

SENATE BILL NO. 244 (Substitute of Senate Bill No. 193 by Senator Hensgens)

BY SENATOR HENSGENS

## AN ACT

To amend and reenact R.S. 30:1(section heading), (A), (B), and (C), the introductory paragraph of 3, 3(3), (6), (7), (9), and (18), 4(A), (B), introductory paragraph of (C), (C)(1)(a)(v) and (b), (14), (16)(b), (17)(b), introductory paragraph of (D), (D)(1), (2), (3), and (5), (E), (F), (G), (H), introductory paragraph of (I), (I)(1), (3), (4), (5), (9), and (11), (K), introductory paragraph of (L)(1), introductory paragraph of (M), (M)(3), (6)(b), (O)(1) and (2), (P), (Q), introductory paragraph of (R), and (T), introductory paragraph of 4.1(B), (C), (D), (E), (F)(1), (I), and (K), 4.2, 4.3, 5(A), (B), (C)(1), introductory paragraph of (2), (2)(d), (4), and (6), and (D)(1) and the introductory paragraph of (2), 5.1(A)(1), (2), introductory paragraph of (3), (3)(e), (5), (6), (7), (8), and (9), (B)(1), (2), and introductory paragraph of (3), (5), (7), (9), (10), (12), and (13), 5.2(A), (B), the introductory paragraph of (C), (E), (F), (G), and (H), 6, 6.1(A), (B), (C), (D)(1), and (F), 8(A)(1), (2), (3), and (4), and (B), introductory paragraph of 9(A), (B), (C), and (D), the introductory paragraph of 10(A), the introductory paragraph of (A)(1), the introductory paragraph of (A)(2), the introductory paragraph of (A)(2)(a)(i), (b)(ii)(ii), introductory paragraph of (vi), (vi)(bb), (c), (d), and (f), and (3), (B), and (C)(7), 10.1(B)(1), (3), (4), and (5), 11.1, 12(A), (B)(1), (2), (3), (4), introductory paragraph of (5), and (5)(f), and (C), 13, 14, 15, 18(A)(1), (2), (3), (4), (5), (6)(a)(i) and (ii), (b), (c)(i)(ff), (ii), (iii), (d), and (e), and (B), 20(A) and (D), 21(A) and (B)(1)(a), (b), (c), the introductory paragraph of

(d) and (e), and (2)(a) and (b), the introductory paragraphs of 22(B) and (C), (D), and (E), introductory paragraph of 23(B), (C), and (D), 23.1(A), 25(A)(2), (3), (5), (6), and (7), (D), (E), and (F), 26(A), the introductory paragraph of 27(A), (D), and (F), 28(A), (C), introductory paragraph of (D), (D)(2), (3), (5), (6), and (7), (F), (G), (H), introductory paragraph of (I)(1), (1)(a), (d), and (g), and (J), 29(A), (B)(1), (C)(1), (3)(a), (5), and (6)(b) and (c), (D)(1) through (3), (E)(1), (F), (H)(1), (I)(2) and (4), the introductory paragraph of (M)(1), and (M)(1)(c), 41, 42, 44, 45, 48, introductory paragraph of 61, 73(1), 74(A) and (B), 79(A), (B), and (C), 82(1), (6), (7), (11), and (14), 83(A)(5) and (7), 83.1(B)(3), 85(A)(3) and (C), 86(A)(2), (D)(8), (9), and (10), (E)(2) as enacted by Section 1 of Act 16 of the 2024 Third Extraordinary Session of the Legislature of Louisiana, (6), and (7), (G), and (H), 87(A), introductory paragraph of (F)(1)(a), and introductory paragraph of (b) as enacted by Section 1 of Act 16 of the 2024 Third Extraordinary Session of the Legislature of Louisiana, 88(B), (C), (D), (E), (F), (I), and introductory paragraph of (J), 88.1(A)(3) and (4), (C), (D), (E), (G), and (H), 88.2(C), introductory paragraph of (E), (E)(1), and (F), 89(A), (B), introductory paragraph of (C), (C)(2) and (3), and (D), 90(C), introductory paragraph of (D), (D)(1) and (4), and (E)(4), introductory paragraph of R.S. 30:91(A), 91(A)(1), (B)(1), (2)(a) and (c), (3), and (4), and (D), 92(A) and (C), introductory paragraph of R.S. 30:93(A), 94(A), introductory paragraph of (B)(1), (2)(b), and (3), and (C), 95(B), (C), and (D), 101.2(A), 101.3(2), 101.4, 101.5(A)(2), introductory paragraph of 101.6(A) and (B), 101.7(A), 101.8, introductory paragraph of 101.9(D), (D)(1) and (2), 101.10(A) and introductory paragraph of (B), 101.13(A) and (B)(2), and (C)(4), 101.14(A) and (B), introductory paragraph of R.S. 30:103.1(A), 121(A), (C), and (D), 125, 127.1(C)(10) and (11), and (D), 129(B)(1)(a), 135, 136.3(B)(1), (C) and (D), 143(D)(2) and (3), 148.8, 148.9(A)(1) and (2), 153, 172, the introductory paragraph of 209(4)(e), 209.1(A) and (B)(1), 413(A) and (B), 414(A), 502(D), 503(1), (2), (4), (6), and (8), 504, the introductory paragraph of 521(A) and 521(C), 524, 525, introductory paragraph of R.S. 30:541 and 541(2), 544(A) and (B), introductory paragraph of 546(A), (A)(5), (B), and (C), introductory paragraph of R.S. 30:548, 551, 557(A), (B), (C), (D), the introductory

