

Illinois Oil and Gas Advisory Board
Meeting Minutes
February 8, 2018

Voting Board Members in Attendance

Bryan Dicus, Chairman
Kyle Kingston, Vice Chairman
Casey Lampley, Secretary
Stephanie Storckman
Steve Persinger
Larry Miller

Non-Voting Board Members in Attendance

Mike Mankowski, OGRM Director
Sam Barbee, IOGA Executive VP
Craig Hedin, IOGA President
Jarred Tynes, IOGA Member

DNR-OGRM Guests / Presenters in Attendance

Doug Shutt
Zach Strawn

Guests in Attendance

J. Nelson Wood, Wood Energy

- 1) Mr. Dicus called the meeting to order at 10:42am.
- 2) Mr. Miller moved to approve last meeting's minutes. Seconded by Mr. Kingston. Motion carried.
- 3) Mr. Mankowski informed the board of OGRM staffing updates.
- 4) Round Table Discussion:
 - A) Update on Recent Rulemaking - 2nd Notice, 12/13/18 JCAR meeting: Mr. Mankowski informed the board that the rulemaking is moving along quickly. JCAR has yet to ask for any changes and will possibly vote on it next week. Hopefully, the rules will be in the register next Friday. March 10 is the end of 2nd notice, so if not voted on, the rules become active on March 10. Mr. Mankowski informed the board that the State sees the Advisory Board as a "shining star" because the board has been effective at positive work between industry and State.
 - B) Section 240.160: Mr. Mankowski advised the board that NOV's are supposed to go to the Director before being sent to operators, as per the Oil and Gas Act. After the Director makes a decision on the NOV, then operators receive and respond to the director's decision. He said for the last 30 years, operators have been receiving NOV's first, and this will no longer be the case. He suggested amending the rules to be consistent with the Act. The NNC process

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will not be affected. Mr. Mankowski advised that this should help eliminate the backlog of director decisions that lie waiting in queue. He is still on board with using fines to discourage bad operators, and waiving fines for good operators. Mr. Mankowski said he will start a redraft of rules to jive with the Act. He wants to give hearing officers flexibility in justifying fines, because their hands are tied with a schedule of fines.

C) Form Amendments:

OG-1 Permittee Status Reporting Form: Mr. Mankowski advised the board that the OG-1 has only two changes. One change being space for three email addresses, so long as the total length of the combined email addresses do not exceed 100 characters total. Also, the OG-1 is now a “fillable” form. Electronic signature capability is being worked on. Mr. Wood commented on the last paragraph of the OG-1, stating that it is too specific with the wording “IL statutory short form”. There are other common instruments available that give power of attorney. Mr. Wood recommends making this wording vaguer so that it can include the other common instruments. Mr. Hedin suggested that the Department could come up with its own form/instrument. Mr. Persinger moved to accept the OG-1 as presented, but with the appropriate changes made to the power of attorney language. Seconded by Ms. Storckman. Motion carried.

OG-26 Notification of Well Transfer: Mr. Shutt presented the OG-26 to the board for review and suggestions. Mr. Shutt would like two forms, one each for the buyer and the seller. This would take liability off the seller when they certify, and then wait on certification from the buyer. If either side has an issue, then hold a hearing. Mr. Hedin and Mr. Tynes suggested that the seller certification statement language be limited to rights of the seller, rather than certifying anything on behalf of the buyer. Also, Part B of the certification statement should be amended so that that “application” is changed to “notification”. Mr. Persinger moved to accept OG-26CP and OG-26NP as presented, but with the appropriate changes made by the Department. Motion carried.

5) New Business:

A) Ms. Storckman, representing IPRB, asked Mr. Mankowski what the status was of getting paper-based data from DNR to ISGS in digitized form instead of paper. Mr. Mankowski advised that she should contact Ernie Kierbach at DNR. He said it is possible, but there some issues between DNR and ISGS.

B) Mr. Lampley, representing IPRB, advised the board on the status of restoration efforts made by IPRB.

6) No public participation.

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- 7) Next meeting set for May 10, 2018 @ 10am at the IOGA office in Mt. Vernon, IL.
- 8) Mr. Persinger moved to adjourn meeting. Seconded by Ms. Storckman. Motion carried.
Meeting adjourned at 11:54am.