

Regular Session, 2014

HOUSE BILL NO. 957

BY REPRESENTATIVE JOHNSON

MINERALS: Provides relative to plugging and abandoning of disposal wells and injection wells and restoration of such well sites

1 AN ACT

2 To amend and reenact R.S. 30:4(C)(16)(a), 4.1(B)(1), and 83(B), relative to plugging and
3 abandoning of wells; to require the commissioner of conservation to take certain
4 actions relative to disposal wells and injection wells; to provide relative to the
5 membership of the Oilfield Site Restoration Commission; and to provide for related
6 matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 30:4(C)(16)(a), 4.1(B)(1), and 83(B) are hereby amended and
9 reenacted to read as follows:

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

11 * * *

12 C. The commissioner has authority to make, after notice and hearings as
13 provided in this Chapter, any reasonable rules, regulations, and orders that are
14 necessary from time to time in the proper administration and enforcement of this
15 Chapter, including rules, regulations, or orders for the following purposes:

16 * * *

17 (16)(a) To regulate by rules, the drilling, casing, cementing, disposal
18 interval, monitoring, plugging and permitting of disposal wells which are used to
19 inject waste products in the subsurface and to regulate all surface and storage waste
20 facilities incidental to oil and gas exploration and production, in such a manner as

1 to prevent the escape of such waste product into a fresh groundwater aquifer or into
2 oil or gas strata; ~~may~~ shall require the plugging of each abandoned well ~~or~~ and each
3 well which is of no further use and the closure of associated pits, the removal of
4 equipment, structures, and trash, and other general site cleanup of such abandoned
5 or unused well sites; and ~~may~~ shall require reasonable bond with security for the
6 performance of the duty to plug each abandoned well ~~or~~ and each well which is of
7 no further use and to perform the site cleanup required by this Subparagraph. Only
8 an owner as defined in R.S. 30:3(8) shall be held or deemed responsible for the
9 performance of any actions required by the commissioner.

10 * * *

11 §4.1. Underground injection control

12 * * *

13 B. The assistant secretary of the office of conservation of the Department of
14 Natural Resources, hereafter referred to as the "assistant secretary", shall have
15 authority to make, after notice and hearings as provided in this Chapter, any
16 reasonable rules, regulations, and orders that are necessary from time to time in the
17 proper administration and enforcement of this Section including, but not limited to
18 rules, regulations, or orders for the following purposes:

19 (1) To regulate, by rules, the drilling, casing, cementing, disposal interval,
20 monitoring, plugging, and permitting of disposal wells which are used to inject
21 hazardous waste products in the subsurface, and to regulate all surface and storage
22 waste facilities incidental to oil and gas exploration and production, in such a manner
23 as to prevent the escape of such hazardous waste product into a fresh groundwater
24 aquifer or into oil or gas strata; ~~may~~ shall require the plugging of each abandoned
25 well ~~or~~ and each well which is of no further use and the closure of associated pits,
26 the removal of equipment, structures, and trash, and the general site cleanup of such
27 abandoned or unused well sites; and ~~may~~ shall require reasonable bond with security
28 for the performance of the duty to plug each abandoned well ~~or~~ and each well which
29 is of no further use and to perform the site cleanup required by this Section. Only

an owner as defined in R.S. 30:3(8) shall be held or deemed responsible for the performance of any actions required by the commissioner.

* * *

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

* * *

B. The commission shall consist of ten members comprised as follows:

(1) The secretary of the Department of Natural Resources, who shall serve as the chairman ~~and the assistant secretary, who shall serve as vice chairman. The undersecretary of the department may serve as a proxy member of the board in the absence of the secretary with full authority to act for the secretary as a member of the board.~~

(2) One person appointed by the governor, who shall serve at the pleasure of the governor.

(3) ~~One person appointed by the governor from a list of three persons submitted by the Louisiana Mid-Continent Oil and Gas Association for an initial term of four years.~~ The secretary of the Department of Environmental Quality. The undersecretary of the department may serve as a proxy member of the board in the absence of the secretary and shall have full authority to act for the secretary when serving as a member of the board.

(4) ~~One person appointed by the governor from a list of three persons submitted by the Louisiana Mid-Continent Oil and Gas Association for an initial term of two years.~~ The secretary of the Department of Wildlife and Fisheries. The undersecretary of the department may serve as a proxy member of the board in the absence of the secretary and shall have full authority to act for the secretary when serving as a member of the board.

(5) ~~One person appointed by the governor from a list of three persons submitted by the Louisiana Independent Oil and Gas Association who shall serve an initial term of four years.~~ One person appointed by the governor from a list of three

1 nominations submitted by the Delta Chapter Sierra Club, who shall serve an initial
2 term of four years.

3 (6) ~~One person appointed by the governor from a list of three persons~~
4 ~~submitted by the Louisiana Independent Oil and Gas Association who shall serve an~~
5 ~~initial term of two years. One person appointed by the governor from a list of three~~
6 ~~nominations submitted by the Louisiana Wildlife Federation, who shall serve an~~
7 ~~initial term of two years.~~

8 (7) One person appointed by the governor from a list of three ~~persons~~
9 nominations submitted by the Louisiana Landowners Association who shall serve an
10 initial term of three years.

