

**SENATE COMMITTEE AMENDMENTS**

Amendments proposed by Senate Committee on Natural Resources to Original Senate Bill No. 41 by Senator Dupre

1 AMENDMENT NO. 1

2 On page 1, line 2, after "reenact" delete the remainder of the line and delete line 3, and  
3 insert:

4 "R.S. 17:9(B) and 3367(B), R.S. 30:4(D)(1), (2) and (3), 83(G), 121(A), 123.1(A)  
5 and (C), 124, 126(A), 127(A), 127.1(B)(1), 128(A) and (B)(2), 131, 136(A)(1)(b)  
6 and (B)(1), (2) and (3), 136.1(A) and (B), 136.3(A) and (D), 137, 139, 141, 143(A),  
7 (D)(4), (5), (6), and (F), 144(A) and (B), 148.1, 148.2(A) and (B), 150(C)(1), 153,  
8 154(C), 155, 156, 158, 159, 179.11, 179.12, 186, 187, 188(A) and (B), 208, 209  
9 (introductory paragraph), (2) and (4)(b), (d) and (e), 209.1(A) and (B)(1), 212(A),  
10 (D)(2) and (3), 213, 214, 215, 216(B) and (C)(4), and 804, R.S. 34:3108(E), 3478(E)  
11 and 3498(E), R.S. 36:353, 359(E) and 807, R.S. 39:14(1), R.S. 41:643(A),  
12 1217.1(B), 1732(A) and (B) and 1733, R.S. 42:6.1(A)(6), R.S. 44:18, R.S.  
13 56:30.3(B), 426(C), and 798(A)(1), (2)(b) and (c), relative to the Department of  
14 Natural Resources; to change the name of the State Mineral Board to the State  
15 Mineral and Energy Board; to change the"

16 AMENDMENT NO. 2

17 On page 1, delete lines 8 and 9, and insert:

18 "Section 1. R.S. 17:9(B) and 3367(B) are hereby amended and reenacted to read as  
19 follows:

20 §9. Authority to execute mineral leases; approval by mineral board

21 \* \* \*

22 B. Each lease sought to be executed under authority of this Section shall  
23 require the prior approval of the ~~State Mineral Board~~ **State Mineral and Energy**  
24 **Board**.

25 \* \* \*

26 §3367. Authority to execute mineral leases on college and university lands; term;  
27 use of revenues

28 \* \* \*

29 B. Each lease sought to be executed under authority of this Section shall  
30 require the prior approval of the ~~State Mineral Board~~ **State Mineral and Energy**  
31 **Board**.

32 \* \* \*

33 Section 2. R.S. 30:4(D)(1), (2) and (3), 83(G), 121(A), 123.1(A) and (C), 124,  
34 126(A), 127(A), 127.1(B)(1), 128(A) and (B)(2), 131, 136(A)(1)(b) and (B)(1), (2)  
35 and (3), 136.1(A) and (B), 136.3(A) and (D), 137, 139, 141, 143(A), (D)(4), (5), (6),  
36 and (F), 144(A) and (B), 148.1, 148.2(A) and (B), 150(C)(1), 153, 154(C), 155, 156,  
37 158, 159, 179.11, 179.12, 186, 187, 188(A) and (B), 208, 209 (introductory  
38 paragraph), (2) and (4)(b), (d) and (e), 209.1(A) and (B)(1), 212(A), (D)(2) and (3),  
39 213, 214, 215, 216(B) and (C)(4), and 804 are hereby amended and reenacted to read  
40 as follows:

41 §4. Jurisdiction, duties, and powers of the assistant secretary; rules and regulations

42 \* \* \*

43 D. The assistant secretary shall make, after notice and public hearing as  
44 provided in this Chapter, any reasonable rules, regulations, and orders that are  
45 necessary:

46 (1) To require that all pipelines, excluding field transmission, flow, and  
47 gathering lines; all wells; and associated structures, including any fittings, tie-overs,

1 appliances, and equipment, which are constructed on state water bottoms pursuant  
2 to the grant of a right-of-way by the secretary of the Department of Natural  
3 Resources or the issuance of a lease by the ~~State Mineral Board~~ **State Mineral and**  
4 **Energy Board** shall conform to the following provisions:

5 \* \* \*

6 (2) To require that all field transmissions, flow, and gathering lines  
7 constructed on state water bottoms pursuant to the grant of a right-of-way by the  
8 secretary of the Department of Natural Resources or the issuance of a lease by the  
9 ~~State Mineral Board~~ **State Mineral and Energy Board** shall meet all requirements  
10 of the United States Army Corps of Engineers for burial and shall be located,  
11 installed, marked, and maintained in a proper manner, to be approved by the assistant  
12 secretary, so as to minimize undue interference with persons making other uses of  
13 state waters or water bottoms, including mariners and fishermen.

14 (3) To require that all equipment, machinery, and materials associated with  
15 the construction, operation, maintenance, or abandonment of all pipelines, including  
16 field transmission, flow, and gathering lines; all wells; and all associated structures,  
17 which are constructed on state water bottoms pursuant to the grant of a right-of-way  
18 by the secretary of Department of Natural Resources or the issuance of a lease by the  
19 ~~State Mineral Board~~ **State Mineral and Energy Board** shall conform to the  
20 following provisions:

21 \* \* \*

22 §83. Oilfield Site Restoration Commission; Department of Natural Resources

23 \* \* \*

24 G. The records, documents, and meetings of the commission shall be subject  
25 to the same requirements and exceptions regarding access by the public as are the  
26 records, documents, and meetings of the ~~State Mineral Board~~ **State Mineral and**  
27 **Energy Board**.

28 \* \* \*

29 **SUBPART A. STATE MINERAL BOARD STATE**  
30 **MINERAL AND ENERGY BOARD**

31 §121. ~~State Mineral Board~~ **State Mineral and Energy Board** created; composition  
32 and powers

33 A. The ~~State Mineral Board~~ **State Mineral and Energy Board**, as created  
34 by Act. No. 93 of the 1936 Regular Session, is hereby continued. The board shall be  
35 composed of the governor and the secretary of the Department of Natural Resources,  
36 ex officio, and nine members appointed by the governor. Each appointment by the  
37 governor shall be submitted to the Senate for confirmation. Six members shall  
38 constitute a quorum.

39 \* \* \*

40 §123.1. Registration of prospective leaseholders

41 A. All prospective leaseholders of leases awarded by the ~~State Mineral Board~~  
42 **State Mineral and Energy Board** shall register with the office of mineral resources.  
43 Registration shall be in the form and content as prescribed by the office of mineral  
44 resources. At a minimum, the registration shall include the current physical address,  
45 telephone number, e-mail address, and facsimile number of the prospective  
46 leaseholder. In addition, the prospective leaseholder shall submit written  
47 documentation from the Louisiana secretary of state indicating that the prospective  
48 leaseholder is registered and in good standing with the secretary of state. For such  
49 purposes, a copy of the detailed record from the secretary of state web site  
50 evidencing that the company is in good standing shall suffice.

51 \* \* \*

52 C. If at any time during the period for which a given mineral lease is in full  
53 force and effect, the office of the mineral resources finds that any current record  
54 lessee of that lease is not properly registered with the office of mineral resources, the  
55 office of mineral resources shall notify the record lessee in writing by certified mail,  
56 return receipt requested, and request proper registration by a fixed date no more than  
57 thirty days after receipt of the notification. Should the record lessee, after being duly  
58 notified, fail to properly register by the date fixed in the notification, the ~~State~~  
59 **Mineral Board State Mineral and Energy Board** may levy liquidated damages  
60 against that lessee in the amount of one hundred dollars per day until the record  
61 lessee is properly registered with the office of mineral resources. The liquidated

1 damage assessment may be waived, in whole or in part, by the ~~State Mineral Board~~  
2 **State Mineral and Energy Board**.

3 §124. Board may lease public lands; fee

4 The ~~State Mineral Board~~ **State Mineral and Energy Board** has the authority  
5 to lease for the development and production of minerals, oil, and gas, any lands  
6 belonging to the state, or the title to which is in the public, including road beds, water  
7 bottoms, vacant state lands, and lands adjudicated to the state at tax sale. The mineral  
8 board is further authorized to collect a fee for such leasing in the amount of ten  
9 percent of the total cash bonus paid at the lease sale. The fee shall be in addition to  
10 the total cash bonus paid.

