ADJOURN:** There being no further business to come before the committee, the meeting adjourned at 2:50 p.m.

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Representative Raybould  
Chair

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Jennifer Smith  
Secretary