
DIGEST

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HB 596 Original

2026 Regular Session

McCormick

Abstract: Creates a plugging credit that operators may earn by plugging wells that are at least 10 years old, which can be applied to reduce the operator's inactive well assessment obligations.

Present law authorizes the department to charge operators an inactive well assessment for wells that have been inactive for a certain period of time.

Proposed law retains present law.

Proposed law establishes a plugging credit that operators can apply against the amount of inactive well assessments owed.

Proposed law provides that an operator can obtain a credit for plugging any well that is at least 10 years old, calculated at \$4.50 per foot of well plugged, which will be applied against the inactive well assessment the operator owes on a dollar-for-dollar basis.

Proposed law authorizes the secretary to promulgate rules to implement the provisions of proposed law.

(Adds R.S. 30:4(C)(1)(a)(vi) and 21(D))