11 \* \* \*

12 §126. Inspection: quantity of land; advertisements for bids; fees

13 A. Upon receipt of an application accompanied by the nonrefundable fee, the  
14 ~~State Mineral Board~~ **State Mineral and Energy Board** may cause an inspection of  
15 the land to be made, including geophysical and geological surveys. After receiving  
16 the report of the inspection, the board may offer for lease all or part of the lands  
17 described in the application. However, no lease shall contain more than five  
18 thousand acres. The board shall publish in the official journal of the state, and in the  
19 official journal of the parish where the lands are located, an advertisement which  
20 must appear in these journals not more than sixty days prior to the date for the  
21 opening of bids. The board may, at its discretion, publish other such advertisements.  
22 This advertisement shall contain a description of the land proposed to be leased, the  
23 time when and place where sealed bids shall be received and publicly opened, a  
24 statement that the bid may be for the whole or any particularly described portion of  
25 the land advertised, and any other information that the board may consider necessary,  
26 and the royalty to be demanded should the board deem it to be in the interest of the  
27 state to call for bids on the basis of a royalty fixed by it. If the lands are situated in  
28 two or more parishes, the advertisement shall appear in the official journals of all the  
29 parishes where the lands may be partly located. This advertisement and any other  
30 published by the board shall constitute judicial advertisement and legal notice within  
31 the contemplation of Chapter 5 of Title 43 of the Louisiana Revised Statutes of 1950.  
32 When requested to furnish proof of publication, the board may charge a fee of twenty  
33 dollars to furnish the proof of publication.

34 \* \* \*

35 §127. Opening bids; minimum royalties; terms of lease, deposit

36 A. Only those bidders who are registered prospective leaseholders with the  
37 office of mineral resources, or those who register within two business days after the  
38 lease sale at which the bid is opened and prior to the conditional issuance of the  
39 lease, shall be allowed to obtain a mineral lease from the state of Louisiana. Any  
40 bidder who is not properly registered with the office of mineral resources at the time  
41 bids are opened, but whose bid is otherwise acceptable, shall have until the end of  
42 the second business day following the date on which the bid was conditionally  
43 accepted by the ~~State Mineral Board~~ **State Mineral and Energy Board** to become  
44 properly registered with the office of mineral resources. If said bidder remains  
45 unregistered by the close of business of the second business day following the day  
46 the mineral lease sale at which the bid was conditionally accepted, the conditionally  
47 accepted bid shall be deemed rejected. The provisions of this Subsection shall also  
48 apply in cases where there is no more than one bid made by unregistered prospective  
49 leaseholders. Bids may be for the whole or any particularly described portion of land  
50 advertised. At the time and place mentioned in the advertisement for the  
51 consideration of bids, they shall be publicly opened. Bids received by the mineral  
52 board shall be opened at any state-owned buildings situated in the city in which the  
53 capitol is located. The mineral board has authority to accept the bid most  
54 advantageous to the state and may lease upon whatever terms it considers proper.  
55 However, the minimum royalties to be stipulated in any lease, other than a lease  
56 executed by or on behalf of a school board, shall be:

57 \* \* \*

58 §127.1. Tertiary recovery incentive

59 \* \* \*

60 B.(1) In order to accomplish the purposes set forth in Subsection A of this  
61 Section, the ~~State Mineral Board~~ **State Mineral and Energy Board** may enter into

1 an agreement with the lessee under any present and future state mineral lease or  
2 leases, under which such lessee may be relieved from the payment of all or part of  
3 the royalty otherwise due to the state under the applicable mineral lease or leases in  
4 regard to production from the particular reservoir involved in a qualified tertiary  
5 recovery project, until such project has reached payout from the total production,  
6 "payout" to be defined by the board on a project-by-project basis based on:  
7 \* \* \*

8 AMENDMENT NO. 3

9 On page 1, delete line 11 and insert:

10 "A. No transfer or assignment in relation to any lease of minerals or mineral  
11 rights owned by the state shall be valid unless approved by the ~~State Mineral Board~~  
12 **State Mineral and Energy Board**. The mineral board may charge a fee of one  
13 hundred dollars to cover the cost of preparing and docketing transfers or assignments  
14 of leases of mineral or mineral rights. All parties to transfers or assignments in  
15 relation to any lease of mineral or mineral rights from the state shall be registered  
16 prospective leaseholders with the office of mineral resources. Transfers or  
17 assignments shall not be granted to prospective leaseholders that are not currently  
18 registered with the office of mineral resources."

19 AMENDMENT NO. 4

20 On page 1, between lines 16 and 17, insert:

21 "§131. Surveys, reports and investigations  
22 The Department of Public Works, parish surveyors, State Highway  
23 Engineers, Louisiana State University and Agricultural and Mechanical College and  
24 any board, department or institution of the state and the governing authorities of  
25 political subdivisions shall make such surveys, reports and investigations, and  
26 furnish such records and information as may be required by the ~~State Mineral Board~~  
27 **State Mineral and Energy Board** for the purposes of determining boundaries,  
28 character, title, location and other matters relating to lands.  
29 \* \* \*

30 AMENDMENT NO. 5

31 On page 2, delete line 1 and insert:

32 "A.(1)(a) \* \* \*  
33 (b) The office of mineral resources shall maintain a log in which shall be  
34 noted the date, time, and payor of each payment and the nature thereof, whether  
35 check or electronic wire transfer, so that the board may determine whether such  
36 payment was correct, sufficient, and timely made. The board shall then transmit  
37 these payments by electronic transfer, or hand-carry these payments, on the day  
38 received, to the state treasurer. If the board cannot make such determination  
39 promptly, it shall nevertheless transmit these payments by electronic transfer, or  
40 hand-carry these payments, on the day received, to the state treasurer and request the  
41 treasurer to place such funds as are being reviewed by the board under this Section  
42 in a suspense account until such time as the board makes the determination herein  
43 required and notifies the state treasurer of the disposition to be made by them. If the  
44 payor attributable to a lease unit well (LUW) code changes between monthly  
45 payment dates without notification to the office of mineral resources of the change  
46 and with submission of the current mailing address, telephone number, and email  
47 address for the new payor prior to the next month's payment, the new payor shall be  
48 subject to a liquidated damage penalty of one thousand dollars. The ~~State Mineral~~  
49 **Board State Mineral and Energy Board** shall have authority to waive all or any  
50 part of said damages based on a consideration of all factors bearing on the issue.  
51 \* \* \*

1 AMENDMENT NO. 6

2 On page 2, line 10, delete "State Mineral Board" and insert "~~State Mineral Board~~ **State**  
3 **Mineral and Energy Board**"

4 AMENDMENT NO. 7

5 On page 2, line 12, delete "State Mineral Board" and insert "~~State Mineral Board~~ **State**  
6 **Mineral and Energy Board**"

7 AMENDMENT NO. 8

8 On page 2, delete line 15, and insert:

9 "(2) The failure to pay or the underpayment of all sums other than bonuses,  
10 rentals, or shut-in payments, for whatever cause, shall subject the lessee, his  
11 successor, or assigns, to a penalty of ten percent of the total sum due not to exceed  
12 one thousand dollars, which penalty shall be assessed, and owing on the day  
13 following the date payment was due, and shall be deemed liquidated damages. The  
14 whole or any part of the penalty set forth herein may be waived by the ~~State Mineral~~  
15 ~~Board~~ **State Mineral and Energy Board**.

16 (3) When notice is given of the incorrect completion of any required form,  
17 or demand for payment is made for failure to pay or underpayment, or sixty days has  
18 elapsed from the date payment was due with the correctly filled out form, an  
19 additional penalty of two percent of the total sum then due shall accrue beginning on  
20 the sixty-first day on each thirty-day period thereafter, or fraction thereof, up to a  
21 maximum of twenty-four percent in additional penalty. The penalty therein provided  
22 shall be in addition to interest at the legal rate compounded monthly. Both the  
23 penalty and interest shall accrue to principal and interest accumulated at the end of  
24 each thirty-day period, or fraction thereof, also without necessity of further notice  
25 and shall be in addition to all remedies available under law, including those  
26 prescribed in R.S. 31:137 through 141. In the event the ~~State Mineral Board~~ **State**  
27 **Mineral and Energy Board** finds, subject to judicial review, that a substantial and  
28 justiciable controversy exists as to whether any such royalties are legally due, it shall  
29 defer the commencement of the accrual of the aforesaid penalty until the controversy  
30 is resolved by amicable agreement or by final decree of any court of competent  
31 jurisdiction. The whole or any part of the penalties set for hereinabove may be  
32 waived by the ~~State Mineral Board~~ **State Mineral and Energy Board**.

33 \* \* \*

34 §136.1. Proceeds from mineral royalties, leases, and bonuses; payment into the  
35 Bond Security and Redemption Fund; payment into the Louisiana  
36 Investment Fund for Enhancement. (L.I.F.E.)

