

**MAY AGENDA**  
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, May 27, 2015, in the auditorium of the Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah.

**ATTENDEES:**

**Board Members:**

Ruland J. Gill, Jr, Chairman  
Richard K. Borden  
Michael R. Brown, Excused  
Susan S. Davis  
Chris D. Hansen  
Carl F. Kendell  
Gordon L. Moon

**Utah Attorney General's Office, Natural Resources Division:**

Michael S. Johnson, AAG, representing the Board  
Steven F. Alder, AAG, representing the Division  
Douglas J. Crapo, AAG, O'Hara Scholar  
John Robinson Jr., AAG, O'Hara Scholar  
Emma Watson

**Bureau of Land Management:**

Michael Coulthard  
Jerry Kenczka

**Division of Oil, Gas and Mining:**

John R. Baza, Division Director  
Earlene Russell, Admin. Assistant  
Steve L. Schneider, Admin. Policy Coordinator  
Julie Ann Carter, Board Secretary  
John Rogers, Assoc. Director, Oil and Gas Program  
Dana Dean, Assoc. Director, Mining Program  
Jan Morse, AMRP Program  
Daron Haddock, Mgr., Coal Program  
Randy Thackeray, Audit Mgr., Oil and Gas Program  
Brad Hill, Permit Mgr., Oil and Gas Program  
Dustin Doucet, Petroleum Engineer, Oil and Gas Program  
Dayne Doucet, Petroleum Engineer, Oil and Gas Program  
Zeke Clements, Auditor, Oil & Gas Program  
Susan White, Env. Scientist, Abandoned Mine Reclamation Program

The Board Chairman, Ruland J. Gill, Jr., called the meeting to order at 8:00 a.m. John R. Baza, Director, conducted the Briefing Session.

**The Division of Oil, Gas and Mining conducted a Briefing Session at 8:00 a.m.:**

1. Presentation by Red Leaf Resources

Mr. Adolf Lechtenberger, CEO of Red Leaf Resources, gave a presentation to the Board regarding Red Leaf's plans to develop oil shale resources. Red Leaf is currently testing new technology that is hoped to make it possible to economically and responsibly develop oil shale resources.

2. Report on IOGCC Meeting and Governor's Energy Summit

John R. Baza, Director, updated the Board on the recent IOGCC Meeting and the Governor's Energy Summit. Highlights of the meetings include:

- IOGCC – The Governor announced that Utah is planning to file suit on the BLM's hydraulic fracturing rules. Also, the Governor is the current Chairman of the IOGCC.
- Energy Summit - Governor's awards for excellence were presented

3. Other

- Idaho Oil and Gas visit  
Brandon Lamb and Kristina Fugal, Idaho Department of Natural Resources, are here today to observe the hearing.
- New help in the AG's office – Emma Whitaker, and Meg Oswald. Meg is the new Ohara Fellow. Emma and Meg are both law students and will be working with us during the summer.
- Retirements:  
Jim Springer, PIO, is retiring this month. His last day is June 11, 2015.  
Earlene Russell, Administrative Assistant, is retiring on June 30.

4. Next Month's Agenda and Division Calendar

The September Board hearing will be held on the 16th, a week earlier than normal, and the field trip will be on the following Thursday. The Board will tour the Skyline Mine.

5. Opportunity for Public Comment

The Board Chairman, Ruland J. Gill, Jr., opened the meeting for public comments. Seeing none, the Briefing Session adjourned at 8:30 a.m.

The Board of Oil, Gas and Mining conducted a hearing at 9:00 a.m. The Board Chairman, Ruland J. Gill, Jr., called the meeting to order at 9:00 a.m.

**The Board heard the following matters at 9:00 a.m.:**

*Please note: The transcripts 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 Alpine Court Reporting at (801) 691-1000 and requesting individual matters by docket and cause number, and by hearing date.*

1. [Docket No. 2014-039 Cause Nos. S/023/0087, S/039/0024, S/039/0027, S/039/0030](#) – In the Matter of the Notice of Agency Action to affecting the mining operations of M. TODD WILHITE, WALL & ROCK, INC., and/or WILHITE & ASSOCIATES, INC., by (1) withdrawing a Notice of Intention, (2) forfeiting a Certificate of Deposit No. 7089407881 in the amount of \$7000 plus accrued interest held by ZIONS BANK, (3) ordering reclamation of mines, and (4) requesting the Division of Oil, Gas and Mining and the Attorney General to take

all other actions necessary to recover costs, fees, and fines for the operations occurring at (a) Gulch Mine (S023/0087) in Juab County; (b) Freedom from War Mine (S/039/0024) in Sanpete County; (c) Mount Pleasant Mine (S/039/0027) in Sanpete County; and (d) Mount Pleasant North Mine (S/039/0030) in Sanpete County.