paragraph of (E), (E)(1), (F), and (G), 558(A), (B), (D), (F), (G), and (H), 559(A) and  
 (C), 560(B), (C), and (D), 561(A), (B), and (C), 571, introductory paragraph of  
 572(1), (1)(f), (h), and (i), 603(A), (B), (C), (D), (E), and (G), 604, 681.1(5), (8), and  
 (9), 681.2(2) and (3), 702(1), (2)(b), and (5), 703, 704(B), (C), (D), and (E), 705(A)  
 and (B), 706, 707, 722, 723(A), (F), and (H), 731(1), 732, 802, 904(2), (4), (7), (9),  
 (12), (20), 905(A), introductory paragraph of (B), (B)(2), (8), and (9), and (C),  
 905.1(A) and (B)(2), introductory paragraph of 905.3(A)(1), (B), (C), (E)(1), and (F),  
 906.1, 907(A) and introductory paragraph of (B), (B)(9), (11), (12), (13)(b), (15),  
 (17), and (18), (C)(1), (D), (F), and (G), 908(A)(12) and (B), 915(B)(7), (9), (10)(f),  
 (12), introductory paragraph of (15), (15)(e), (20), (22)(e), (25), introductory  
 paragraph of (C)(2), (2)(d), introductory paragraph of (3), and (4), (D)(3) and (4),  
 (E)(1), (4), and (5), 917(A)(1), introductory paragraph of (2), (2)(d), (3), (B), (D),  
 (E), (F), and (G), 921, 1102, 1103(3), (14), and (15), introductory paragraph of  
 1104(A), 1104(A)(3), (9), (10), (B), introductory paragraph of (C), (D), (E), the  
 introductory paragraph of 1107(A)(1), (A)(2), (B), (C), and the introductory  
 paragraph of (D), 1108(A)(1), (B), and (D), introductory paragraph of 1109(A)(1),  
 1109(C), (D), (E), (F), and (G), 1110(A), (B)(1), introductory paragraph of (C),  
 introductory paragraph of (C)(1), (1)(b), (f), (g), and (h), (2), and (3), introductory  
 paragraph of (G), (H), and (I), 1115, 2200, 2455, and introductory paragraph of  
 2456(A), R.S. 31:115(C)(1)(b), R.S. 36:351, 352, 353, 354(A)(7), (10), (13), and  
 (15), (B)(1)(b), (2), (4), (6), (8), (10), and (12), 355, 356, 357, 358, the introductory  
 paragraphs of 359(A) and (B), (B)(1) and (2), and (C), R.S. 38:3072, 3073(8),  
 introductory paragraph of 3076(A), (A)(3), (4), (7), (8), (9), (14)(b), and (24), (C),  
 (D), (E), introductory paragraph of (F)(1), (F)(1)(b), and (2), 3077, 3078, 3079,  
 3081, 3083, 3087.136(4), 3087.138, 3092(2) and (4), 3093, the introductory  
 paragraph of 3094(A), (A)(1) through (4), the introductory paragraph of 3094(B),  
 (B)(7), the introductory paragraph of 3094(C), and (C)(1), 3097.1(C), 3097.2(1), (4),  
 (7), and (9), 3097.3(A) and (B), the introductory paragraphs of 3097.3(C) and  
 (C)(4)(a), (C)(4)(a)(v) and (b), and (8), (D), (E), (F)(1), the introductory paragraph  
 of (2), the introductory paragraph of (d), and the introductory paragraph of (f), and

(G), 3097.6(A), the introductory paragraphs of 3097.6(B) and (B)(3), 3097.8(A) and (C), the introductory paragraph of 3098(A), 3098(B) and (E), and 3098.1(4), R.S. 44:4.1(B)(19), R.S. 45:251(3), 252, and 255, R.S. 49:214.29(B) and 992(D)(7), R.S. 56:432.1(C)(2), 700.13(B), and 700.14(B), to enact R.S. 30:3(21)and (22), 4(C)(21) and (D)(6), 21.1, 29(C)(6)(d), 86(I) and (J), 93(C), Part VIII of Chapter 1 of Subtitle I of Title 30 of the Louisiana Revised Statutes of 1950, to be comprised of 98.1 through 98.13, 124.1, 136.3(B)(6) and (7), 209(6), and 2454(33), R.S. 36:351.1, 354(B)(13) and (14), 354.1, 356.1(B)(6) and (7) and (D), and 359(D) and 600, R.S. 38:3098(G), R.S. 39:1367(E)(2)(b)(xi), and R.S. 45:251(4), and to repeal R.S. 17:200 through 220, R.S. 30:4(N), 85(D)(11), 86(F), 136.3(E), Part III of Chapter 2 of Subtitle I of Title 30 of the Revised Statutes of Louisiana, comprised of R.S. 30:186 through 188, 1103(10), 1104(F), 2458, 2469, and 2470 through 2474, and R.S. 38:3073(2), 3074, 3075, 3080, 3097.4, 3097.7, and 3098.6(A)(1), relative to the Department of Energy and Natural Resources; to rename the Department of Energy and Natural Resources as the Department of Conservation and Energy; to provide for the structure and organization of the department; to provide for definitions; to provide for bonding authority; to provide for the creation of offices; to provide for the secretary; to provide for the deputy secretary; to provide for the undersecretary; to provide for directors; to provide for the authority to promulgate rules and regulations; to provide for expedited permits; to provide for the Natural Resources Financial Security Fund; to provide for enforcement; to provide for the Natural Resources Commission; to provide for the Louisiana Natural Resources Trust Authority; to provide for water resource management; to provide for net state supported debt; to provide for orphan oil wells; to provide for the State Mineral and Energy Board; to provide for the transfer of entities; to provide for the Oyster Lease Acquisition and Compensation Program; to provide for conditions, terms, and procedures; to provide for the issuance of certificates of public convenience and necessity; to provide for carbon dioxide sequestration policy; to provide for notice; to provide for remediation; to provide for an administrative process for resolution of disputes within the department's jurisdiction; to provide for oilfield site restoration;