37 A. The proceeds of all royalties from all mineral leases to be granted, as well  
38 as all mineral leases heretofore granted, by the state of Louisiana on state-owned  
39 land, lake and river beds, and other water bottoms belonging to the state remaining  
40 after complying with dedication of such revenues heretofore made and after  
41 deductions of any appropriations of such revenues made by law for the payment of  
42 the expenses of the ~~state mineral board~~ **State Mineral and Energy Board**, shall be  
43 paid into the state treasury and shall be credited to the Bond Security and  
44 Redemption Fund.

45 B. The proceeds of all leases and bonuses, including annual delay rentals  
46 under said leases to be granted as well as all proceeds from mineral leases and delay  
47 rentals thereunder heretofore granted, by the state of Louisiana on state-owned land,  
48 lake and river beds, and other water bottoms belonging to the state remaining after  
49 complying with dedications of such revenues heretofore made and after deduction  
50 of any appropriations of such revenues made by law for the payment of the expenses  
51 of the ~~state mineral board~~ **State Mineral and Energy Board**, shall be paid into the  
52 state treasury for credit to the Bond Security and Redemption Fund.

53 \* \* \*

1 AMENDMENT NO. 9

2 On page 2, between lines 25 and 26, insert:

3 "§137. Agreements to offset, compensate and recover from future royalties

4 The ~~State Mineral Board~~ **State Mineral and Energy Board** is hereby  
 5 empowered to enter into agreements with lessees or other parties under state oil, gas  
 6 and mineral leases or other agreement heretofore or hereafter issues to offset,  
 7 compensate, and recover from royalty thereafter accruing to the state of Louisiana,  
 8 amounts equal to any royalty or other payments (all herein called "royalty") which  
 9 such lessees or other parties have paid to the state was, is, or may become lawfully  
 10 entitled because of overpayment or action by the Federal Power Commission;  
 11 provided, however, that with respect to any royalty based on amounts received by  
 12 the lessee or other parties for sales of natural gas that may be subject to refund by  
 13 order or directive of the Federal Power Commission, such agreements may require  
 14 the immediate payment of such portion of such royalty that is determined to be  
 15 proper by the ~~State Mineral Board~~ **State Mineral and Energy Board**, such payment  
 16 to be subject to the offsetting, compensation and recovery provisions of R.S. 30:137  
 17 to 30:141.

18 \* \* \*

19 §139. Validation of agreements

20 All agreements of the character contemplated by R.S. 30:137 which have  
 21 heretofore been entered into by the ~~State Mineral Board~~ **State Mineral and Energy**  
 22 **Board** are hereby ratified, confirmed and validate; however, such agreements may  
 23 be modified or amended in accordance with the terms of R.S. 30:137 to 30:141.

24 \* \* \*

25 §141. Power of mineral board not derogated - Other rights and remedies not modified

26 R.S. 30:137 to 30:141 are not intended in any way to derogate from or  
 27 question the power and authority of the ~~State Mineral Board~~ **State Mineral and**  
 28 **Energy Board** to enter into any agreements of any type whatsoever pursuant to its  
 29 power and authority heretofore expressly or impliedly granted by law; and the  
 30 provisions hereof shall not modify in any way the right of any lessee or other party  
 31 to invoke the rights and remedies available under existing laws.

32 \* \* \*

33 §143. Transfer of solid mineral leases, approval by board

34 A. In addition to the provisions of R.S. 30:128, in the case of a proposed  
 35 transfer, under the circumstances described in Subsection B hereof, of any lease or  
 36 sublease entered into by or under the authority of or subject to the jurisdiction of the  
 37 ~~State Mineral Board~~ **State Mineral and Energy Board** which includes the  
 38 development and production of solid minerals, the board shall determine whether to  
 39 approve such proposed transfer pursuant to this Section and to such rules and  
 40 regulations as may be issued hereunder.

41 \* \* \*

42 D. (1)

\* \* \*

43 (4) Promptly after the conclusion of the hearing, the secretary of the  
 44 Department of Natural Resources shall prepare written findings of fact and a  
 45 recommended decision on the application. He shall transmit these to the ~~State~~  
 46 **Mineral Board State Mineral and Energy Board** together with a certified copy of  
 47 the hearing record. After giving due consideration to whether the evidence  
 48 establishes that the proposed transferee is competent and otherwise qualified to  
 49 perform all of the obligations under the lease or sublease in such a manner as not to  
 50 adversely affect the public interest of the state as respects its natural resources, the  
 51 ~~State Mineral Board~~ **State Mineral and Energy Board** shall issue a written decision  
 52 granting or denying the application in whole or in part or upon such conditions as it  
 53 may deem appropriate.

54 (5) An appeal may be taken from any final order of the ~~State Mineral Board~~  
 55 **State Mineral and Energy Board** under this Section only by a party to the hearing  
 56 required herein in accordance with R.S. 49:964 and R.S. 49:965.

57 (6) Anything herein to the contrary notwithstanding, the secretary of the  
 58 Department of Natural Resources may transmit a recommended decision to the ~~State~~  
 59 **Mineral Board State Mineral and Energy Board** without first conducting an

1 investigation or holding a hearing if (i) all necessary parties to the hearing file  
2 affidavits with the secretary of the Department of Natural Resources attesting their  
3 belief that there are no substantial issues requiring an investigation or hearing and  
4 (ii) the secretary independently determines that there are no substantial issues  
5 requiring an investigation or hearing.

6 \* \* \*

7 F. Whenever it appears to the ~~State Mineral Board~~ **State Mineral and**  
8 **Energy Board** or the secretary of the Department of Natural Resources that any  
9 person has engaged or is about to engage in any act or practice constituting a  
10 violation of any provision of this Section, the secretary of Department of Natural  
11 Resources may investigate and issue orders and notices. In addition to all other  
12 remedies, the ~~State Mineral Board~~ **State Mineral and Energy Board** or the  
13 secretary of the Department of Natural Resources may bring an action in any court  
14 of competent jurisdiction in the name and on behalf of this state against any person  
15 or persons participating in or about to participate in a violation of this Section, to  
16 enforce compliance with this Section, or enjoin any action in violation of this  
17 Section.

18 \* \* \*

19 §144. Sale of royalties in-kind to small refiners

20 A. On or before December 31, 1979, the secretary of the Department of  
21 Natural Resources shall submit to the ~~State Mineral Board~~ **State Mineral and**  
22 **Energy Board** for implementation a regulatory program for the sale and/or  
23 processing of in-kind crude oil royalties to refiners in the state and procedures for the  
24 sale and/or processing, delivery, and use of royalty crude oil, which at a minimum  
25 include the following:

26 \* \* \*

27 B. Prior to submitting the program to the ~~State Mineral Board~~ **State Mineral**  
28 **and Energy Board** for implementation, the secretary shall present the proposed  
29 program to the House Committee on Natural Resources and Environment and Senate  
30 Committee on Natural Resources, meeting jointly, for approval thereof. Within  
31 thirty days after receipt of the program from the secretary, the mineral board shall  
32 initiate rulemaking procedures thereon in compliance with R.S. 49:951 et seq.

33 \* \* \*

34 §148.1. Lessor defined

35 For the purposes of this Subpart the term "lessor" shall refer to and include  
36 the ~~State Mineral Board~~ **State Mineral and Energy Board**, any school district,  
37 levee district, drainage district, municipal or parochial subdivision of this state, any  
38 penal or charitable institution, any state university or college, and any other unit or  
39 institution deriving its authority and powers from the sovereignty of the state.

40 §148.2. Lands which may be leased

41 A. Any lessor may, through its governing authority, lease any lands of which  
42 the lessor has title, custody, or possession, and the ~~State Mineral Board~~ **State**  
43 **Mineral and Energy Board** may lease lands, bodies of any lakes, bays or coves,  
44 sea, arms of the sea, or other navigable waters and beds thereof belonging to the state  
45 or the title to which is in the public:

46 \* \* \*

47 B. In addition, where otherwise consistent with the provisions of this Subpart  
48 as applied to leased premises, the ~~State Mineral Board~~ **State Mineral and Energy**  
49 **Board** may grant surface or subsurface agreements for the right to erect and use on  
50 unleased premises such facilities and equipment.