*(This matter is continued from the January 28, 2015 Board Hearing.)*

Time: 9:02 a.m. to 9:03 a.m.

Board Members present - Ruland J. Gill, Jr., Chairman, Richard K. Borden, Susan S. Davis, Chris D. Hansen, Carl F. Kendell, and Gordon L. Moon. Michael R. Brown is excused.

Counsel for the Board - Michael S. Johnson, Assistant Attorney General, Natural Resources.

Counsel for the Division – Steven F. Alder, Douglas J. Crapo, and John Robinson Jr., Assistant Attorneys General, Natural Resources.

Witnesses:

Counsel for M. Todd Wilhite - Shane T. Peterson, Young, Kester, Black & Jube.

Witnesses:

This matter is continued to the June 24, 2015 Board hearing.

2. [Docket No. 2015-015 Cause No. 191-07](#) – In the Matter of the Request for Agency Action of QEP ENERGY COMPANY for an Order extending the Board’s Order entered in Cause No. 191-06, which suspended the application Of Utah Admin. Code R649-3-2, R649-3-10, and R649-3-11(1) and (2) for the area located within the Ouray Park II Federal Exploratory Unit, to the lands added through expansion of the unit, consisting of all of Section 1, the NE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 11, and the E $\frac{1}{2}$ , NW $\frac{1}{4}$ , and the NE $\frac{1}{4}$ SW $\frac{1}{4}$  of Section 12, Township 7 South, Range 20 East, SLM, Uintah County, Utah.

*(The Board will consider the recommended findings of fact and conclusions of law generated by the hearing examiner from the hearing on April 28, 2015.)*

Time: 9:03 a.m. to 9:08 a.m.

Board Members present - Ruland J. Gill, Jr., Chairman, Richard K. Borden, Susan S. Davis, Chris D. Hansen, Carl F. Kendell, and Gordon L. Moon. Michael R. Brown is excused.

Counsel for the Board - Michael S. Johnson, Assistant Attorney General, Natural Resources.

Hearing Examiner – John C. Rogers, Hearing Examiner, Assoc. Director, Oil & Gas.

Counsel for the Hearing Examiner – John Robinson Jr., Assistant Attorney General, Natural Resources.

Counsel for the Petitioner – Mark L. Burghardt, Holland & Hart, LLP.

Counsel for the Division – Steven F. Alder, Assistant Attorney General, Natural Resources.

The Hearing Examiner presented the facts of the case and recommended that the Findings of Fact and Conclusions of Law be adopted by the Board. QEP requested the Findings of Fact and Conclusions of Law be adopted by the Board. The Division is in support of this request. The Board granted the Hearing Examiners' Recommended Findings of Fact and Conclusions of Law by unanimous vote. Mark Burghardt will prepare the order.

3. [Docket No. 2015-016 Cause No. 187-10](#) – In the Matter of the Request for Agency Action of QEP ENERGY COMPANY for approval of unit operations and enhanced and secondary recovery operations and certification of these operations as an enhanced recovery project for the Green River Formation underlying portions of the Red Wash Unit.

*(This matter is withdrawn.)*

Time: 9:08 a.m. - 9:08 a.m.

Board Members present - Ruland J. Gill, Jr., Chairman, Richard K. Borden, Susan S. Davis, Chris D. Hansen, Carl F. Kendell, and Gordon L. Moon. Michael R. Brown is excused.

Counsel for the Board - Michael S. Johnson, Assistant Attorney General, Natural Resources.

Counsel for the Division – John Robinson Jr., Assistant Attorney General, Natural Resources.

Counsel for the Petitioner – Mark L. Burghardt, Holland & Hart, LLP

This matter is withdrawn.

4. [Docket No. 2015-017 Cause No. 190-14](#) – In the Matter of the Request for Agency Action of ENEFIT AMERICAN OIL for an ORDER enlarging the designated oil shale area created by Cause Nos. 190-3 and 190-13 to include lands located in Townships 9 and 10 South, Ranges 24 and 25 East, SLM, Uintah County, Utah.

Time: 9:08 a.m. to 10:08 a.m.

Board Members present - Ruland J. Gill, Jr., Chairman, Richard K. Borden, Susan S. Davis, Chris D. Hansen, Carl F. Kendell, and Gordon L. Moon. Michael R. Brown is excused.