and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 30:1(section heading), (A), (B), and (C), introductory paragraph of 3, 3(3), (6), (7), (9), and (18), 4(A), (B), introductory paragraph of (C), (C)(1)(a)(v) and (b), (14), (16)(b), (17)(b), introductory paragraph of (D), (D)(1), (2), (3), and (5), (E), (F), (G), (H), introductory paragraph of (I), (I)(1), (3), (4), (5), (9), and (11), (K), introductory paragraph of (L)(1), introductory paragraph of (M), (M)(3), (6)(b), (O)(1) and (2), (P), (Q), introductory paragraph of (R), and (T), introductory paragraph of 4.1(B), (C), (D), (E), (F)(1), (I), and (K), 4.2, 4.3, 5(A), (B), (C)(1), introductory paragraph of (2), (2)(d), (4), and (6), and (D)(1) and introductory paragraph of (2), 5.1(A)(1), (2), introductory paragraph of (3), (3)(e), (5), (6), (7), (8), and (9), (B)(1), (2), and introductory paragraph of (3), (5), (7), (9), (10), (12), and (13), 5.2(A), (B), introductory paragraph of (C), (E), (F), (G), and (H), 6, 6.1(A), (B), (C), (D)(1), and (F), 8(A)(1), (2), (3), and (4), and (B), introductory paragraph of 9(A), (B), (C), and (D), the introductory paragraph of 10(A), the introductory paragraph of (A)(1), the introductory paragraph of (A)(2), the introductory paragraph of (A)(2)(a)(i), (b)(ii)(ii), introductory paragraph of (vi), (vi)(bb), (c), (d), and (f), and (3), (B), and (C)(7), 10.1(B)(1), (3), (4), and (5), 11.1, 12(A), (B)(1), (2), (3), (4), introductory paragraph of (5), and (5)(f), and (C), 13, 14, 15, 18(A)(1), (2), (3), (4), (5), (6)(a)(i) and (ii), (b), (c)(i)(ff), (ii), (iii), (d), and (e), and (B), 20(A) and (D), 21(A) and (B)(1)(a), (b), (c), introductory paragraph of (d) and (e), and (2)(a) and (b), introductory paragraph of 22(B) and (C), (D), and (E), introductory paragraph of 23(B), (C), and (D), 23.1(A), 25(A)(2), (3), (5), (6), and (7), (D), (E), and (F), 26(A), the introductory paragraph of 27(A), (D), and (F), 28(A), (C), introductory paragraph of (D), (D)(2), (3), (5), (6), and (7), (F), (G), (H), introductory paragraph of (I)(1), (1)(a), (d), and (g), and (J), 41, 42, 44, 45, 48, introductory paragraph of 61, 73(1), 74(A) and (B), 79(A), (B), and (C), 82(1), (6), (7), (11), and (14), 83(A)(5) and (7), 83.1(B)(3), 85(A)(3), and (C), 86(A)(2), (D)(8), (9), and (10), (E)(2) as enacted by Section 1 of Act 16 of the 2024 Third Extraordinary Session of the Legislature of Louisiana, (6), and (7), (G), and (H), 88(B), (C), (D), (E), (F), (I), and introductory paragraph of (J), 88.1(A)(3) and (4), (C), (D), (E), (G), and (H), 88.2(C), introductory paragraph of (E), (E)(1), and (F), 89(A), (B), introductory paragraph of (C), (C)(2) and (3), and (D), 90(C),

1 introductory paragraph of (D), (D)(1) and (4), and (E)(4), introductory paragraph of R.S.  
 2 30:91(A), 91(A)(1), (B)(1), (2)(a) and (c), (3), and (4), and (D), 92(A) and (C), introductory  
 3 paragraph of R.S. 30:93(A), 94(A), introductory paragraph of (B)(1), (2)(b), and (3), and (C),  
 4 95(B), (C), and (D), 101.2(A), 101.3(2), 101.4, 101.5(A)(2), introductory paragraph of  
 5 101.6(A) and (B), 101.7(A), 101.8, introductory paragraph of 101.9(D), (D)(1) and (4),  
 6 101.10(A) and introductory paragraph of (B), 101.13(A) and (B)(2), and (C)(4), 101.14(A)  
 7 and (B), introductory paragraph of R.S. 30:103.1(A), 121(A), (C), and (D), 125,  
 8 127.1(C)(10) and (11), and (D), 129(B)(1)(a), 135, 136.3(B)(1), (C) and (D), 143(D)(2) and  
 9 (3), 148.8, 148.9(A)(1) and (2), 153, 172, the introductory paragraph of 209(4)(e), 209.1(A)  
 10 and (B)(1), 413(A) and (B), 414(A), 502(D), 503(1), (2), (4), (6), and (8), 504, the  
 11 introductory paragraph of 521(A) and 521(C), 524, 525, introductory paragraph of R.S.  
 12 30:541 and 541(2), 544(A) and (B), introductory paragraph of 546(A), (A)(5), (B), and (C),  
 13 introductory paragraph of R.S. 30:548, 551, 557(A), (B), (C), (D), introductory paragraph  
 14 of (E), (E)(1), (F), and (G), 558(A), (B), (D), (F), (G), and (H), 559(A) and (C), 560(B), (C),  
 15 and (D), 561(A), (B), and (C), 571, introductory paragraph of 572(1), (1)(f), (h), and (i),  
 16 603(A), (B), (C), (D), (E), and (G), 604, 681.1(5), (8), and (9), 681.2(2) and (3), 702(1),  
 17 (2)(b), and (5), 703, 704(B), (C), (D), and (E), 705(A) and (B), 706, 707, 722, 723(A), (F),  
 18 and (H), 731(1), 732, 802, 904(2), (4), (7), (9), (12), (20), 905(A), introductory paragraph  
 19 of (B), (B)(2), (8), and (9), and (C), 905.1(A) and (B)(2), introductory paragraph of  
 20 905.3(A)(1), (B), (C), (E)(1), and (F), 906.1, 907(A) and introductory paragraph of (B),  
 21 (B)(9), (11), (12), (13)(b), (15), (17), and (18), (C)(1), (D), (F), and (G), 908(A)(12) and (B),  
 22 915(B)(7), (9), (10)(f), (12), introductory paragraph of (15), (15)(e), (20), (22)(e), (25),  
 23 introductory paragraph of (C)(2), (2)(d), introductory paragraph of (3), and (4), (D)(3) and  
 24 (4), (E)(1), (4), and (5), 917(A)(1), introductory paragraph of (2), (2)(d), (3), (B), (D), (E),  
 25 (F), and (G), 921, 1102, 1103(3), and (14), and (15), introductory paragraph of 1104(A),  
 26 1104(A)(3), (9), (10), (B), introductory paragraph of (C), (D), (E), and (F), 1107,  
 27 1108(A)(1), (B), and (D), introductory paragraph of 1109(A)(1), 1109(C), (D), (E), (F), and  
 28 (G), 1110(A), (B)(1), introductory paragraph of (C), introductory paragraph of (C)(1), (1)(b),  
 29 (f), (g), and (h), (2), and (3), introductory paragraph of (G), (H), and (I), 1115, 2200, 2455,  
 30 introductory paragraph of R.S. 30:2456(A) are hereby amended and reenacted and R.S.