51 \* \* \*

52 §150. Louisiana Royalty Relief Dry Hole Credit Program; requirements; conditions;  
53 limitations; expiration

54 \* \* \*

55 C.(1) The royalty relief dry hole credit shall be in the form of a deduction  
56 from future royalty payments due to the state on production derived from depths of  
57 greater than 19,999 feet true vertical depth from any new well drilled on state-owned  
58 lands or state-owned water bottoms in the coastal zone, as defined in R.S. 49:215.24,  
59 subsequent to the dry hole for which drilling commences on or after July 1, 2005.  
60 The deduction shall be the lesser of: (a) five billion cubic feet of natural gas  
61 production, or (b) fifty percent of the cost of the dry hole well. The cost of the dry

1 hole well shall be calculated and determined in accordance with rules, methods and  
2 procedures adopted by the ~~State Mineral Board~~ **State Mineral and Energy Board**.  
3 The royalty relief shall be prorated over a thirty-six month period, provided that the  
4 net royalty payments to the state shall not be less than the minimum required by R.S.  
5 30:127. If application of the credit would result in payments less than that required  
6 by R.S. 30:127, the office of mineral resources may extend the royalty relief credit  
7 for an additional period of up to twenty-four months to allow full use of the credit,  
8 up to a total of sixty months.

9 \* \* \*

10 §153. Agencies may lease or administer through ~~State Mineral Board~~ **State Mineral**  
11 **and Energy Board**

12 A. Any agency may by resolution direct the ~~State Mineral Board~~ **State**  
13 **Mineral and Energy Board** to lease its land in the manner provided in Subpart A  
14 of this Part. The bonus money, if any, received for the lease shall be transmitted by  
15 the ~~State Mineral Board~~ **State Mineral and Energy Board** to the agency. After the  
16 execution of the original lease, all rights and authority in connection therewith shall  
17 be vested in the agency to the same extent as if the agency had itself leased the land.

18 B. Upon request, the ~~State Mineral Board~~ **State Mineral and Energy Board**  
19 may administer and manage the leases of any levee district, state university, state  
20 college, state penal or charitable institution, or agency, unit, or institution of the  
21 state. If the ~~State Mineral Board~~ **State Mineral and Energy Board** agrees to  
22 administer and manage such leases, the parties shall enter into a cooperative  
23 endeavor agreement to accomplish this purpose.

24 §154. Signing of papers and disposition of funds when agency leases own lands;  
25 deposit

26 \* \* \*

27 C. In all cases where sixteenth section or school indemnity lands are leased,  
28 either by the ~~State Mineral Board~~ **State Mineral and Energy Board** or the school  
29 board, all funds realized from these leases shall be paid to the school board of the  
30 parish where the lands are situated and credited to the current school fund of that  
31 parish, except that in the case of school indemnity lands, the lease shall be made by  
32 the ~~State Mineral Board~~ **State Mineral and Energy Board** only and the funds  
33 credited to the parish school board entitled thereto.

34 \* \* \*

35 §155. Alternative procedures

36 If an agency does not avail itself of the provisions of R.S. 30:153, it may  
37 lease its lands for mineral purposes on its own motion, or on written application, by  
38 advertising and letting in the manner provided by this Subpart, subject however to  
39 approval of the ~~State Mineral Board~~ **State Mineral and Energy Board** as provided  
40 in R.S. 30:158.

41 §156. Procedure when agency leases its own lands

42 A person desiring to lease from a state agency shall make application with  
43 deposit to the agency in the same manner as is set forth in R.S. 30:125 for application  
44 with deposit to the mineral board. The agency shall itself advertise, receive bids at  
45 its domicile, and lease in the same manner and subject to the same restrictions  
46 applicable to leases by the ~~State Mineral Board~~ **State Mineral and Energy Board**  
47 under R.S. 30:126 and 30:127. The agency has the same powers over leases granted  
48 by it as are granted the ~~State Mineral Board~~ **State Mineral and Energy Board** in  
49 R.S. 30:129.

50 \* \* \*

51 §158. Approval of lease by board

52 No lease executed under the authority of this Subpart shall be valid unless the  
53 agency obtains its approval by the ~~State Mineral Board~~ **State Mineral and Energy**  
54 **Board**. The authority of the ~~State Mineral Board~~ **State Mineral and Energy Board**  
55 shall be ministerial with regard to whether or not the agency has correctly followed  
56 the procedural steps in granting the lease in question, and discretionary with regard  
57 to whether or not the terms of the agency lease are in the best interest of the agency  
58 and the public which it serves. A lease made under the provisions of this Subpart

1 which is not approved by the ~~State Mineral Board~~ **State Mineral and Energy Board**  
2 and countersigned by the duly authorized officer of that body is null and void.

3 §159. State banks in liquidation, leases subject to approval, how

4 All mineral leases entered into by state banks in liquidation shall be subject  
5 to the approval of the ~~State Mineral Board~~ **State Mineral and Energy Board** and  
6 of the district court having jurisdiction of the liquidations.

7 \* \* \*

8 §179.11. Authorization to enter into agreements during controversy relating to  
9 submerged lands

10 In regard to the controversy between the United States and the state of  
11 Louisiana as to whether any portion of any submerged land is owned and controlled  
12 by the state of Louisiana under the provisions of the Submerged Lands Act (43 U.  
13 S. C. A. §1301 et seq.) (Public Law 31, 83<sup>rd</sup> Congress; 67 Stat. 29), or whether such  
14 lands are owned and controlled by the United States under the provisions of the  
15 Outer Continental Shelf Lands Act (43 U. S. C. A. §1301 et seq) (Public Law 212,  
16 83 Congress; 67 State.462), or any amendment or revision thereof, the ~~State Mineral~~  
17 **Board State Mineral and Energy Board** is authorized, with the concurrence and  
18 approval of the Governor, to negotiate and enter into agreements for and on behalf  
19 of the state of Louisiana, with any lessee or future lessee of the state of Louisiana,  
20 to negotiate and enter into tentative agreements or stipulations with the United  
21 States, or any present or future grantee or lessee of the United States, respecting the  
22 ownership and boundaries of such lands and operations under any mineral lease on  
23 any other sums payable thereunder, including withdrawals from such deposits in  
24 escrow or impoundment, pending the settlement or adjudication of the controversy.  
25 Payments or deposits made pursuant to any such agreement shall be considered as  
26 being in compliance with the terms of the applicable lease. Upon the final settlement  
27 or adjudications of such controversy, all sums so impounded shall be paid to the  
28 parties entitled thereto. Any sums finally determined to be payable to the state of  
29 Louisiana shall be deposited with the proper state agency in accordance with the  
30 constitution and laws of this state.

31 §179.12. Ratification by legislature of any final agreements or stipulations

32 No final agreement or stipulation negotiated with the United States by the  
33 ~~State Mineral Board~~ **State Mineral and Energy Board** with the concurrence and  
34 approval of the governor, respecting the ownership and boundary of such lands,  
35 which changes or modifies the historic seaward boundary of the state of Louisiana  
36 as established by Act 33 of 1954 (R.S. 49:1), or which leases to the United States any  
37 part of the bonuses, rents, royalties and other sums heretofore or hereafter deposited  
38 in escrow or impoundment under the provisions of the Interim Agreement of October  
39 12, 1956, between the United State and the state of Louisiana, shall be binding on the  
40 state of Louisiana until such agreement or stipulation shall have been ratified by a  
41 majority vote of both Houses of the Louisiana Legislature.

42 \* \* \*

43 §186. Distribution of funds

44 A. Within a reasonable time after the receipt of any funds received under or  
45 on account of any such oil, gas or other mineral lease as rental, bonus, royalty or  
46 otherwise, the ~~State Mineral Board~~ **State Mineral and Energy Board** shall deposit  
47 in the registry of the district court having jurisdiction in the parish wherein said  
48 property is situated in more than one parish, then in the registry of any district court  
49 having jurisdiction over any parish wherein a part of said immovable property is  
50 situated, all of the funds so received, less and except sums authorized to be deducted  
51 by the mineral board under R.S. 30:188, and shall thereafter be relieved of all  
52 liability for the payment of such funds upon complying with the requirements of R.S.  
53 30:187.

54 B. Any such funds that the ~~State Mineral Board~~ **State Mineral and Energy**  
55 **Board** presently possesses shall be deposited in the registry of the court as set out  
56 in Subsection A of this Section within a reasonable time after July 8, 1960.

