

July 7th, 2014 – Monday – 6:30pm – Calvary Chapel – Emmett, ID
Community Gas Forum: Natural Gas Drilling and Your Property Rights.

Moderator: Joe Morton

Sponsors: Grassroots Southwest Idaho (formerly Gem County Tea Party) and Concerned Citizens of Idaho

What follows are the key points made by the speakers that seemed to be of the most value to citizens trying to decide what they should or should not do.

- If you have gas or oil and the mineral rights, there is no need to rush to sign anything. Your offer will likely increase over time and you should have time to consult your neighbors, an attorney and citizens with experience with oil and gas exploration.
- You need to know your legal description and whether you own our mineral rights. The County Assessor's Office can tell you how to do the search but will not do the search for you.
- The Bureau of Land Management (BLM) and the Idaho Department of Lands (IDL) have on-line resources to search for mineral rights but both suggest you contact them for assistance. (If your mineral rights are state owned.)
- Title Companies do not guarantee mineral rights only surface rights.
- The state has leased most or all of its mineral rights including those that exist under other surface owners without notification to those land owners.
- Because integration rules currently are related to a section, you should get to know your neighbors in your section. Section is a 1 mile x 1 mile area in the Public Land Survey System. See: https://en.wikipedia.org/wiki/Public_Land_Survey_System
- Negotiation in a group within your section is a good idea. You should consider retaining an attorney.

Nicholas A. Warden - Associate Attorney - Fisher Rainey Hudson T: (208) 345-7000 E: naw@frhtriallawyers.com was at the meeting and has offered to assist Gem County landowners in their efforts.

- Leasing your land may put you at risk of defaulting on your mortgage and result in the note being called. Review your deed of trust to insure you do not have an issue. Additionally your insurance typically will require additional coverage if you have an oil / gas operation.
- Leasing your land will provide short term income but it may also reduce the value of your property by way of an lien or easement
- There is potential degradation of land value, potential loss of use & enjoyment of your private property, water quality and health (people and animals) risks associated with oil and gas wells, pipelines and processing facilities. You should fully understand these risks before signing any lease.
- Oil and Gas operators may have exemptions from disclosure about their processes, chemicals used and success or failure rates with wells. You or your group should ask for all the disclosure before signing a lease.
- With an attorney, write as many land, water, health and value protections into the lease as possible. A Contract is a two-way street and you have every right to be as protected under the contract as the originator of the contract.
- Because there are known water issues in the area regarding Arsenic, Uranium and Nitrates. A baseline collection of samples from wells all over the county should be taken before any drilling occurs. This protects people now from known hazards, it protects the operators from false charges of contamination and it protects the land/well

owners if there are issues with the wells. Additionally it would be prudent to conduct a baseline soil test prior to commencement of operations(s).

- The USGS can cost share the testing with any taxing entity. Suggestion is that citizens demand the county commissioners assess the companies leasing the land with payment for the county's share of any costs associated with the testing and water quality database.
- The county commissioners should also pass assessments or ordinances to protect the citizens and county from impacts related to visual, noise, airborne and water pollution and the county infrastructure.
- Public Meeting: Gem County Oil & Gas Well Ordinance – July 10th – 6:30pm – County Courthouse – 3rd floor
- Citizens need to be involved with the State rules making process.
<http://www.idl.idaho.gov/oil-gas/commission/rulemaking/index.html> Next Meeting: July 22nd – 8:30am – Idaho Capitol Building
- They need to contact Bobby Johnson with IDL – bjohnson@idl.idaho.gov and their legislators with their concerns about the rule making process. Of significant importance is more protection for citizens and private property rights.
- Critically important should be a change to the current rule that if 55% of the acres in a section are leased the other 45% of owners can be forced to lease their lands. A process called “Integration” or “Forced pooling” In Wyoming it is 75%.
- This was not brought up at the meeting, but I have worked in Texas and Louisiana for Boise Cascade and supported their Oil and Gas operations. I suggest you encourage your legislators to review the laws regarding Oil and Gas exploration and talk with Land Owners who regularly lease their lands for Oil and Gas exploration. In this area the industry is mature and the landowners are well seasoned! There is no sense in Idaho repeating the mistakes of the past.
- Meeting contacts: www.ProtectGemCounty.org and GrassrootsSouthwestIdaho@outlook.com and jmorton@silverleafidaho.com

Respectfully submitted,
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