

**SEPTEMBER 23, 2014, FIELD TOUR MINUTES**  
**BEFORE THE BOARD OF OIL, GAS AND MINING**  
**DEPARTMENT OF NATURAL RESOURCES**  
**IN AND FOR THE STATE OF UTAH**

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The Board attended a Field Trip on Tuesday, September 23, 2014, to tour the Petroleum Technology Center at the Uintah Basin Applied Technology Center (“UBATC”) in Vernal, Utah, and a rig site in Duchesne County. The Field Trip departed at 7:00 a.m. from the Division Office located at 1594 West North Temple, Salt Lake City, Utah. The public was invited to attend. Members of the public attending provided their own transportation and lunch.

**FIELD TRIP ATTENDEES:**

**BOARD MEMBERS:**

Ruland Gill, Board Chair  
Kelly Payne, Vice-Chair - Excused  
Mike R. Brown, BOGM - Excused  
Susan S. Davis, BOGM  
Chris Hansen, BOGM  
Carl Kendell, BOGM  
Gordon L. Moon, BOGM  
Mike Johnson, AAG, BOGM

**DIVISION:**

John R. Baza, Director  
John Rogers, Assoc. Dir. Oil & Gas  
Steve Schneider, Admin. Policy Coord.  
Jim Springer, PIO  
Julie Ann Carter, Board Secretary

**NEWFIELD PRODUCTION COMPANY**

Mike Jensen  
Dan Schumake  
Andrew Bremmer  
Doug Keithley  
Reed Durphey

**MEMBERS OF THE PUBLIC:**

Lee Peacock, Utah Petroleum Association  
Lowell Braxton, Western Energy Alliance  
Mike McKee, Uintah County Commissioner  
Senator Kevin T. Van Tassell  
Selma Sierra, Utah State University  
Extension Program  
Dr. Seth Lyman, Utah State University  
Extension Program

**UINTAH BASIN APPLIED  
TECHNOLOGY COLLEGE**

Aaron K. Weight, President  
Paul Hacking, Special Service District  
Wes Porter, Energy Services Program  
Director

The field trip for the Board of Oil, Gas and Mining began at 10:30 a.m. in the main lobby at the Uintah Basin Applied Technology College. Wes Porter, Energy Services Program Director, led the group on a tour of the Petroleum Technology Center, and Dr. Seth Lyman gave a presentation on air quality programs in the Uintah Basin.

In the afternoon, staff of Newfield Production Company took the group on a tour of an active directional drill rig site near Myton, Utah. The field trip adjourned at 4:30 p.m.

**SEPTEMBER 24, 2014, MEETING MINUTES**  
**BEFORE THE BOARD OF OIL, GAS AND MINING**  
**DEPARTMENT OF NATURAL RESOURCES**  
**IN AND FOR THE STATE OF UTAH**

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A public meeting was held on Wednesday, September 24, 2014, in the Council Chambers of the Vernal City Offices, 374 East Main Street, Vernal, Utah.

**BOARD HEARING ATTENDEES:**

**BOARD MEMBERS:**

Ruland Gill, Board Chair  
Kelly Payne, Vice-Chair - Excused  
Mike R. Brown, BOGM - Excused  
Susan S. Davis, BOGM  
Chris Hansen, BOGM  
Carl Kendell, BOGM  
Gordon L. Moon, BOGM  
Mike Johnson, AAG, BOGM

**MEMBERS OF THE PUBLIC:**

Lowell Braxton, Western Energy Alliance  
Jerry Kenczka, Bureau of Land  
Management, Vernal Field Office  
Mike Lee, Bureau of Land Management,  
Vernal Field Office  
Robin Hansen, Bureau of Land  
Management, Vernal Field Office  
Justin Snyder, Bureau of Land Management,  
Vernal Field Office

**DIVISION:**

John R. Baza, Director  
John Rogers, Assoc. Dir. Oil & Gas  
Steve Schneider, Admin. Policy Coord.  
Jim Springer, PIO  
Julie Ann Carter, Board Secretary  
John Robinson Jr.  
Michelle Mallonee, CSR

The Division of Oil, Gas and Mining conducted a Briefing Session at 8:30 a.m.:

1. Proposed Board Hearing Schedule for Year 2015 (Board approves at October hearing.)

John R. Baza, Division Director, lead the Board in a discussion of the proposed hearing schedule for 2015. The Board has the opportunity to review the proposed schedule this month, and will be asked to approve the schedule at the October 22, 2014 hearing.