57 §187. Judicial procedure

58 The ~~State Mineral Board~~ **State Mineral and Energy Board** shall present to  
59 the said district court having jurisdiction an application drawn in the usual form of

1 a petition in a civil case and said petition shall contain (a) the name and domicile of  
 2 the applicant (b) a full and complete account of how the applicant came into  
 3 possession of the funds deposited and (c) the list of co-owners required and  
 4 described in R.S. 30:185. However, applicant may add any list of owners which  
 5 were not included in the original application on behalf of any claimant received by  
 6 the applicant. It shall not be a prerequisite to the filing of this petition that a dispute  
 7 exists over the ownership of the funds. The ~~State Mineral Board~~ **State Mineral and**  
 8 **Energy Board** shall not be obligated to make any investigation of title whatsoever  
 9 beyond said list furnished pursuant to R.S. 30:185. The ~~State Mineral Board~~ **State**  
 10 **Mineral and Energy Board** shall pray for service on all persons listed in the  
 11 petition as claiming or having an interest in the funds deposited and shall pray  
 12 further that all such persons named in the petition shall be cited to answer and make  
 13 such claims to the funds as they may desire; and further, that all persons claiming or  
 14 having an interest in such funds as they may desire; and further, that all persons  
 15 claiming or having an interest in such funds, whether named in the petition or not,  
 16 shall be cited by publication to answer and make such claim to the funds as they may  
 17 desire. The notice by publication herein referred to shall be made six times during  
 18 the sixty days immediately following the filing of the petition in the official journal  
 19 of the parish in which the suit is filed and in the state official journal six times during  
 20 said sixty day period. All parties however cited, whether personally or by  
 21 publication, shall appear and answer the petition no later than seventy-five days from  
 22 the date of the filing of the petition. The court after a full hearing shall determine the  
 23 ownership of the funds and in the event the court should determine that part of the  
 24 funds are owned by persons unknown, or missing, then the court shall direct that  
 25 such funds be delivered to the Collector of Revenue, State of Louisiana, except that  
 26 in the parish of Orleans, said funds shall be delivered to the Public Administrator  
 27 thereof.

28 §188. Distribution of funds and administration of leases

29 A. The applicant depositing the money, namely, the ~~State Mineral Board~~  
 30 **State Mineral and Energy Board**, shall not be required to pay any costs in the  
 31 proceedings. All costs of all parties plaintiff, defendant, intervener, or otherwise, to  
 32 the suit, shall be paid out of the funds deposited, with preference and priority over  
 33 any and all persons. However, the successful litigant for the funds deposited may  
 34 recover all costs which have been paid out of the funds deposited, from the other  
 35 litigant or litigants who contested his right thereto.

36 B. At or after the conclusion of the proceedings instituted pursuant to R.S.  
 37 30:187, the ~~State Mineral Board~~ **State Mineral and Energy Board** may, from time  
 38 to time, employ any of the following procedures or combinations thereof, to effect  
 39 the distribution of funds received by virtue of leases granted under R.S. 30:184, and  
 40 for the administration of such leases;

41 (1) The ~~State Mineral Board~~ **State Mineral and Energy Board** may  
 42 distribute such funds and administer such leases itself, either through its personnel  
 43 or through persons with whom it contracts for such distribution and administration.

44 (2) The ~~State Mineral Board~~ **State Mineral and Energy Board** may create  
 45 one or more trusts, naming one or more persons, firms, or corporations, as trustee or  
 46 trustees, and transfer to such trustees any or all of its rights and duties under any or  
 47 all such leases, for the benefit of the owners of the land or interests therein. The ~~State~~  
 48 **Mineral Board** **State Mineral and Energy Board** may impose such terms and  
 49 conditions in the trust as it deems desirable, and, to the extent applicable and not in  
 50 conflict with such terms and conditions, the Louisiana Trust Code shall thereafter  
 51 govern such trust. The term of the trust may be as long as any such leases are in  
 52 force and effect, and the trustee or trustees shall be responsible for the distribution  
 53 of such funds and administration of such leases.

54 (3) The ~~State Mineral Board~~ **State Mineral and Energy Board**, upon written  
 55 notice to the court in which proceedings provided for in R.S. 30:187 have been  
 56 instituted, may cause such court to distribute the funds and administer the leases. The  
 57 ~~State Mineral Board~~ **State Mineral and Energy Board** shall deposit all funds  
 58 received by it in the registry of such court and shall thereafter be relieved of all  
 59 responsibilities therefor. The court, in such proceedings, may appoint such experts  
 60 to assist it as may be necessary, and may appoint a person as master or receiver for

1 the purpose of performing and supervising the actual work of such distribution and  
2 administration.

3 \* \* \*

4 §208. Exploration of public lands

5 The ~~State Mineral Board~~ **State Mineral and Energy Board** may explore and  
6 develop the mineral resources of lands belonging to the state which might lease  
7 under Subpart A of Part II of Chapter 2 of this Title."

8 AMENDMENT NO. 10

9 On page 2, line 26, delete "State Mineral Board" and insert "~~State Mineral Board~~ **State**  
10 **Mineral and Energy Board**"

11 AMENDMENT NO. 11

12 On page 2, line 27, delete "State Mineral Board" and insert "~~State Mineral Board~~ **State**  
13 **Mineral and Energy Board**"

14 AMENDMENT NO. 12

15 On page 3, between lines 19 and 20, insert:

16 "(d) Those operating agreements entered into by the ~~State Mineral Board~~  
17 **State Mineral and Energy Board** prior to August 15, 1997, are hereby ratified as  
18 being in compliance herewith.

19 (e) Upon a two-thirds vote of the members of the ~~State Mineral Board~~ **State**  
20 **Mineral and Energy Board** and after a public hearing conducted in the affected  
21 parish pursuant to R.S. 30:6, enter into operating agreements whereby the state  
22 receives a share of revenues from the storage of oil, natural gas, liquid or liquefied  
23 hydrocarbons, or carbon dioxide, in whole or in part, as many be agreed upon by the  
24 parties, and assumes all or a portion of the risk of the cost of the activity in those  
25 situations where the board determines it is in the best interest of the state either in  
26 equity or in the promotion of conservation to do so, such as but not limited to the  
27 following illustrations:

28 \* \* \*

29 §209.1. Acquisition of geological information

30 A. The right of the ~~State Mineral Board~~ **State Mineral and Energy Board**  
31 under R.S. 30:209 to conduct or contract for geophysical and geological surveys and  
32 other operations on lands which the board might lease for the state in order to carry  
33 out the provisions of R.S. 30:208, relative to exploration and development of mineral  
34 resources shall include the right to acquire and receive, either as owner in its own  
35 right or licensee, from the company acquiring and processing the data under the  
36 geophysical or geological surveys, and geophysical, geological, and engineering  
37 information and data acquired or processed from the surveys or operations conducted  
38 on any lands, whether public or private, for evaluation, administration, and  
39 development of the mineral resources of state-owned properties.

40 B. (1) Information and data acquired as authorized by Subsection A of this  
41 Section shall be confidential for all purposes consistent with the terms of acquisition  
42 and shall be made available only to the ~~State Mineral Board~~ **State Mineral and**  
43 **Energy Board**, and the commissioner of conservation at the sole discretion of the  
44 board, who shall keep such information and data confidential and may use such  
45 information and data only in the lawful, official administration and development of  
46 publicly owned lands. Whoever knowingly and willfully violates the provisions of  
47 this Subsection shall be punished by the penalties provided by R.S. 30:213(B).

48 \* \* \*

49 AMENDMENT NO. 13

50 On page 3, between lines 20 and 21, insert:

1 "A. The ~~State Mineral Board~~ **State Mineral and Energy Board** shall have  
 2 exclusive authority to grant exclusive and nonexclusive permits to conduct  
 3 geophysical and geological surveys of any kind on state-owned lands, including  
 4 water bottoms. No person shall conduct a geophysical or geological survey on state-  
 5 owned lands, including water bottoms, without obtaining a permit. These permits  
 6 shall be granted pursuant to rules promulgated under the provisions of the  
 7 Administrative Procedure Act by the Department of Natural Resources. No permit  
 8 shall be granted covering lands over which the state has a mere servitude without  
 9 consent of the owner of the abutting property."

