

**INDIANA OIL & GAS ASSOCIATION
BOARD MEETING MINUTES
MAY 15, 2008**

MEETING CALLED TO ORDER

The meeting was called to order by Howard Nevins at 5:48 p.m. Members in attendance included President Howard Nevins, Vice President Tom Nichols, Legal Advisor Steve Link, Treasurer Jason Smith, Directors Mike Cash, Lester Moore, Ron Graul, Jeff Hoy, Mark Peach, Frank Lindsey, Neil McCrary and Secretary Jenna Sibert.

MINUTES

Minutes of the April 7, 2008 meeting were reviewed. A motion was made by Tom Nichols to approve as presented; the motion was seconded by Lester Moore. Motion carried unanimously.

FINANCIALS

Jason Smith presented the financials. A motion to accept the minutes as presented was made by Jeff Hoy and seconded by Neil McCrary. The motion passed unanimously.

COMMITTEE REPORTS

A. Education/Scholarship

Jason Smith presented that five scholarship applications had been received, with today (April 15th) being the deadline. He felt there were one or two possibilities for a scholarship. He will also follow up with the University of Southern Indiana (USI).

B. Picnic/Golf Outing

The 2008 INOGA Golf Outing is full; the golf, picnic, and equipment show will be June 6th at the Countrymark facilities. The Illinois Petroleum Resources Board will also have their traveling exhibit on display.

C. Annual Dinner/Expo

Howard Nevins presented the Annual Meeting report on behalf of Bill Collins. The prices at Casino Aztar are locked in at last year's rates. A keynote speaker has not yet been chosen.

D. Awards

No Report

E. Environmental Advisory Board

On behalf of the Environmental Advisory Board, Ron Graul said that the plugging project is on hold due to the river being out. There are 10 wells still to plug at Powell's Lake. Don Jones of Pioneer Oil Company will be working on the Mink Island and Indiana State

University project; the Mink Island project is having scheduling difficulties due to the precise water level needed for the barges.

F. Legal/Bylaws

No Report

G. Nominating

No Report

H. Public Relations

No Report

I. Website

The website continues to need pictures and historical information. Anyone willing to contribute is strongly encouraged to contact Jenna Sibert. It was noted that the minutes, agendas, handouts, etc. are now available online under the Archive section.

NEW BUSINESS

PLUGGING SUBCOMMITTEE

DRILLING UNITS, WELL SPACING, VOLUNTARY PRODUCTION UNIT - DRAFT

The Non-Rule Draft memorandum prepared by Herschel McDivitt was discussed. Steve Link noted the change on the draft that removed “nearest lease boundary line” from Section VI, Part B, Section 2, seemingly implying that the acreage must be unitized (“voluntary unit boundaries”). The only measurement that should matter, according to the Board, is that the spacing is 330’ from the lease line. The language may be acceptable if it is referring to a Drilling Unit boundary line. The question will be brought up in the meeting to follow with Herschel McDivitt.

Forced pooling and the possible penalty for holdouts were also discussed, including the possibility of a non-participation charge; Illinois currently has a non-participation charge for pooling “holdouts.” The question will also be presented to Herschel McDivitt.

As discussed at previous meetings, Geological Structure Test (GST) wells cannot be produced until converted.

Questions on the enforceability of a “Non-Rule Policy” were brought up and will be presented to Herschel McDivitt. It was decided that this is how the DNR is legally interpreting the statute, although it, as a non-rule policy, is not legally enforceable. It is intended, however, that this non-rule policy will later become a legally enforceable rule. If accepted as presented, the Non-Rule Policy will go into effect immediately after presentation at the May 21st meeting at McCormick’s Creek State Park in Spencer, Indiana.

On the STRONGER Report, Steve Link said that the state is considering removing the state inspector's required signature from the Plugging Affidavits, leaving the certifying (and liability) to the operator. This change would also require a Plugging Plan to be approved in advance. The cement fallback was discussed in the prior meeting.

ADDITIONAL BUSINESS

Core Minerals would be willing to donate office space in Evansville, Indiana in the event INOGA pursues hiring of full-time staff.

Upcoming Events: The Annual Golf Outing & Picnic is scheduled for June 6th. The next INOGA Board of Directors meeting is scheduled for August 5th at the Hampton Inn in Princeton. The Annual Meeting is scheduled for October 3rd.

ADJOURNMENT

Lester Moore made the motion to adjourn and it was seconded by Jeff Hoy. The meeting was adjourned at 6:58 p.m.

Minutes prepared by Jenna Bree Sibert