30:3(21) and (22), 4(C)(21), (D)(6), 21.1, 86(I) and (J), 93(C), Part VIII of Chapter 1 of Subtitle I of Title 30 of the Louisiana Revised Statutes of 1950, comprised of 98.1 through 98.13, 124.1, 136.3(B)(6) and (7), 209(6), 2454(33) are hereby enacted to read as follows:

CHAPTER 1. ~~COMMISSIONER OF CONSERVATION~~ **AND ENERGY**

PART I. DEPARTMENT OF CONSERVATION **AND ENERGY**

§1. Department established; appointment of ~~commissioners; term; vacancies;~~  
**secretary; jurisdiction; salary**

A. There is established the state Department of Conservation **and Energy**, hereinafter referred to in this Subtitle as the department. The department shall be directed and controlled by a ~~commissioner of conservation~~ **secretary**, who shall be appointed by the governor, with the consent of the Senate, ~~for a term of four years.~~  
~~In case of vacancy for any cause the governor shall, with consent of the Senate, fill the office by appointment for the unexpired term.~~

B. ~~Notwithstanding the provisions of any other law to the contrary, the salary of the commissioner of conservation shall be fixed by the governor~~ **All natural resources of the state not within the jurisdiction of other state departments or agencies are within the jurisdiction of the department.**

C. ~~All natural resources of the state not within the jurisdiction of other state departments or agencies are within the jurisdiction of the department.~~ **The department shall manage all natural resources within its jurisdiction through the following offices:**

**(1) The office of permitting and compliance shall oversee all portions of state law within the jurisdiction of the department which relate to the issuance of permits and compliance with legal and regulatory requirements as further detailed by order of the secretary in accordance with R.S. 36:354.1.**

**(2) The office of enforcement shall oversee all portions of state law within the jurisdiction of the department which relate to penalties and enforcement of violations as further detailed by order of the secretary in accordance with R.S. 36:354.1.**

**(3) The office of state resources shall oversee all portions of state law**

1 within the jurisdiction of the department which relate to management of the  
2 state's natural resources, including but not limited to mineral and energy  
3 leasing, management of groundwater resources, and energy-related  
4 management of state lands and water bottoms as further detailed by order of  
5 the secretary in accordance with R.S. 36:354.1.

6 \* \* \*

7 §3. Definitions

8 Unless the context otherwise requires, the words defined in this Section have  
9 the following meaning when found in this ~~Chapter~~ Subtitle:

10 \* \* \*

11 (3) ~~"Commissioner" means the Commissioner of Conservation of the State~~  
12 ~~of Louisiana~~ "Department" means the Department of Conservation and Energy,  
13 or any successor agency.

14 \* \* \*

15 (6) "Illegal gas" means gas which has been produced within the state from  
16 any well in excess of the amount allowed by any rule, regulation, or order of the  
17 ~~commissioner~~ department, as distinguished from gas produced within the state not  
18 in excess of the amount so allowed by any rule, regulation, or order, which is "legal  
19 gas."

20 (7) "Illegal oil" means oil which has been produced within the state from any  
21 well in excess of the amount allowed by any rule, regulation, or order of the  
22 ~~commissioner~~ department, as distinguished from oil produced within the state not  
23 in excess of the amount so allowed by any rule, regulation, or order, which is "legal  
24 oil."

25 \* \* \*

26 (9) "Multiple mineral development area" means an area designated by the  
27 ~~commissioner~~ department for the management and development of various  
28 concurrent surface and sub-surface mineral or resource production or extraction  
29 operations, including exploratory activities, for the purpose of efficient and effective  
30 development of minerals or resources in the area without unreasonable interference.

\* \* \*

(18) "Tender" means a permit or certificate of clearance for the transportation of oil, gas, or products, approved and issued or registered under the authority of the ~~commissioner~~ **department**.

\* \* \*

**(21) "Expedited processing" shall mean the processing or review of permits, permit modifications, licenses, registrations, plans, proposals, exceptions, or variances whereby the Department of Conservation and Energy completes its administrative and technical review within a timeline agreed to in writing.**

**(22) "Employee" includes any personnel, classified and unclassified, retained by the department to assist in the performance of duties related to expedited processing.**

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

A. The ~~commissioner~~ **secretary** has jurisdiction and authority over all persons and property necessary to enforce effectively the provisions of this Chapter and all other laws relating to the conservation of oil or gas.

B. The ~~commissioner~~ **secretary** shall make such inquiries as he thinks proper to determine whether or not waste, over which he has jurisdiction, exists or is imminent. In the exercise of this power the ~~commissioner~~ **secretary** has the authority to collect data; to make investigations and inspections; to examine properties, leases, papers, books, and records; to examine, survey, check, test, and gauge oil and gas wells, tanks, refineries, and modes of transportation; to hold hearings; to provide for the keeping of records and the making of reports; to require the submission of an emergency phone number by which the operator may be contacted in case of an emergency; and to take any action as reasonably appears to him to be necessary to enforce this Chapter.