10 AMENDMENT NO. 14

11 On page 4, between lines 6 and 7, insert:

12 "§213. Furnishing state information obtained under permits  
 13 A.(1) For any permit issued prior to July 1, 2004, the holder of a permit to  
 14 conduct geophysical and geological surveys shall furnish to the ~~State Mineral Board~~  
 15 **State Mineral and Energy Board** or office of mineral resources maps showing the  
 16 location of all shot points and detector or geophone setups located on the property  
 17 and the dates on which they were used, together with the subsurface contours  
 18 obtained as a result of the use of the points. Additionally, the permit holder shall  
 19 deliver a copy of any and all seismic data acquired, including 3D, 2D, gravity,  
 20 magnetic, and any other geophysical or geological data, in a format acceptable to the  
 21 office of mineral resources. This information shall not extend to lands beyond the  
 22 boundaries of the public property surveyed. This information shall be furnished to  
 23 the office of mineral resources or the ~~State Mineral Board~~ **State Mineral and**  
 24 **Energy Board** within ninety days after completion of the final stacked and migration  
 25 processing, but not more than six months after the completion of the survey. Except  
 26 for the information included in a seismic permit, including the plat showing the  
 27 geometric polygon of the area on which the seismic is to be shot, all other  
 28 information, including maps, plots, and other data provided to the ~~State Mineral~~  
 29 ~~Board~~ **State Mineral and Energy Board** hereunder shall be confidential and an  
 30 exception to the provision of public records laws and shall not be released to any  
 31 other agency or entity, or for any reason, including publication in a technical journal,  
 32 absent a valid court order from a court of competent jurisdiction or absent written  
 33 permission of, and under the strict limitations imposed by, the owner having  
 34 authority to license said data.

35 (2) For any permit issued on or after July 1, 2004, the holder of a permit to  
 36 conduct geophysical or geological surveys shall retain ownership of the data  
 37 gathered and shall not be required to submit the data as required in Paragraph (1) of  
 38 this Subsection. However, the ~~State Mineral Board~~ **State Mineral and Energy**  
 39 **Board** or the employees of the office of mineral resources shall be allowed to review  
 40 the data. Except for the information included in a seismic permit, including the plat  
 41 showing the geometric polygon of the area which the seismic is to be shot, all other  
 42 information, including maps, plots, and other data reviewed by the ~~State Mineral~~  
 43 ~~Board~~ **State Mineral and Energy Board** or the staff of the office of mineral  
 44 resources hereunder shall be confidential and an exception to the provisions of public  
 45 records laws and shall not be released to any other agency or entity, or for any  
 46 reason, including publication in a technical journal, absent a valid court order from  
 47 court of competent jurisdiction or absent written permission of, and under the strict  
 48 limitations imposed by, the owner having authority to license said data.

49 B. Whoever knowingly and willfully violates the provisions of the Section  
 50 or any rule or order of the ~~State Mineral Board~~ **State Mineral and Energy Board**  
 51 made thereunder shall be fined up to one hundred thousand dollars or imprisoned for  
 52 not more than one year, or both.

53 §214. Permit for survey entailing use of public waters or bottoms  
 54 Any person who makes or causes to be made a geophysical survey entailing  
 55 the use of shot points in any lake, river, or stream bed or other bottoms, the title to  
 56 which is in the public, shall obtain from the ~~State Mineral Board~~ **State Mineral and**  
 57 **Energy Board** a special permit therefor. This permit shall be granted under the rules

1 and regulations which may from time to time be promulgated by the Department of  
2 Wildlife and Fisheries for the protection of oysters, fish, and wildlife.

3 §215. Nonexclusive geophysical permits

4 A. A nonexclusive permit to conduct seismic, geophysical, or geological  
5 surveying upon state-owned lands, including water bottoms, shall be valid for one  
6 year from the date of issuance. However, if operations commence within the year  
7 and are ceased due to unforeseen circumstances, the term may be extended for up to  
8 one year from the cessation of operations by the secretary of Department of Natural  
9 Resources. The permittee shall pay to the office of the ~~State Mineral Board~~ **State  
10 Mineral and Energy Board** at least every twelve month or more often as necessary.  
11 The fee shall be based upon market value but shall be no more than thirty dollars and  
12 no less than five dollars per acre.

13 B. The secretary of the Department of Wildlife and Fisheries may object to  
14 an application for a nonexclusive permit to conduct seismic, geophysical, or  
15 geological surveying on lands, including water bottoms, under the jurisdiction of the  
16 Wildlife and Fisheries Commission, including wildlife management areas, wildlife  
17 refuges, public shooting grounds, or outdoor recreation areas. Upon the secretary's  
18 objections, the application shall be presented for final determination to the ~~State  
19 Mineral Board~~ **State Mineral and Energy Board**.

20 §216. Exclusive geophysical permits

21 \* \* \*

22 B. (1) After receiving an application to conduct exclusive geological or  
23 geophysical survey, the office of mineral resources shall evaluate the prospective  
24 area of survey in order to set the minimum terms which shall then be recommended  
25 and presented to the ~~State Mineral Board~~ **State Mineral and Energy Board** for  
26 approval or rejection.

27 (2) For applications that include lands, including water bottoms, under the  
28 jurisdiction of the Wildlife and Fisheries Commission, including wildlife  
29 management areas, wildlife refuges, public shooting grounds, or outdoor recreation  
30 areas, the office of mineral resources shall evaluate the prospective area of survey  
31 in order to set the minimum terms which shall then be recommended and presented  
32 to the secretary of the Department of Wildlife and Fisheries for approval or rejection.  
33 If the recommended minimum terms are rejected by the secretary of the Department  
34 of Wildlife and Fisheries, the office of mineral resources in cooperation and  
35 consultation with the Department of Wildlife and Fisheries shall immediately set  
36 minimum terms. If the office of mineral resources and the Department of Wildlife  
37 and Fisheries are unable to set minimum terms, the recommendations from both  
38 entities shall be presented for final determination to the ~~State Mineral Board~~ **State  
39 Mineral and Energy Board**.

40 C.(1) \* \* \*

41 (4) If all written bids to survey lands, including water bottoms, under the  
42 jurisdiction of the Wildlife and Fisheries Commission, including wildlife  
43 management areas, wildlife refuges, public shooting grounds, or outdoor recreation  
44 areas, are rejected, the ~~State Mineral Board~~ **State Mineral and Energy Board**, with  
45 consultation and cooperation with the Department of Wildlife and Fisheries, may  
46 immediately offer for competitive bidding a permit upon all or any designated part  
47 of the land advertised, upon terms most advantageous to the state. On all other state-  
48 owned lands, including water bottoms, if all written bids are rejected, the board may  
49 immediately offer for competitive bidding a permit upon all or any designated part  
50 of the land advertised, upon terms appearing most advantageous to the state. These  
51 offerings shall be subject to the board's right to reject any and all bids.

52 \* \* \*

53 §804. Jurisdiction over state geothermal resources and products

54 The ~~State Mineral Board~~ **State Mineral and Energy Board** is hereby vested  
55 with exclusive authority to lease for the exploration, development, production and  
56 distribution of geothermal resources and the byproducts thereof any lands belonging  
57 to the state, or the title to which is in the public domain, including road beds, water  
58 bottoms, and lands adjudicated to the state at tax sale. To the extent applicable, the  
59 mineral board is also vested with the same powers of supervision and management

1 of all geothermal leases granted by the state that are vested in the board under R.S.  
2 30:129 with respect to leases granted for minerals, oil and gas.

3 Section 3. R.S. 34:3108(E), 3478(E) and 3498(E) are hereby amended and  
4 reenacted to read as follows:

5 §3108. Acquisition of sites; lease of state-owned lands and water bottoms

6 \* \* \*

7 E. Nothing in this chapter is intended to authorize the authority to lease state  
8 owned lands and water bottoms for the exploration, development and production of  
9 oil, gas, sulphur or other minerals or for the cultivation or production of marine  
10 resources or detract from the authority of the ~~State Mineral Board~~ **State Mineral**  
11 **and Energy Board** and/or Louisiana Wildlife and Fisheries Commission to lease for  
12 such purposes. However, tracts once leased to the authority may not be leased by the  
13 ~~State Mineral Board~~ **State Mineral and Energy Board** or the Louisiana Wildlife  
14 and Fisheries Commission without the express consent of the authority, unless it can  
15 be shown by the ~~state mineral board~~ **State Mineral and Energy Board** or the  
16 Louisiana Wildlife and Fisheries Commission, by clear and convincing evidence,  
17 that such lease or leases will not adversely affect present or future authority  
18 operations.

19 \* \* \*

20 §3478. Acquisition of sites; lease of state-owned lands and water bottoms

21 \* \* \*

22 E. Nothing in this Chapter is intended to authorize the authority to lease state-  
23 owned lands and water bottoms for the exploration, development and production of  
24 oil, gas, sulphur, or other minerals, or for the cultivation or production of marine  
25 resources or detract from the authority of the ~~State Mineral Board~~ **State Mineral**  
26 **and Energy Board** and Louisiana Wildlife and Fisheries Commission to lease for  
27 such purposes. However, tracts once leased to the authority may be leased by the  
28 ~~State Mineral Board~~ **State Mineral and Energy Board** or the Louisiana Wildlife  
29 and Fisheries Commission without the express consent of the authority, unless it can  
30 be shown by the ~~State Mineral Board~~ **State Mineral and Energy Board** or the  
31 Louisiana Wildlife and Fisheries Commission, by clear and convincing evidence,  
32 that such lease or leases will not adversely affect present or future authority  
33 operations.

