

Oil and Gas Advisory Board Meeting

January 12th, 2017

Board Members in Attendance: Bryan Dicus, J Nelson Wood (via phone), Stephanie Storckman, Kyle Kingston, Steve Persinger and Larry Miller

Non-Voting Board Members in Attendance: Director Mike Mankowski (DNR), Sam Barbee, Craig Hedin (IOGA), and Brad Richards

DNR Representatives in Attendance: Doug Shutt and Renee Israels

Guests: None

Mr. Dicus called the meeting to order @ 10:36am.

Mr. Miller motioned to allow Mr. Wood to be in attendance via call-in. Mr. Persinger seconded.

Minutes

A correction to the minutes was made. Mr. Persinger motioned to approve the minutes with correction. Mr. Miller seconded. Minutes were unanimously approved.

2017 Meetings

Q1 - February 16th @ 10:00 am IOGA Building

Q2 – May 11th @ 10:00am IOGA Building

Q3 – September 14th @ 10:00am IOGA Building

Q4 – December 14th @10:00am IOGA Building

Round Table Discussion

Amendments to Section 240.460 Modified Drilling Units

The proposed amendments are meant to streamline MDU hearing process. A MDU permit will only go to hearing if there is an objection.

- Need to change application to petition
- Change b) 4. to read “...interest of the petitioner”
- Remove the intent to file language taken from UIC

The Director will draft another revision to be voted upon in February.

Amendments to Section 240.465 Special Drilling Units

Proposed amendments were modified to be consistent with 240.460.

The Director will draft another revision to be voted upon in February

Amendments to Section 240.400 and 410 re: Spacing

Mr. Wood motioned to approve. Mr. Kingston seconded. Spacing Amendments to Section 240.400 and 410 were unanimously approved.

Amendments to Section 1130 and 1131 Temporary Abandonment

Language change is to make the rules consistent.

- Added that wells performing a pressure test will have TA status that is good for 5 years.
- Will allow a onetime fluid bail if the operator shoots another fluid lever 48 hours later, and proves that the fluid is 100' below the base of the fresh water.

Mr. Persinger motioned to approve. Mr. Kingston Seconded. Amendments to Section 1130 and 1131 were unanimously approved.

Changes to Subpart N

Tabled until February meeting

Amendment to Section 240.220(d) 100% Ownership

David Foreman proposed the following language to replace the 100% ownership clause:

*“Certification under penalty of perjury that the applicant has the right pursuant to valid and subsisting oil and gas leases, documents or memorandum of public record and or the **Oil and Gas Rights Act, 765 ILCS 520/1 et. Seq.** to drill and operate a well on the lands and formations for the proposed well, as set forth in subpart D.”*

Mr. Wood motioned enthusiastically to approve as presented by David Foreman. Mr. Persinger seconded. Amendment to Section 240.220(d) 100% Ownership was unanimously approved.

Horizontal Coal Bed Methane Well Spacing

Tabled until February meeting.

Gas Storage Update and PHMSA Interim Final Rule

The Director updated the board on the PHMSA Interim Final Rule

New Business

Brad Cunningham retired at the end of the year. Norman Tullis was hired as District Manager of the Mt. Carmel office.

Bob Herr has been nominated to join the Board, which serves to replace the vacancy left by Nelson Wood.

Mr. Persinger gave an update on his research of composite plugs vs CIBP.

Next meeting is scheduled for February 16th, 10:00am at the IOGA building.

Steve Persinger motioned to adjourn at 12:11pm. Larry Miller seconded.