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Minutes of the  
Board of Minerals and Environment  
Telephone Conference Call Meeting  
Matthew Environmental Education and Training Center  
523 East Capitol Avenue  
Pierre, South Dakota

April 18, 2019  
10:00 a.m. Central Time

CALL TO ORDER: The meeting was called to order by Chairman Rex Hagg at 10:12 a.m. The roll was called, and a quorum was present.

Chairman Hagg announced that the meeting was streaming live on SD.net, a service of South Dakota Public Broadcasting.

BOARD MEMBERS PRESENT: Rex Hagg, Gregg Greenfield, Glenn Blumhardt, Dennis Landguth, Doyle Karpen, and Bob Morris.

BOARD MEMBER ABSENT: Daryl Englund, John Scheetz, and Jessica Peterson.

OTHERS PRESENT: Mike Lees, Lucy Blocker, Patty McQuay, and Eric Holm, DENR; Bob Mercer, newspaper reporter.

APPROVAL OF MINUTES FROM MARCH 21, 2019, MEETING: Bob Morris requested the following change in the second to last paragraph on page 5:

Bob Morris stated that he would continue recusal over any quasi-judicial discussion regarding Spyglass, but he would participate in any future the bonding and policy discussion.

Motion by Morris, seconded by Landguth, to approve the minutes from the March 21, 2019, Board of Minerals and Environment meeting, as amended. A roll call vote was taken, and the motion carried unanimously.

SPYGLASS CEDAR CREEK, LP'S REVOKED PERMITS - STATUS OF SPYGLASS WELLS, SUMMARY OF ENFORCEMENT OPTIONS FOR ADDRESSING UNPLUGGED WELLS: Assistant Attorney General Steve Blair reported that the Office of Attorney General is still researching whether the forfeited \$130,000 Quartz Operations bond can be spent for plugging some of the Spyglass wells, therefore, the Attorney General has not come to a conclusion regarding the use of those funds for any Spyglass activities.

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The board voted March 21 to levy a \$15,494,000 civil penalty against Spyglass Cedar Creek, Limited Partnership. Mr. Blair stated that the enforcement action is expected to be filed before the next Board of Minerals and Environment meeting.

Bob Morris asked that the record reflect that he would continue recusal over any quasi-judicial discussion regarding Spyglass, but he would participate in any future bonding and policy discussion.

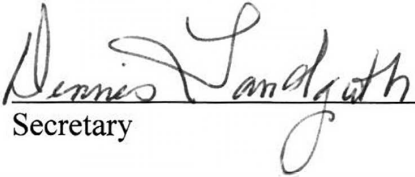
Chairman Hagg requested board action.

Motion by Karpen, seconded by Landguth, to defer the Spyglass Cedar Creek LP revoked permits matter to the May board meeting. A roll call vote was taken, and the motion carried with Blumhardt, Greenfield, Karpen, Landguth, and Hagg voting aye. Morris abstained.

NEXT MEETING: Chairman Hagg noted that he had a conflict with the May 16 meeting date. There was consensus among the board members to hold the next board meeting on Wednesday, May 15, 2019, in Pierre.

PUBLIC COMMENT PERIOD: There were no public comments.

ADJOURN: Motion by Blumhardt, seconded by Karpen, that the meeting be adjourned. A roll call vote was taken, and the motion carried unanimously.

 5/15/19  
Secretary Date

 5/15/19  
Witness Date