34 \* \* \*

35 §3498. Acquisition of sites; lease of state-owned lands and water bottoms

36 \* \* \*

37 E. Nothing in this Chapter is intended to authorize the authority to lease state-  
38 owned lands and water bottoms for the exploration, development and production of  
39 oil, gas, sulphur, or authority of the ~~State Mineral Board~~ **State Mineral and Energy**  
40 **Board** and Louisiana Wildlife and Fisheries Commission to lease for such purposes.

41 Section 4. R.S. 36:353, 359(E) and 807 are hereby amended and reenacted  
42 to read as follows:

43 §353. Secretary of natural resources

44 There shall be a secretary of natural resources, who shall be appointed by the  
45 governor with consent of the Senate and who shall serve at the pleasure of the  
46 governor at a salary fixed by the governor, which salary shall not exceed the amount  
47 approved for such position by the legislature while in session. The secretary shall  
48 serve as the executive head and chief administrative officer of the Department of  
49 Natural Resources and shall have the responsibility for the policies of the department  
50 except as otherwise provided by this Title, and for the administration, control, and  
51 operation of the functions, programs, and affairs of the department; provided that the  
52 secretary shall perform his functions under the general control and supervision of the  
53 governor. The secretary shall be an ex officio member of the ~~State Mineral Board~~  
54 **State Mineral and Energy Board**.

55 \* \* \*

56 §359. Transfer of agencies and functions to Department of Natural Resources

57 \* \* \*

1 E. The ~~State Mineral Board~~ **State Mineral and Energy Board** (R.S. 30:121  
2 et seq.) is transferred to and hereafter shall be within the Department of Natural  
3 Resources as provided in R.S. 36:807.

4 \* \* \*

5 §807. Transfer; ~~State Mineral Board~~ **State Mineral and Energy Board**

6 The ~~State Mineral Board~~ **State Mineral and Energy Board**, transferred by  
7 the provisions of R.S. 36:359(E), shall be transferred as provided in R.S. 36:802,  
8 except the secretary of the Department of Natural Resources shall be an ex officio  
9 member of the ~~State Mineral Board~~ **State Mineral and Energy Board**. The ~~State~~  
10 ~~Mineral Board~~ **State Mineral and Energy Board** shall retain supervision of all  
11 mineral leases granted by the state, and it shall retain general authority to take action  
12 for and on behalf of and to protect the interests of the state in accordance with the  
13 provisions of Title 30 of the Revised Statutes of 1950, as amended, and applicable  
14 laws.

15 Section 5. R.S. 39:14(1) is hereby amended and reenacted to read as follows:

16 §14. Exceptions

17 The following shall not be subject to the provision of R.S. 39:11 and 12 but  
18 shall be subject to the provisions of R.S. 39:13:

19 (1). Lands and waterbottoms leased by the ~~State Mineral Board~~ **State**  
20 **Mineral and Energy Board** in accordance with the provisions of Subtitle I of Title  
21 30 of the Louisiana Revised Statutes of 1950 including but not limited to leases for  
22 the exploration and production of oil, gas, and other hydrocarbons, and related  
23 mineral activities.

24 \* \* \*

25 Section 6. R.S. 41:643(A), 1217.1(B), 1732(A) and (B) and 1733 are hereby  
26 amended and reenacted to read as follows:

27 §643. Vermilion Parish; Sixteenth section land; distribution of mineral proceeds,  
28 and ownership of minerals and mineral revenues

29 A. The state of Louisiana, the ~~State Mineral Board~~ **State Mineral and**  
30 **Energy Board** may enter into and execute a compromise and settlement with the  
31 Vermilion Parish School Board regarding the ownership of certain mineral and  
32 mineral revenues together with the disposition of mineral revenues derived from a  
33 certain area alleged by the school board to be a "Sixteenth Section" located in  
34 Township 15 South, Range 1 West, in East White Lake, Vermilion Parish, Louisiana.

35 \* \* \*

36 §1217.1. Renewal of lease; highest bid option

37 \* \* \*

38 B. Notwithstanding any provision of law to the contrary, if the commissioner  
39 or secretary determines there exists a public need to maintain the current lessee, the  
40 commissioner or secretary may offer the current lessee, if he made a bid, the option  
41 to match the highest bid in order to lease the state lands. The provisions of this  
42 Subsection shall not apply to oyster leases, alligator leases, or oil and gas leases  
43 entered into by the Department of Wildlife and Fisheries, or to any lease entered into  
44 by the ~~State Mineral Board~~ **State Mineral and Energy Board**.

45 \* \* \*

46 §1732. Lease authority and royalties

47 A. Notwithstanding any other provision of law except Subsection B of this  
48 Section, the ~~State Mineral Board~~ **State Mineral and Energy Board** in conjunction  
49 with the secretary of the Department of Natural Resources, shall have the authority  
50 to lease for the exploration, development, or production of energy from wind any  
51 lands belonging to the state or the title to which is held by the state, including water  
52 bottoms, vacant state lands, and lands adjudicated to the state at tax sale, except  
53 lands that form any portion of state highway right-of-way. The leases shall be  
54 granted through a public bid process which shall be promulgated by the adoption of  
55 rules and regulations by the ~~State Mineral Board~~ **State Mineral and Energy Board**.  
56 All bonuses, rentals, royalties, payments, or other sums due the state as the lessor  
57 under the terms of leases granted under the provisions of this Subsection for the

1 exploration, development, and production of energy from wind shall be paid to the  
2 office of mineral resources. Revenues received from these leases by the office of  
3 mineral resources shall be remitted to the state treasurer who, after compliance with  
4 Article VII, Section 9 of the state constitution, shall credit an amount equal to  
5 twenty-five percent of the revenues to the Wetlands Conservation and Restoration  
6 Fund and an amount equal to the seventy-five percent to the state general fund. The  
7 funds generated under leases granted under the provisions of this Section shall not  
8 be included in calculations for the Budget Stabilization Fund.

9 B. Notwithstanding any other provision of law, the ~~State Mineral Board~~ **State**  
10 **Mineral and Energy Board**, with the approval of the secretary of the Department  
11 of Wildlife and Fisheries, shall have the authority to lease for the exploration,  
12 development, or production of energy from wind, any properties under the  
13 jurisdiction of the Wildlife and Fisheries Commission or the Department of Wildlife  
14 and Fisheries, including but not limited to wildlife management areas and refuges.  
15 The leases shall be granted through a public bid process which shall be promulgated  
16 by the adoption of rules and regulations by the ~~State Mineral Board~~ **State Mineral**  
17 **and Energy Board**. All bonuses, rentals, royalties, payments or other sums payable  
18 to the state as the lessor under the terms of leases granted under the provisions of this  
19 Subsection for the exploration, development, and production of energy from wind  
20 shall be deposited in the Wildlife and Fisheries Conservation Fund.

21 \* \* \*

22 §1733. Award of state wind leases

23 A. All proposals for lease of state lands for the exploration, development, or  
24 production of energy from wind shall be submitted to the ~~State Mineral Board~~ **State**  
25 **Mineral and Energy Board**. The ~~State Mineral Board~~ **State Mineral and Energy**  
26 **Board** shall then submit to the state land office and the Department of Wildlife and  
27 Fisheries the portion of the proposal which contains the location of the proposed  
28 lease. The state land office and the Department of Wildlife and Fisheries shall  
29 review the proposed location of the lease and shall certify to the ~~State Mineral Board~~  
30 **State Mineral and Energy Board** whether or not there are other leases of any kind  
31 at the proposed lease location. If there are other leases, the state agencies shall attach  
32 to the certification a copy of all other leases at the proposed lease location. The state  
33 land office and the Department of Wildlife and Fisheries are hereby authorized to  
34 charge the applicant reasonable fees to fulfill the requirements of this Section. Any  
35 such fees shall be promulgated through rules and regulations adopted in accordance  
36 with the Administrative Procedure Act.

