

**JANUARY 27, 2016, MEETING MINUTES
OF THE REGULARY SCHEDULED MEETING
BEFORE THE BOARD OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
IN AND FOR THE STATE OF UTAH**



A public meeting was held on Wednesday, January 27, 2016, in the auditorium of the Department of Natural Resources, 1594 West North Temple, Salt Lake City, Utah. The meeting was streamed live on the Department of Natural Resources YouTube channel. The link for the Briefing Session is <https://youtu.be/0vDaZT2IS2w>, and the link for the Board Hearing is <https://youtu.be/LOlj0TE4Tvc>.

ATTENDEES:

Board Members:

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

Utah Attorney General's Office, Natural Resources Division:

Michael S. Johnson, AAG, representing the Board
Steven F. Alder, AAG, representing the Division
John Robinson Jr., AAG, O'Hara Scholar
Melissa L. Reynolds, AAG, O'Hara Scholar

Department of Natural Resources:

Mike Styler, Executive Director, Natural Resources
Robyn Pearson, Deputy Director, Natural Resources

Division of Oil, Gas and Mining:

John R. Baza, Division Director
Sheri Sasaski, Admin. Assistant
Hollie Brown, PIO
Steve L. Schneider, Admin. Policy Coordinator
Julie Ann Carter, Board Secretary
John Rogers, Assoc. Director, Oil and Gas Program
Dana Dean, Assoc. Director, Minerals Program
Brad Hill, Permit Mgr., Oil and Gas Program
Dustin Doucet, Petroleum Engineer, Oil and Gas Program
Paul Baker, Mgr., Minerals Program
April Abate, Minerals Program

School and Institutional Trust Lands Administration:

LaVonne Garrison, Assistant Director Oil & Gas
Stephanie Barber-Renteria, Land Professional

International Petroleum Limited Liability Company

Anthony T. Hunter, Esq., Attorney for International Petroleum Limited Liability Company
Bryon Wixom, Member-Manager
Nate Wixom, Member
Mark Wixom, Member
Brad Wixom, Member

Whiting Oil and Gas Corporation

Thomas W. Clawson, Of Counsel, MacDonald & Miller Mineral Resources PLLC, Attorney for Whiting Oil and Gas Corporation
Paul Joeckel, Senior Landman
Ralph Nelms, Senior Reservoir Engineer

Crescent Point Energy U.S. Corporation

Brent D. Chicken, Fox Rothschild LLP, Attorney for Crescent Point Energy
Ryan Waller
Laura Roberts,
Katie Matthews, Senior Engineer

Bureau of Land Management – Vernal Field Office

Catie Bucher, Petroleum Engineer
Justin Snyder

Ute Indian Tribe

Kim Colton, Snell & Wilmer LLP, Attorney for Ute Indian Tribe

BRIEFING SESSION:

The Chairman, Ruland J Gill, Jr., called the Board of Oil Gas and Mining meeting to order at 8:00 a.m. Mr. John R. Baza, Director of the Division of Oil, Gas, and Mining, conducted the briefing session.

1. Earth Day Awards Overview

Ms. Hollie Brown, Public Information Officer, reported that the Division has received six nominations to date. The deadline to submit nominations is January 31, 2016. The Division will present the nominations to the Board at the next hearing during a working lunch. The board will select nominations that we will hear at the March hearing.

2. Legislative Update

Mr. Steve Schneider, Administrative Policy Coordinator, reported on legislative bills that will affect the Division and the Board. Weekly updates will be emailed to the Board. See handout on the website.

3. Oil and Gas Program - 2015 Year End Review

Mr. John Rogers, Associate Director, Oil and Gas Program, reported on activities affecting the oil and gas program last year. A downturn in oil and gas prices have resulted in layoffs and reduced activity in the oil and gas industry. During the downturn the Oil and Gas Program has changed its focus from permitting to compliance.

Mr. Rogers also reported on the Oil and Gas Program's accomplishments for the year which includes; a successful Class II UIC Program peer review; participation in an Induced Seismicity Publication; finalized work with the Ground Water Protection Counsel on a new database; Mr. John Baza received the E.W. Marland Award from the IOGCC; Mr. Dan Jarvis received a Leadership Award from the Department of Natural Resources; and worked on several Board matters reflecting innovative spacing for horizontal drilling.

The Oil and Gas program will continue to foster responsible development, protect the public health and safety, preserve the environment, and provide better customer service.

4. Minerals program - 2015 Year End Review

Mr. Paul Baker, Minerals Program Manager, reported on work performed by the Mining Program during 2015. See handout.