(8) One person appointed by the governor from a list of three ~~persons~~
nominations submitted by ~~representatives of the Louisiana division of the Sierra~~
~~Club, the Louisiana Wildlife Federation, and the Louisiana division of the Audubon~~
~~Society, the Louisiana Audubon Council~~ who shall serve an initial term of three
years.

(9) One person appointed by the governor from a list of three ~~persons~~
nominations submitted by the Nature Conservancy for an initial term of three years.

(10) The assistant secretary for the office of conservation or his designee shall serve as vice chairman of the commission. The assistant secretary shall not be counted to determine the number needed to constitute a quorum but shall be counted to establish a quorum. When the secretary is present, the assistant secretary shall not be a voting member. The assistant secretary for the office of conservation may serve as a proxy member of the board in the absence of the secretary and he shall have full authority to act for the secretary when serving as a member of the board.

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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)]

Johnson

HB No. 957

Abstract: Changes the membership of the Oilfield Site Restoration Commission and requires the commissioner of conservation to do certain things relative to disposal wells and injection wells.

Present law provides for the jurisdiction, duties, and powers of the commissioner of conservation. Authorizes the commissioner to regulate disposal wells and injection wells and other items and facilities associated with such wells including requiring the plugging and abandoning of abandoned wells or wells of no further use. Authorizes the commissioner to require reasonable surety bond for such plugging and abandoning.

Proposed law requires the commissioner to require the plugging of abandoned wells and wells that are of no further use and require surety bond associated with such activities.

Present law creates the Oilfield Site Restoration Commission and charges that commission with the responsibility to approve a priority list for oilfield site restoration efforts by the Dept. of Natural Resources, review such activities, and administer and manage the Oilfield Site Restoration Fund. Provides that the commission be composed of the following:

- (1) The secretary of the Dept. of Natural Resources, who shall serve as the chairman and the assistant secretary, who shall serve as vice chairman.
- (2) One person appointed by the governor, serving at the pleasure of the governor.
- (3) One person appointed by the governor from a list of three persons submitted by the Louisiana Mid-Continent Oil and Gas Association for an initial term of four years.
- (4) One person appointed by the governor from a list of three persons submitted by the Louisiana Mid-Continent Oil and Gas Association for an initial term of two years.
- (5) One person appointed by the governor from a list of three persons submitted by the Louisiana Independent Oil and Gas Association who shall serve an initial term of four years.
- (6) One person appointed by the governor from a list of three persons submitted by the Louisiana Independent Oil and Gas Association who shall serve an initial term of two years.
- (7) One person appointed by the governor from a list of three persons submitted by the Louisiana Landowners Association who shall serve an initial term of three years.
- (8) One person appointed by the governor from a list of three persons submitted by representatives of the Louisiana division of the Sierra Club, the Louisiana Wildlife Federation, and the Louisiana division of the Audubon Society, who shall serve an initial term of three years.
- (9) One person appointed by the governor from a list of three persons submitted by the Nature Conservancy for an initial term of three years.

Proposed law alters the membership to be as follows:

- (1) The secretary of the Dept. of Natural Resources, who shall serve as the chairman.
- (2) One person appointed by the governor, who shall serve at the pleasure of the governor.
- (3) The secretary of the Dept. of Environmental Quality. The undersecretary of the department may serve as a proxy member of the board in the absence of the secretary and shall have full authority to act for the secretary when serving as a member of the board.
- (4) The secretary of the Dept. of Wildlife and Fisheries. The undersecretary of the department may serve as a proxy member of the board in the absence of the secretary and shall have full authority to act for the secretary when serving as a member of the board.
- (5) One person appointed by the governor from a list of three nominations submitted by the Delta Chapter Sierra Club, who shall serve an initial term of four years.
- (6) One person appointed by the governor from a list of three nominations submitted by the Louisiana Wildlife Federation, who shall serve an initial term of two years.
- (7) One person appointed by the governor from a list of three nominations submitted by the Louisiana Landowners Association who shall serve an initial term of three years.
- (8) One person appointed by the governor from a list of three nominations submitted by the Louisiana Audubon Council who shall serve an initial term of three years.
- (9) One person appointed by the governor from a list of three nominations submitted by the Nature Conservancy for an initial term of three years.
- (10) The assistant secretary for the office of conservation or his designee shall serve as vice chairman of the commission. The assistant secretary shall not be counted to determine the number needed to constitute a quorum but shall be counted to establish a quorum. When the secretary is present, the assistant secretary shall not be a voting member. The assistant secretary for the office of conservation may serve as a proxy member of the board in the absence of the secretary and shall have full authority to act for the secretary when serving as a member of the board.

(Amends R.S. 30:4(C)(16)(a), 4.1(B)(1), and 83(B))