37 B. After certification by the other state agencies, the ~~State Mineral Board~~  
38 **State Mineral and Energy Board** shall forward the applications and certification  
39 with copies of any other leases on the proposed location to the secretary of the  
40 Department of Natural Resources who shall evaluate whether the lands proposed for  
41 lease best support the exploration, development, or production of energy from wind.  
42 In evaluating the proposed lease, the secretary of the Department of Natural  
43 Resources shall consider the capability of the lease proposal to fulfill the intent of  
44 this Chapter, the environmental impact of the placement of wind turbines and other  
45 equipment necessary for the exploration, development, or production of energy from  
46 wind, the impact of the proposed lease on any other leases, including leases for the  
47 exploration or production of subsurface deems appropriate. When evaluating the  
48 proposed lease, the secretary of the Department of Natural Resources shall consult  
49 with the Department of Wildlife and Fisheries when the proposed lease lies within  
50 the confines of properties under the jurisdiction of the Louisiana Wildlife and  
51 Fisheries Commission or the Department of Wildlife and Fisheries and may consult  
52 any other state agency or governmental entity that may have jurisdiction within the  
53 confines of the proposed lease.

54 C. If the secretary of the Department of Natural Resources determines that  
55 a proposed lease for the exploration, development, or production of energy from  
56 wind is appropriate he shall recommend to the ~~State Mineral Board~~ **State Mineral**  
57 **and Energy Board** that the board conduct a public bid process. If the secretary of  
58 Department of Natural Resources determines that a proposed lease for the  
59 exploration, development, or production of energy from wind is not appropriate, he  
60 shall notify the ~~State Mineral Board~~ **State Mineral and Energy Board** who shall  
61 then notify the applicant that no bid process shall occur.

1 D. A lease may be granted in whole or in part. Prior to the advertisement for  
2 bids for each lease there shall be a minimum dollar amount set and a minimum  
3 percentage of revenue to be produced by each wind turbine to be known as an  
4 "electric power production royalty", which shall be advertised by the ~~State Mineral~~  
5 ~~Board~~ **State Mineral and Energy Board** as a minimum requirement for granting the  
6 lease. No lease shall be granted in whole or part unless the amount of any electric  
7 power production royalty has been approved by the House Committee on Natural  
8 Resources and Environment and the Senate Committee on Natural Resources prior  
9 to advertisement. The ~~State Mineral Board~~ **State Mineral and Energy Board** has  
10 authority to accept the bid it finds is most advantageous to the state and may lease  
11 upon whatever terms it considers proper. Such lease shall include a provision  
12 permitting the state, at its option, to take in kind all or any of the portion due it as  
13 royalty.

14 Section 7. R.S. 42:6.1(A)(6) is hereby amended and reenacted to read as  
15 follows:

16 §6.1. Exceptions to open meetings

17 A. A public body may hold an executive session pursuant to R.S. 42:6 for one  
18 or more of the following reasons

19 \* \* \*

20 (6) Any meeting of the ~~State Mineral Board~~ **State Mineral and Energy**  
21 **Board** at which records or matters entitled to confidential status by existing law are  
22 required to be considered or discussed by the board with its staff or with any  
23 employee or other individual, firm, or corporation to whom such records or matters  
24 are confidential in their nature, and are disclosed to and accepted by the board  
25 subject to such privilege, for the exclusive use in evaluating lease bids or  
26 development covering state-owned lands and water bottoms, which exception is  
27 proved pursuant to and consistently with the Public Records Act, being Chapter I of  
28 Title 44 of the Louisiana Revised Statutes of 1950, as amended, and other statutes  
29 to which the board is subject.

30 \* \* \*

31 Section 8. R.S. 44:18 is hereby amended and reenacted to read as follows:

32 §18. Geophysical survey information

33 All information and records of geophysical or geological surveys furnished  
34 to the ~~State Mineral Board~~ **State Mineral and Energy Board** or the office of  
35 mineral resources pursuant to R.S. 30:213 shall be confidential and exempt from the  
36 provisions of this Chapter.

37 Section 9. R.S. 56:30.3(B), 426(C), 798(A)(1) and (2)(b) and (c) are hereby  
38 amended and reenacted to read as follows:

39 §30.3. Lease of state lands; access to public waterways

40 \* \* \*

41 B. Notwithstanding any provision of law to the contrary, if the secretary  
42 determines there exists a public need to maintain the current lessee, the secretary  
43 may offer the current lessee, if he made a bid, the option to match the highest bid in  
44 order to lease the state lands. The provisions of this Subsection shall not apply to  
45 oyster leases, oil and gas leases or alligator leases entered into by the department, or  
46 to any lease entered into by the ~~State Mineral Board~~ **State Mineral and Energy**  
47 **Board**. The department shall promulgate rules and regulations providing for uniform  
48 criteria to assess the management of leased property.

49 \* \* \*

50 §426. Filing and recordation of water bottoms leases

51 \* \* \*

52 C. If a lease is not recorded and filed within the time periods provided above,  
53 no third party shall be bound or affected by the provision of that lease, until such  
54 time as it is properly recorded and filed. There shall be no claim against the state of  
55 Louisiana for the disregard of the provisions of any lease not properly recorded and

1 filed in accordance with foregoing, nor shall there be any claim against the  
 2 department, the register of the state land office, or the ~~state mineral board~~ **State**  
 3 **Mineral and Energy Board**, for the disregard of the provisions of any lease which  
 4 has not been properly filed with the respective agency involved.

5 \* \* \*

6 §798. Russell Sage or Marsh Island Refuge

7 A. (1) The ~~State Mineral Board~~ **State Mineral and Energy Board** is hereby  
 8 authorized to lease for exploration, development or production of oil, gas, or other  
 9 minerals all or any portion of Marsh Island, donated to the state of Louisiana by the  
 10 Russell Sage Foundation and accepted by the state of Louisiana, under the terms and  
 11 provision of Act No. 70 of the 1920 Regular Session of the Legislature, as  
 12 supplemented by Act 136 of the 1958 Regular Session of the Legislature, and of the  
 13 contract between the state of Louisiana and the Russell Sage Foundation entered into  
 14 pursuant to said Act, now on file and of record in the office of the secretary of state;  
 15 such lease or leases to be for such time or times as may be mutually agreed upon  
 16 between the Russell Sage Foundation and the ~~State Mineral Board~~ **State Mineral**  
 17 **and Energy Board**, and under such conditions, rules, and regulations as will, to the  
 18 satisfaction of the Russell Sage Foundation, afford adequate present and future  
 19 protection of Marsh Island for the purposes for which it was donated by the Russell  
 20 Sage Foundation to the state and as will insure a minimum disturbance of wildlife  
 21 on the island, and upon condition that the state of Louisiana shall pay or cause to be  
 22 paid to the Russell Sage Foundation in the usual manner one-half of any and all  
 23 revenues due to the state as royalty, rentals, or otherwise from such use, exploration,  
 24 and development of such leased lands, except tax revenues, and that the state of  
 25 Louisiana shall devote the other half of the such revenues so derived, first to  
 26 maintaining, policing, and improving Marsh Island as a wildlife refuge or reserve,  
 27 which funds shall be credited to, and form part of the Marsh Island Operating Fund,  
 28 and any excess thereafter remaining of the state's one-half share of such revenues in  
 29 the Marsh Island Operating Fund at the conclusion of the fiscal year shall be divided  
 30 into two equal parts, one of which shall be dedicated, set aside, and placed with the  
 31 state treasurer in a special fund to be known as the "Russell Sage or Marsh Island  
 32 Refuge Fund", in order to insure through investment or its principal income, for the  
 33 future maintenance, policing, and improving of Marsh Island as a wildlife refuge,  
 34 and the other such part shall be available to be expended by the Louisiana  
 35 Department of Wildlife and Fisheries or its successors for statewide projects for the  
 36 propagation and protection of wildlife in the state of Louisiana.

37 (2)(a) \* \* \*

38 (b) The secretary of Louisiana Department of Wildlife and Fisheries shall file  
 39 with the ~~State Mineral Board~~ **State Mineral and Energy Board** annually, on or  
 40 before July thirtieth of each year, an accurate and detailed written report, in  
 41 duplicate, of the expenditures made from the state's one-half share of such revenues.  
 42 One of the copies of such report shall be delivered by the ~~State Mineral Board~~ **State**  
 43 **Mineral and Energy Board** to the Russell Sage Foundation, and the other shall  
 44 remain on file with the ~~State Mineral Board~~ **State Mineral and Energy Board**,  
 45 provided that the Russell Sage Foundation shall have the right if it so desires to  
 46 verify any such report by audit.

47 (c) Upon the same terms and conditions and subject to the same division and  
 48 disposition of revenues therefrom the ~~State Mineral Board~~ **State Mineral and**  
 49 **Energy Board** is authorized to grant permits to conduct geophysical surveys of all  
 50 or any portion of Marsh Island.

51 \* \* \*

52 AMENDMENT NO. 15

53 On page 4, line 7, change "Section 2." to "Section 10."