C. The ~~commissioner~~ **secretary** has authority to make, after notice and hearings as provided in this Chapter, any reasonable rules, regulations, and orders that are necessary from time to time in the proper administration and enforcement

of this Chapter, including rules, regulations, or orders for the following purposes:

(1)(a)(i) \* \* \*

(v) To allow for transferrable plugging credits in lieu of the bond with security required by Subsection R of this Section in order to promote the plugging of orphaned oilfield sites and oilfield sites that have been inactive for at least five years. A plugging credit shall be issued for the plugging of orphaned oilfield sites and oilfield sites that have been inactive for at least five years, with the specific requirements and procedures for issuance, transfer, and acceptance of such credits to be developed by the ~~commissioner~~ secretary. The regulations shall, at a minimum, provide criteria under which plugging credits may be earned, and require approval by the ~~commissioner~~ secretary for the earning, using, banking, or selling of the plugging credits.

(b) 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~~ secretary.

\* \* \*

(14) To require interested persons to place uniform meters of a type approved by the ~~commissioner~~ secretary wherever the ~~commissioner~~ secretary designates on all pipelines, gathering systems, barge terminals, loading racks, refineries, or other places necessary or proper to prevent waste and the transportation of illegally produced oil or gas. These meters shall be under the supervision and control of the department of conservation. It shall be a violation of this Chapter, subject to the penalties provided in R.S. 30:18, for any person to refuse to attach or install a meter when ordered to do so by the ~~commissioner~~ secretary, or in any way to tamper with the meters so as to produce a false or inaccurate reading, or to have any device through which the oil or gas can be passed around the meter, unless expressly authorized by written permit of the ~~commissioner~~ secretary.

\* \* \*

(16)(a) \* \* \*

(b) Provided that before a permit to operate a new commercial operations' waste disposal well may be granted, a public hearing shall be held on the application for a permit, and shall fix the date, time, and place therefor. The operator or owner, prior to such public hearing, shall give public notice on three separate days within a period of thirty days prior to the public hearing, with at least five days between each publication of the notice, both in the official state journal and in the official journal of the parish in which the well is to be located, that application for a permit for a new commercial operations' waste disposal well has been made and that a public hearing on the matter will be held on the date and at the time and place which shall be stated in the public notice. The ~~assistant~~ secretary shall prescribe the form of the advertisement. In addition, the applicant for a permit shall place an advertisement in the same newspapers but not in the classified advertisement or public notice section of the newspapers, in a form which shall be not less than one-half page in size and printed in bold face type; which shall inform the public that application for a permit has been made for a new commercial operations' waste disposal well and that a public hearing, at which all interested persons are charged to be present and to present their views and which shall state the date, time, and place at which the meeting will be held. The content of both the public notice and the one-half page announcement or advertisement also shall include the name of the owner or operator; location of the proposed well, materials to be disposed in the well, a statement that comments may be sent to the ~~assistant commissioner of the Office of Conservation~~ **secretary** prior to the public meeting, ~~and the mailing address of the assistant secretary.~~

"Commercial operations" as defined in this Section pertains to those who dispose of waste materials off the site where produced by others. "Waste materials" is defined as any material, excluding drilling muds, produced waters and crude oil residues, for which no use or reuse is intended and which is to be discarded.

\* \* \*

(17)(a)

\* \* \*

(b) No person shall exercise the right of expropriation under the laws of this

state in connection with the construction or operation of such a carbon dioxide pipeline until the enhanced recovery project has been approved by the ~~commissioner~~ secretary and a certificate of public convenience and necessity for the pipeline has been issued. If the enhanced recovery project is located in another state or jurisdiction, the ~~commissioner's~~ secretary's approval shall consist of confirmation that the applicable regulatory authority of that state or jurisdiction has approved or authorized the injection of carbon dioxide in association with such project.

\* \* \*

**(21) To require reporting of the production of oil, gas, and condensate on an individual well-basis.**

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

(1) To require that all pipelines, ~~excluding field transmission, flow, and gathering lines;~~ all wells; and all associated structures, including any fittings, tie-overs, appliances, and equipment, which are constructed on state water bottoms pursuant to the grant of a right-of-way by the secretary of the Department of **Conservation and** Energy and Natural Resources or the issuance of a lease by the State Mineral and Energy Board shall conform to the following provisions:

(a) The owner or operator of a pipeline constructed on a right-of-way granted on state water bottoms shall be responsible for burying the line to a depth consistent with regulations promulgated by the office of conservation and for maintaining it at said depth to the extent feasible and practical, as determined by the ~~assistant~~ secretary, taking into account the changes wrought by natural forces.

(b) Upon abandonment of a pipeline, well, or associated structure, the owner or operator thereof shall be responsible for removing any related object above the mudline which may unduly interfere with other uses of state waters or water bottoms, including navigation or fishing, or shall adequately mark it **any such objects above the mudline** for the duration of the obstruction according to regulations of the United States Coast Guard and regulations promulgated by the ~~assistant~~ secretary.

1 If necessary for environmental reasons or to prevent undue interference with other  
2 uses of state waters or water bottoms, the owner of an abandoned buried pipeline,  
3 well, or associated structure; an abandoned pipeline, well, or associated structure; or  
4 portions thereof shall cause removal of that which constitutes an obstruction or  
5 hazard to navigation or fishing, as determined necessary by the ~~assistant~~ secretary  
6 after a public hearing.

7 (c) If an inspection by the ~~office of conservation~~ **department** discloses an  
8 exposed pipeline, the owner thereof shall be required to rebury the line at its original  
9 depth, to the extent feasible and practical, to remove the pipeline, or to install and  
10 maintain for the duration of the line adequate marking in accordance with rules and  
11 regulations of the United States Coast Guard, United States Corps of Engineers, and  
12 the ~~office of conservation~~ **Department of Conservation and Energy**. The  
13 appropriate course for such remedial action shall be made by the ~~commissioner~~  
14 **secretary** after a public hearing taking into account environmental issues and other  
15 issues.

16 (d) If determined by the governor and the secretary of the Department of  
17 **Conservation and Energy and Natural Resources** to be in the best interests of the  
18 state, the owner or operator of a pipeline, well, or associated structure shall not be  
19 required to have it removed but shall be required to adequately mark it **any object**  
20 **above the mudline** for the duration of the obstruction according to regulations of the  
21 Coast Guard and of the ~~assistant~~ secretary.

