

2026 Regular Session

HOUSE RESOLUTION NO. 310

BY REPRESENTATIVE BRAUD

ENERGY/OIL & GAS WELLS: Urges and requests the Department of Conservation and Energy to study the state's liability for oil and gas well decommissioning across the value chain

1 A RESOLUTION

2 To urge and request the Department of Conservation and Energy to study the state's liability
3 for the decommissioning of orphan, inactive, and low-production wells; available
4 sources of funding for decommissioning costs; and methods to reduce the risk to
5 taxpayers for these costs.

6 WHEREAS, the Department of Conservation and Energy regulates operators and
7 wells through its permitting, monitoring, and enforcement processes to ensure compliance
8 with regulations and to identify and address environmental and public safety risks; and

9 WHEREAS, if an operator abandons a well or does not maintain all of their wells in
10 compliance with regulations, the department will orphan all of the operator's wells; and

11 WHEREAS, the department has in recent years developed processes to better identify
12 and address inactive wells; and

13 WHEREAS, the number of oil and gas wells covered by financial security has
14 increased, but financial security amounts are still insufficient to cover the actual costs of
15 decommissioning; and

16 WHEREAS, funding limitations prevent the department from expanding the Oilfield
17 Site Restoration (OSR) program, as state law limits the department's ability to collect
18 adequate funding to address the orphan well population; and

1 WHEREAS, the department's ability to seek restoration costs from prior operators
2 is limited to instances where those costs exceed two hundred fifty thousand dollars per site;
3 and

4 WHEREAS, the OSR program's current orphan site list has hit a record high count
5 of approximately six thousand five hundred orphaned wells, estimated to cost the state of
6 Louisiana more than five hundred million dollars for plugging and abandonment, despite
7 considerable expenditures of public funds to decrease the orphan well population in recent
8 years; and

9 WHEREAS, due to coastal erosion, many wells originally drilled on land or in
10 wetlands are now located in open water, creating navigational hazards and costing
11 approximately ten times more per well to plug; and

12 WHEREAS, while efforts have increased in recent years to plug these wells, the
13 number of orphaned wells continues to grow by significant numbers each month and the
14 number of inactive wells which have a higher risk of becoming orphaned has been
15 increasing; and

16 WHEREAS, the population of wells which are currently shut-in under the premise
17 of future use exceeds twenty thousand, with most unlikely to return to service and many
18 likely to become orphaned; and

19 WHEREAS, wells with marginal production of less than one barrel of oil equivalent
20 (BOE) per day, numbering around eleven thousand in Louisiana, are largely uneconomic and
21 may be on the path to becoming public burdens; and

22 WHEREAS, Louisiana's workforce has the skill set required to address the state's
23 aging well population; and

24 WHEREAS, a study of current and likely wells the state will be responsible for
25 decommissioning, as well as associated costs, sources of funding, and efforts to mitigate this
26 growing public liability is critical and would assist the House of Representatives in working
27 to find legislative solutions.

28 THEREFORE, BE IT RESOLVED that the House of Representatives of the
29 Legislature of Louisiana does hereby urge and request the Department of Conservation and

1 Energy to study issues related to the state's liability for oil and gas well decommissioning
2 across the value chain.

3 BE IT FURTHER RESOLVED that in conducting its study, the department shall
4 consider all the following items and provide a written report of its findings to the House
5 Committee on Natural Resources and Environment by March 1, 2027:

6 (1) The total cost to decommission all currently orphaned wells and related facilities,
7 including plugging and abandonment of wells, site remediation and restoration, and platform
8 decommissioning where appropriate.

9 (2) A breakdown of the total costs found under Paragraph (1) attributable to onshore
10 orphan wells and offshore orphan wells.

11 (3) A breakdown of the total costs found under Paragraph (1) by enforcement
12 district.

13 (4) The total cost to decommission all wells with a responsible party that are
14 currently either inactive or producing less than one BOE per day, including plugging and
15 abandonment of wells, site remediation and restoration, and platform decommissioning
16 where appropriate.

17 (5) A breakdown of the total costs found under Paragraph (4) attributable to onshore
18 orphan wells and offshore orphan wells.

19 (6) A breakdown of the total costs found under Paragraph (4) by enforcement
20 district.

21 (7) The total amount of decommissioning costs found under Paragraph (4) that the
22 department can reasonably expect the responsible parties to cover and, out of the remaining
23 costs, the percentage likely to meet the two hundred fifty thousand dollar threshold allowing
24 the department to seek compensation from prior operators.

25 (8) Available sources of funding to meet the state's expected liability for the
26 decommissioning of orphan wells and those costs not expected to be covered by the
27 responsible parties for inactive wells and wells producing under one BOE per day.

28 (9) Efforts by the department to mitigate the risk to taxpayers for the
29 decommissioning of wells.

1 (10) Reasons for the addition of over one thousand additional wells to the orphan
2 well list in 2025, and particularly in the second half of 2025.

3 (11) Any other information the department deems relevant or helpful regarding the
4 state's liability for orphan wells and wells likely to become orphaned.

5 BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the
6 secretary of the Department of Conservation and Energy.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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Urges and requests the Dept. of Conservation and Energy to study the state's expected liability for the decommissioning of orphan, inactive, and low-production wells; available sources of funding for decommissioning costs; and methods to reduce the risk to taxpayers for these costs. Requires a written report of the department's findings be submitted to the House Committee on Natural Resources and Environment by March 1, 2027.