The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Jacob K. Wilson.

DIGEST 2024 Regular Session

SB 285 Original

Cathey

<u>Present law</u> provides for jurisdiction over the natural resources of the state and provides for definitions.

<u>Proposed law</u> retains <u>present law</u> and provides that a field or pool may contain brine. Provides that a producer may be the owner of a brine well. Provides that a product may be any commodity made from brine and may include lithium carbonate and lithium hydroxide. Provides that waste is an action that may result in reducing the quantity of brine recoverable from a pool.

<u>Proposed law</u> provides that brine is subterranean salt water and its parts, including dissolved minerals and other chemicals. Provides that brine does not include salt water produced in oil or gas production and not saved or sold for extraction of minerals.

<u>Proposed law</u> provides that brine extraction operation includes exploration and extraction through wells.

<u>Proposed law</u> provides that a multiple mineral development area is designated for efficient development of various concurrent mineral operations. Provides that the commissioner has authority to designate such an area and to adjudicate conflicts where there is potential injury to deposits or development, or there are concurrent operations by multiple owners affecting the same property.

<u>Present law</u> provides that the office of conservation may establish drilling or pooling units upon certain findings, including that the order will increase or insure recovery of oil or gas. Provides that no order can enlarge or change existing contracts for production of oil or gas.

<u>Proposed law</u> retains <u>present law</u> and adds brine to pooling and unitization orders.

Present law excludes certain existing oil and gas wells from unitization for waste reduction.

Proposed law retains present law and adds brine wells to potential exclusions.

<u>Present law</u> defines just and equitable share of recoverable oil or gas and provides that each producer gets an opportunity to use that share of production.

Proposed law retains present law and adds production of brine to the just and equitable share.

<u>Present law</u> provides that pooling orders account for the just and equitable share of oil or gas production for each owner and that the commissioner may limit production of oil and gas among fields or pools.

Proposed law retains present law and production of brine.

<u>Present law</u> provides that where a unit includes lands to which an operator or producer has no mineral interest, the operator or producer must provide production reports for oil and gas. Provides for penalties for failure to report.

<u>Proposed law</u> retains <u>present law</u> and adds production of brine to reporting requirements.

Present law provides substances to which the Mineral Code applies.

<u>Proposed law</u> retains <u>present law</u> and adds brine to applicability.

Effective August 1, 2024.

(Amends R.S. 30:3(2), (10), (11), (12), (16)(a), 5(C)(2)(a), (b), and (c), 9(B) and (D), 10(A)(1)(a), 11, 103.1(A)(intro para), 103.1(A)(2)(a), and (C), and 103.2 and R.S. 31:4 and to enact R.S. 30:3(18), (19), and (20) and 4(C)(18) and (19))