## **JULY 26, 2017, MEETING MINUTES**

OF THE HEARING EXAMINER PUBLIC MEETING FOR DOCKET NO. 2017-017 CAUSE NO. 139-147 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, JULY 26, 2017, in rooms 1050 and 1060 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 Hearing Examiner Meeting is <a href="https://youtu.be/JSHpPa8E7Eg">https://youtu.be/JSHpPa8E7Eg</a>.

The Board of Oil, Gas and Mining ("Board"), State of Utah, pursuant to Utah Administrative Code R641-113-100, has designated a hearing examiner to conduct the hearing. The Hearing Examiner, John C. Rogers, called the meeting to order at 10:00 a.m.:

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.* 

<u>Docket No. 2017-017 Cause No. 139-147</u> – In the matter of the Request for Agency Action 1. of AXIA ENERGY II, LLC for an order pooling all interests, including the compulsory pooling of the interests of certain non-consenting and unlocatable owners, within three 1,280-acre drilling units established for the production of oil, gas and associated hydrocarbons from the Lower Green River-Wasatch (Colton) Formations, comprised of all of Sections 25 and 26, and 33 and 34 of Township 2 South, Range 3 West, U.S.M.; and Sections 30 and 31 of Township 2 South, Range 1 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 at the August 23, 2017, Board Hearing.)

Time: 10:02 a.m. to 1:14 p.m.

Hearing Examiner: John C. Rogers, Associate Director, Oil and Gas Program

Counsel for the Hearing Examiner: Meg Osswald, Assistant Attorney General, Utah Attorney General's Office, Natural Resources Division.

Counsel for the Division: Steven F. Alder, Assistant Attorney General, Utah Attorney

General's Office, Natural Resources Division.

Witness: Dustin Doucet

<u>Counsel for Axia Energy II, LLC:</u> David P. Bolda, Esq., Beatty & Wozniak, P.C. Witnesses: Rick Gallegos, and Taryn Frenzel.

The Petitioner requested a 400% non-consent penalty. The Division believes that the testimony supports a non-consent penalty of 300%. David P. Bolda will prepare the Proposed Findings of Fact and Conclusions of Law and Order and get it filed as soon as possible to give respondents time to respond. The response deadline for unleased interest owners is August 16, 2017. The Hearing Examiner will present the recommended Findings of Fact and Conclusions of Law to the Board of Oil, Gas and Mining at the next Board Hearing on August 23, 2017.

The meeting adjourned at 1:14 p.m.