Counsel for the Board - Michael S. Johnson, Assistant Attorney General, Natural Resources.

Counsel for the Division – Steven F. Alder , Assistant Attorney General, Natural Resources.

Witnesses: John Rogers, Dustin Doucet, and Brad Hill.

Counsel for the Petitioner – Mark L. Burghardt, Holland & Hart LLP.

Witness: Rikki Hrenko-Browning, and Michael Vandenburg.

Counsel for Respondent, T-K Production Company - Frederick M. MacDonald, MacDonald & Miller Mineral Legal Services PLLC.

The Petitioner requested a continuance of a portion of the request pertaining to School and Institutional Trust Lands. The Division and the Respondent gave testimony in support of bifurcating this matter. The Board approved bifurcating the matter by unanimous vote. The continued portion of this matter will be heard next month, at the June 24, 2015 Board hearing.

Mark L. Burghardt presented the case to the Board. The Division is in support of the portion of the request that was presented today, but does not support the portion of the request pertaining to the SITLA Lands. The Board approved the petition as stated during the hearing by unanimous vote. Mr. Burghardt will prepare the order.

5. [Docket No. 2015-018 Cause No. 139-132](#) – In the Matter of the Request for Agency Action of BILL BARRETT CORPORATION for an Order pooling all interests, including the compulsory pooling of the interests of certain non-consenting or unlocatable owners, in Special Drilling Unit #27, established for the production of oil, gas and associated hydrocarbons from the Lower Green River-Wasatch Formations, comprised of lots 6-9 of Section 27 and lot 2 of Section 34, Township 6 South, Range 19 East, SLM, and lot 1, S $\frac{1}{2}$ , E $\frac{1}{2}$ NW $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$  and SE $\frac{1}{4}$ NE $\frac{1}{4}$  of Section 33 and lots 1-3 of Section 34, Township 2 South, Range 2 East, USM, Uintah County, Utah.

Time: 10:08 a.m. to 10:51 a.m.

Board Members present - Ruland J. Gill, Jr., Chairman, Richard K. Borden, Susan S. Davis, Chris D. Hansen, Carl F. Kendell, and Gordon L. Moon. Michael R. Brown is excused.

Counsel for the Board - Michael S. Johnson, Assistant Attorney General, Natural Resources.

Counsel for the Division – Steven F. Alder, Assistant Attorney General, Natural Resources.

Witnesses: John Rogers, Dustin Doucet, and Brad Hill.

Counsel for the Petitioner – Frederick M. MacDonald, MacDonald & Miller Mineral Legal Services, PLLC.

Witnesses: David M. Watts, and Brent A. Murphy.

Frederick M. MacDonald, presented the case. The Division is in support of the request. The Board granted the request as stated by unanimous vote. Mr. MacDonald will prepare the order.

6. [Docket No. 2015-019 Cause No. 139-133](#) – In the Matter of the Request for Agency Action of BILL BARRETT CORPORATION for an Order pooling all interests, including the compulsory pooling of the interests of certain non-consenting or unlocatable owners, in the drilling unit established for the production of oil, gas and associated hydrocarbons from the Lower Green River-Wasatch Formations, comprised of all of Section 25, Township 2 South, Range 3 West, U.S.M, Duchesne County, Utah.

Time: 10:51 a.m. to 10:51 a.m.

Board Members present - Ruland J. Gill, Jr., Chairman, Richard K. Borden, Susan S. Davis, Chris D. Hansen, Carl F. Kendell, and Gordon L. Moon. Michael R. Brown is excused.

Counsel for the Board - Michael S. Johnson, Assistant Attorney General, Natural Resources.

Counsel for the Division – Steven F. Alder, Assistant Attorney General, Natural Resources.

Witnesses: Dustin Doucet, and Brad Hill.

Counsel for the Petitioner – Relma M. Miller, MacDonald & Miller Mineral Legal Services, PLLC.

Witnesses: Timothy J. Bandy, David M. Watts, and Brent A. Murphy.

This matter is continued to the June 24, 2015 Board hearing.

The hearing adjourned at 10:51 a.m.

Copies of the agenda are available at [www.ogm.utah.gov](http://www.ogm.utah.gov) and at the administrative offices. Pursuant to the Americans with Disabilities Act, persons requiring auxiliary communicative aids and services to enable them to participate in this hearing should call Julie Ann Carter at (801) 538-5277, at least three working days prior to the hearing. One or more members of the Board may participate electronically pursuant to R641-100-600. The specified meeting location would serve as the anchor location for participation by the public.