22 (e) At regular intervals subsequent to the abandonment of any pipeline, well,  
23 or associated structure constructed on a right-of-way or lease established on state  
24 waterbottoms, the owner or operator of such facility ~~shall~~ **may** cause and be  
25 responsible for inspection of that property if the ~~assistant~~ secretary requires it to  
26 ensure compliance with applicable rules and regulations of state and federal  
27 agencies. The ~~assistant~~ secretary ~~shall~~ **may** require an inspection if he determines  
28 that the public interest requires that an inspection is necessary.

29 (f) A person shall not construct any pipeline, well, or associated structure on  
30 a right-of-way or lease established on state waterbottoms unless he has obtained a

1 permit from the ~~assistant~~ secretary prior to the initiation of construction.

2 (g) An owner or operator of any pipeline, well, or associated structure  
3 constructed on state water bottoms pursuant to a right-of-way or lease shall report  
4 to the ~~assistant~~ secretary any activities, incidents, developments, or accidents  
5 creating an obstruction to navigation or fishing, and any permanent abandonments.

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 **Conservation and** Energy ~~and Natural Resources~~ or  
9 the issuance of a lease by the State Mineral and Energy Board shall meet all  
10 requirements of the United States Army Corps of Engineers for burial and shall be  
11 located, installed, marked, and maintained in a proper manner, to be approved by the  
12 ~~assistant~~ secretary, so as to minimize undue interference with persons making other  
13 uses of 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 the Department of **Conservation and** Energy ~~and Natural~~  
19 ~~Resources~~ or the issuance of a lease by the State Mineral and Energy Board shall  
20 conform to the following provisions:

21 (a)(i) The owner or operator of a pipeline, well, or associated structure  
22 constructed on a right-of-way or lease upon state waterbottoms shall cause and be  
23 responsible for inspection of that property if the ~~assistant~~ secretary requires it to  
24 determine whether any equipment, machinery, or material associated with activity  
25 on the lease or right-of-way, including sunken boats and barges, has been discarded  
26 or abandoned above the mudline. The ~~assistant~~ secretary shall require an inspection  
27 if he determines that the public interest requires that an inspection is necessary.

28 (ii) If the inspection reveals any equipment, machinery, or material above the  
29 mudline, the owner shall be responsible for its removal to avoid its constituting an  
30 obstruction which may unduly interfere with other uses, including navigation or

1 fishing. However, the ~~assistant~~ secretary may by rule grant exceptions or variances  
2 from this requirement if the location of the equipment, machinery, or material would  
3 cause removal to be extraordinarily onerous or impractical. Moreover, removal shall  
4 not be required if ~~the governor and~~ the secretary of the Department of Conservation  
5 and Energy ~~and Natural Resources~~ determine that in the best interests of the state  
6 removal shall not be required. However, the owner shall be required to mark it the  
7 equipment, machinery, or material above the mudline for the duration of the  
8 obstruction according to regulations of the Coast Guard and the ~~assistant~~ secretary.

9 (b) The owner or operator of any pipeline, well, or associated structure shall  
10 promptly notify and report to the ~~assistant~~ secretary concerning any discarded or  
11 abandoned equipment, machinery, or materials, including sunken barges and boats,  
12 known to be remaining on state waterbottoms as a result of activities conducted  
13 pursuant to a state right-of-way or lease. He shall also report to the ~~assistant~~ secretary  
14 the removal of any such equipment, machinery, or materials.

15 \* \* \*

16 (5) To provide that the office of conservation shall conduct such inspections  
17 as the ~~assistant~~ secretary may deem necessary or appropriate in carrying out the  
18 provisions of this Subsection.

19 (6) To provide appropriate procedure, including public notice, comment,  
20 and hearing requirements, for implementation of this Subsection.

21 E. The ~~commissioner~~ secretary shall make, after notice and public hearing  
22 as provided in this Chapter, any reasonable rules, regulations, and orders that are  
23 necessary to require that all other pipelines not covered by Subsection D of this  
24 Section, together with any fittings, tie-overs, appliances, and equipment, which are  
25 constructed in this state shall be buried, maintained, or removed from the  
26 right-of-way or lease according to the following provisions:

27 (1) Pipelines in active use and those not in active use but whose owner  
28 anticipates reuse shall be buried to a depth consistent with regulations promulgated  
29 by the ~~office of conservation~~ department and shall be maintained during the course  
30 of the useful and active life of the lines at a depth determined by the ~~commissioner~~

1        secretary to be substantially equivalent to the original depth of burial. The  
2        ~~commissioner~~ secretary may by rule grant such exceptions or variances from this  
3        provision as may be necessary for pipelines buried under navigable streams or water  
4        bottoms as provided for in Subsection D of this Section.

5                (2) When a pipeline is abandoned, the ~~commissioner~~ secretary shall make  
6        a preliminary investigation to determine if the line, or any portion thereof, constitutes  
7        an obstruction which may unduly interfere with other uses of state waters or water  
8        bottoms, or if allowed to remain in its present state will constitute such an  
9        obstruction. If the initial determination of the ~~commissioner~~ secretary is that  
10       corrective action or removal of the pipeline, or any portion thereof, is necessary to  
11       eliminate or prevent the obstruction and if the owner of the pipeline does not agree  
12       with the ~~commissioner's~~ secretary's determination and to abide by it, the  
13       ~~commissioner~~ secretary shall call a public hearing for the purpose of determining  
14       finally what action, if any, he will require the owner of the pipeline to take.

15                (3) Field transmission, flow and gathering lines shall be installed, located,  
16        marked, maintained, and removed ~~after abandonment~~ in a proper manner, to be  
17        approved by the ~~commissioner~~ secretary, so as to minimize undue interference with  
18        persons, including mariners and fishermen, making other uses of state waters or  
19        water bottoms.