5. Other

- Mr. John Baza gave a report on the oil and gas conservation fee.

4. Next Month's Agenda and Division Calendar

A report was not given.

5. Opportunity for Public Comment

The Chairman opened the meeting for public comments. Seeing none, the meeting was adjourned until 9:00 a.m.

FORMAL SESSION:

The Chairman, Ruland J. Gill, Jr., called the formal session of the Board of Oil Gas and Mining hearing to order at 9:11 a.m. The Board heard the following matters:

Please note: Transcripts of the formal items will be available for review at the Division offices approximately fifteen business days after the hearing date. Copies of individual transcripts may be purchased from Alpine Court Reporting, 243 East 400 South, Suite 101B, Salt Lake City, Utah 84111, ph.: 801-691-1000.

1. [Docket No. 2015-001 Cause No. 176-05](#) – In the Matter of the Request for Agency Action of WHITING OIL AND GAS CORPORATION for an Order authorizing the venting or flaring of gas from the Moroni 11M-1107 Well located in Section 11, Township 15 South, Range 3 East, S.L.M., Sanpete County, Utah.

(This matter was continued from the April 22, 2015 hearing.)

Time: 9:11 a.m. to 10:53 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 was excused.

Counsel for the Board - Michael S. Johnson, Assistant Attorney General, Utah Attorney General's Office, Natural Resources Division.

Counsel for the Division – John Robinson Jr, Assistant Attorney General, Utah Attorney General's Office, Natural Resources Division.

Witnesses: Dustin Doucet, and John Rogers.

Counsel for the Petitioner - Thomas W. Clawson, Fabian Vancott

Witnesses: Paul Joeckel, and Ralph Nelms.

Counsel for the Respondent – Anthony T. Hunter, Hunter Mineral Law, Attorney for International Petroleum Limited Liability Company

Witness: Bryon Wixom

The Board approved the petitioner's request, with the exception that there would be no venting, only flaring. Mr. Clawson will prepare the order.

2. [Docket No. 2015-023 Cause No. S/049/0050](#) – In the matter of: reclamation at the Elite Rock-West Mine, Permit No. S/049/050, operated by Wasatch Mountain Excavating, located southwest of Elberta in the Southwestern Utah County, Utah.

(This matter was continued from the December 9, 2015 hearing.)

Time: 11:10 a.m. - 11:11 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 was excused.

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

Counsel for the Division – Steven F. Alder, John Robinson Jr., and Melissa L. Reynolds, Assistant Attorneys General, Natural Resources.
Witnesses: Paul Baker, and April Abate.

Counsel for Attorney for Brett Bryson & Wasatch Mountain Excavating, Inc. – Michael Stout, esq., Reed Warlaumont & Stout. Not Present.

Counsel for Matthew R. Shadle, & Robert Aurora Sky, LLC – James R. Blakesley, James R. Blakesley, PLLC. Not Present.

This matter has been continued to the Board hearing on March 23, 2016.

3. [Docket No. 2015-026 Cause No. 131-141](#) – In the Matter of the AMENDED Request for Agency Action of CRESCENT POINT ENERGY U.S. CORPORATION for an order: (1) partially vacating the Board’s Order in Docket No. 2011-012, Cause No. 142-05 as to certain lands; (2) vacating the Board’s Order in Docket No. 2014-023, Cause No. 131-138; and (3) establishing 40-acre, overlapping 640-acre and overlapping stand-up 1,280-acre drilling units for the production of oil, gas and associated hydrocarbons from the Lower Green River and Green River-Wasatch Formations in portions of Townships 3 and 4 South, Ranges 1 and 2 East, U.S.M., Uintah County, Utah.

(This matter was continued from the December 9, 2015 hearing.)

Time: 11:11 a.m. – 1:15 p.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 was 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, Brad Hill, and John Rogers.

Counsel for the Petitioner – Brent D. Chicken, Fox Rothschild, LLP
Witness: Ryan Waller, Laura Roberts, Katie Matthews, Senior Engineer.

On Behalf of Bureau of Land Management - Catie Bucher, Bureau of Land Management, Vernal Field Office. Justin Snyder, Bureau of Land Management, Vernal Field Office.

Counsel for the Ute Indian Tribe - Kim Colton, Snell & Wilmer, Attorneys representing the Ute Indian Tribe

The Board ruled that the record will stay open until February 12, 2016, to allow

time for parties to file additional responses. The Board requested that Mr. Chicken prepare a proposed order. The Board will deliberate on the matter after all responses and the proposed order have been received and reviewed. This matter is continued without date.

The meeting adjourned at 1:15 p.m.