2. Other

No items discussed.

3. Next Month's Agenda and Division Calendar

- The next Collaborative meeting will be held on the 9th of October in Vernal, Utah.
- The Interstate Oil & Gas Compact Commission meeting is in Columbus, Ohio on October 19 -21.

- The next Board meeting is scheduled for October 22<sup>nd</sup>, 2014.
- The Board's annual holiday party is on December 9 at the Lion House in Salt Lake City.
- There will be a horizontal drilling workshop at DNR on December 9 in Salt Lake City
- The last hearing of the year is on December 10, 2014.

#### 4. Opportunity for Public Comment

Jerry Kenczka, Bureau of Land Management, updated the Board on BLM matters affecting the mineral extraction industry in Utah. There will be a delegation from China coming to the Basin on the 6th of October to tour mineral extraction sites. There are several transportation issues associated with production coming out of the Basin. Preliminary study is underway concerning building a railroad to transport crude oil, a 20" crude oil pipeline from Myton to Wellington, and a smaller 8" refined product line into the basin for delivery of diesel. The Seep Ridge Road is paved to the Uintah County line, and there is some discussion concerning the continuation into Grand County.

John R. Baza, Division Director, gave an update on the upcoming Uinta Basin Information Collaborative project. The State of Utah Agencies are working to coordinate with Google to build a centralized repository of information related to the energy development in the basin.

Seeing no further comments the briefing session adjourned at 9:00 a.m.

#### THE BOARD HEARD THE FOLLOWING MATTERS AT 9:00 AM:

*Please note: The transcript will be available for review at the Division offices approximately fifteen business days after the hearing date. Copies of the transcript may be purchased by calling Atkinson-Baker at (800) 288-3376 and requesting Job No. A70ACC6, and the docket number.*

1. [Docket No. 2014-030 Cause No. 264-04](#) – In the Matter of the Petition by the Division of Oil, Gas and Mining for an Order: (1) Forfeiting to the Division all funds evidenced by certificates of deposit (#003525857) and (#003525790) in the amounts of \$30,000 and \$70,754, held by Bank of the West, Sandy, Utah for the Division as surety for the plugging and abandonment of the State 2-23 and State 2-43x wells, located in Section 2, T16S, R12E, Emery County, Utah, formerly operated by GENESIS PETROLEUM US INC.; (2) Ordering the Bank of the West to deliver the amounts deposited and held in said accounts for the Division and authorizing the Utah Attorney General to take any and all actions necessary to obtain the delivery of these funds; (3) Authorizing the Division to use the funds to complete plugging and reclamation of the State 2-23 and State 2-43x wells and the lands affected by the wells; (4) Authorizing the Division to take other action necessary to recover from GENESIS PETROLEUM US INC. any and all costs associated with the plugging and reclamation of the State 2-23 and State 2-43x wells; and Authorizing any other action the Board deems reasonable and appropriate.

*(Continued from the August 27, 2014, Board Hearing.)*

This matter is continued to the October 22, 2014, Board Hearing.

2. [Docket No. 2014-032 Cause No. 139-122](#) – In the Matter of the Request for Agency Action of NEWFIELD PRODUCTION COMPANY for an Order pooling all Interests in two 1,280-Acre (or substantial equivalent) drilling units established by the Board’s Orders in Causes Nos. 139-98 and 139-103, in Sections 15 and 22, Township 3 South, Range 2 West, U.S.M., Duchesne County, Utah

*(The Board will consider the Recommended Findings of Fact and Conclusions of Law generated by the Hearing Examiner from the September 11, 2014 hearing. This matter may be continued to the October 22, 2014 Board hearing.)*

This matter is continued to the October 22, 2014, Board Hearing.

The hearing adjourned at 9:02 a.m.