20                F. For the purposes of Subsection E, the word "pipeline" shall mean all  
21        intrastate pipelines used in the transportation of oil and gas, including by-products  
22        and waste therefrom, but shall not include field transmission, flow, and gathering  
23        lines, except as provided in Subsection (E)(3). The ~~commissioner~~ secretary shall  
24        may require each pipeline operator to ~~employ in his periodic inspection of the line,~~  
25        ~~which shall be not less than once each year, a procedure to determine the depth of~~  
26        ~~cover over the line and to report such information to the commissioner~~ inspect the  
27        line; however, the ~~commissioner~~ secretary may by rule grant such exceptions or  
28        variances from this requirement as may be necessary for pipelines buried or installed  
29        in locations where such a requirement would be extraordinarily onerous or  
30        impractical. ~~The commissioner shall further require the owners of all pipelines in the~~

1 state to notify the office of conservation of the abandonment of said pipeline or  
2 non-use of said pipeline for a period of six months or more.

3 G. The ~~office of conservation of the~~ Department of **Conservation and**  
4 Energy ~~and Natural Resources~~, through the ~~commissioner~~ **secretary**, shall  
5 implement the provisions of Subsections D, E, and F of this Section as to interstate  
6 pipelines insofar as those requirements may be consistent with the regulations for  
7 interstate pipelines adopted by the United States Department of Transportation. In  
8 such event, the office shall further implement the provisions of Subsections D, E, and  
9 F of this Section insofar as those requirements may be consistent with the regulations  
10 for interstate pipelines adopted by the United States Department of Energy.

11 H. Any pipeline owner required to construct a levee, dam, or weir in  
12 connection with a pipeline, shall maintain that levee, dam, or weir in a condition as  
13 near as practicable to its original condition, however, the ~~commissioner~~ **secretary**  
14 may grant such exceptions or variances from this requirement if he determines that  
15 maintenance of the dam, levee, or weir no longer serves the purposes intended and  
16 will not serve to protect the environment of the area. The ~~commissioner~~ **secretary**  
17 may require the owner to inspect the levee, dam, or weir on a periodic basis and to  
18 file reports of such inspections. The ~~commissioner~~ **secretary** may order the removal  
19 or alteration of any such dam, levee, or weir when he determines that such action is  
20 necessary to avoid undue interference with persons making other uses of state waters  
21 or water bottoms.

22 I. The ~~commissioner~~ **secretary** shall make, after notice and public hearing  
23 as provided in this Chapter, any reasonable rules, regulations, and orders that are  
24 necessary to control the offsite disposal at commercial facilities of drilling mud,  
25 saltwater and other related nonhazardous wastes generated by the drilling and  
26 production of oil and gas wells. Such regulations shall contain provisions identifying  
27 the waste materials to be regulated. Such regulations shall at a minimum require:

28 (1) Every person who intends to open and operate a new offsite commercial  
29 facility for the disposal of nonhazardous wastes produced in oil and gas drilling  
30 operations, shall file an application, with the ~~office of conservation~~ **department** for

1 a permit to conduct such operation.

2 \* \* \*

3 (3) Upon notice to the applicant by the ~~office of conservation~~ **department**  
4 that the application is complete, the applicant shall file with the local governing  
5 authority of the parish in which the proposed facility is to be located, six copies of  
6 the complete application.

7 (4) Upon acceptance of the application as complete, the ~~office of~~  
8 ~~conservation~~ **department** shall publish in the next available issue of the Louisiana  
9 Register, a notice of the filing and the location, date and time of a public hearing to  
10 be held in the affected parish, which hearing shall not be less than thirty days from  
11 the date of notice in the Register. The applicant shall publish a substantially similar  
12 notice in the official journal of the parish affected on three separate days at least  
13 fifteen days prior to the date set by the ~~office of conservation~~ **department** for such  
14 public hearing. Such notice shall be not less than one quarter page in size in boldface  
15 type.

16 (5) The public hearing shall be fact-finding in nature and shall not be subject  
17 to the procedural requirements of the Louisiana Administrative Procedure Act  
18 relative to rule making or adjudication, provided that the ~~office of conservation~~  
19 **department** shall allow any interested person to present testimony, facts or evidence  
20 related to the application, and shall make a record of the hearing.

21 \* \* \*

22 (9) The closure of all commercial offsite disposal facilities in a manner  
23 approved by the ~~commissioner~~ **secretary** to insure protection of the public and the  
24 environment.

25 \* \* \*

26 (11) Evidence of financial responsibility acceptable to the ~~commissioner~~  
27 **secretary** for any liability for damages which may be caused by the escape or  
28 discharge of waste materials from a commercial offsite disposal facility.

29 \* \* \*

30 K. The ~~commissioner~~ **secretary** shall not authorize or issue any permit which

1 allows the use or withdrawal of three million gallons or more of ground water per  
2 day from the Chicot aquifer that shall be injected into the subsurface in a parish  
3 whose population is more than seventy thousand and less than seventy-five thousand.

4 L.(1) The ~~commissioner~~ secretary shall make, after notice and hearings as  
5 provided in this Chapter, any reasonable rules, regulations, and orders that are  
6 necessary to require the operator of a well, which utilizes the application of fluids  
7 with force or pressure in order to create artificial fractures in the formation for the  
8 purpose of improving the capacity to produce hydrocarbons, to report no later than  
9 twenty days following the completion of hydraulic fracturing stimulation operations  
10 and in a manner determined by the ~~commissioner~~ secretary the following:

11 \* \* \*

12 M. The ~~commissioner~~ secretary shall make, after notice and hearing as  
13 provided in this Chapter, any reasonable rules, regulations, and orders that are  
14 necessary to control the drilling, operating, and plugging of solution mining injection  
15 wells, the permitting of such wells, and the resulting solution mined cavern. Such  
16 rules and regulations shall be adopted pursuant to the Administrative Procedure Act  
17 and shall provide for, but not be limited to the following:

18 \* \* \*

19 (3) Notification by the operator to the ~~office of conservation~~ department of  
20 a solution mining injection well inactivity or conclusion of mining operations.

21 \* \* \*

22 (6) Permit requirements that include the following:

23 \* \* \*

24 (b) Reimbursement to the state or any political subdivision of the state for  
25 reasonable and extraordinary costs incurred in responding to or mitigating a disaster  
26 or emergency due to a violation of this Subsection or any rule, regulation, or order  
27 promulgated or issued pursuant to this Subsection. The costs shall be subject to  
28 approval by the director of the Governor's Office of Homeland Security and  
29 Emergency Preparedness prior to being submitted to the ~~permittee~~ permittee for  
30 reimbursement. The payments shall not be construed as an admission of

responsibility or liability for the emergency or disaster. The Department of **Conservation and** Energy and Natural Resources, ~~office of conservation~~, is hereby authorized to adopt rules and regulations in accordance with the Administrative Procedure Act to collect reimbursement under this Section.

\* \* \*

O.(1) No permit to drill or operate a new solution-mined cavern, or expand or convert an existing solution-mined cavern in Iberia Parish may be issued until after a public hearing is held no earlier than August 15, 2015, on the application for the permit. The ~~commissioner~~ **secretary** shall promulgate rules and regulations to provide for such public hearings and shall fix the date, time, and place therefor. The operator or owner, prior to such a public hearing, shall give public notice on three separate days within a period of thirty days prior to the public hearing, with at least five days between each publication notice, both in the official state journal and in the official journal of the parish in which the well is to be located.

(2) At least thirty days prior to such public hearing on a permit to expand or convert an existing solution-mined cavern or to drill and operate a new solution-mined cavern in Iberia Parish, the permit applicant shall submit a report to the ~~commissioner of conservation~~ **secretary**, to Save Lake Peigneur, Inc., and to the governing authority of Iberia Parish. The report shall provide a baseline analysis of groundwater levels and salt content in the nearby groundwater wells that can be accessed for such analysis; a plan to monitor groundwater levels and salt water content for the duration of the activity for the creation of cavern storage should a permit be granted; a geologic analysis by a qualified third party geologist that examines the integrity of the salt dome; and the results of an analysis of testing that attempts to determine the source and composition of intermittent foaming or bubbling appearing in Lake Peigneur.

\* \* \*

P. The ~~commissioner of conservation~~ **secretary** has the authority to promulgate rules and regulations under the Administrative Procedure Act to regulate the location, construction, operation, and maintenance of a liquefied natural gas

1 facility within the state.

2 Q.~~(1)~~**(a)** The ~~commissioner~~ **secretary** is authorized to develop and implement  
3 a program to ~~expedite the~~ **of expedited** processing or review of permits,  
4 modifications, licenses, registrations, plans, proposals, exceptions, or variances and  
5 related correspondence for applicants who may request such services. ~~In addition to~~  
6 ~~any applicable fees charged pursuant to this Subtitle, a~~

7 **(b)** A fee for an expedited review shall be charged to each applicant equal to  
8 the cost of every overtime hour, or portion thereof, an employee or contractor works  
9 processing the expedited review and an amount not exceeding twenty percent for  
10 administrative costs. However, the administrative fee shall not be less than five  
11 hundred dollars. The overtime rate shall not exceed the maximum per hour overtime  
12 salary, calculated at one and one-half times the hourly wage and including associated  
13 related benefits, of a civil service employee of the ~~office of conservation~~  
14 **department.**

15 **(2)** The ~~commissioner~~ **secretary** shall adopt rules and regulations in  
16 accordance with the Administrative Procedure Act to implement the provisions of  
17 this Subsection. The rules shall ~~require the applicant to provide public notice when~~  
18 ~~an expedited review is granted.,~~ **at a minimum, specify:**

19 **(a) The procedure for requesting expedited processing.**

20 **(b) The procedure for the department to approve or deny a request for**  
21 **expedited processing.**

22 **(c) A timeline for the administrative and technical review portion of the**  
23 **expedited processing.**

24 **(d) The method of providing public notice of Subparagraphs (a) through**  
25 **(c) of this Paragraph through posting on the department's website.**

26 **(e) All documentation required to implement this Subsection, including**  
27 **but not limited to necessary forms, costs statements, and schedules.**

28 **(f) A process for the applicant to claim portions of the records submitted**  
29 **to the department pursuant to this Subsection as confidential, proprietary, or**  
30 **trade secret or otherwise exempt from public disclosure in accordance with the**

1        Public Records Law. At least three days prior to their release, the department  
2        shall notify the applicant of any public records request for records submitted  
3        to the department pursuant to this Subsection and claimed by the applicant as  
4        confidential, proprietary, trade secret, or otherwise exempt from public  
5        disclosure in accordance with the Public Records Law.

6                (3) An applicant for the issuance, review, or approval of any permit,  
7        modification, license, registration, plan proposal, exception, or variance under  
8        the jurisdiction of the department may request expedited processing.

9                (4) The secretary may decline, or revoke when previously approved, any  
10        request for expedited processing with written reasons subject to reconsideration  
11        for up to ten calendar days.

12               (5) The expedited processing timeline commences on the date the  
13        secretary grants the request for expedited processing. Expedited processing  
14        shall be deemed complete when the final decision is transmitted in writing or  
15        when the department notifies the applicant that a decision is ready.

16               (6) The First Circuit Court of Appeals shall have jurisdiction over a  
17        request for judicial review of a decision by the department pursuant to this  
18        Subsection. Judicial review pursuant to this Paragraph shall be subject to the  
19        provisions of R.S. 30:12.

20               R. The ~~commissioner~~ secretary shall make, after notice and public hearings  
21        as provided in this Chapter, any rules, regulations, and orders that are necessary to  
22        require reasonable bond with security for the performance of the duty to plug each  
23        dry and abandoned well and the closure and to perform the site cleanup required by  
24        Item (C)(1)(a)(iv) of this Section. The rules, regulations, and orders may classify  
25        based on location of the well and shall provide for the following exceptions from the  
26        reasonable bond and security requirement:

27                                \*           \*           \*

28               T. In addition to the requirements set forth in Subsection R of this Section,  
29        an organization seeking to enter into a cooperative endeavor agreement with the  
30        ~~assistant~~ secretary to assist with plugging orphaned wells, in order to alleviate the

1           burden on operators in meeting financial security requirements, shall include in the  
2           cooperative endeavor agreement a provision that allows full access to their  
3           operations and financial records for the purpose of any audit conducted by the  
4           legislative auditor.

5           §4.1. Underground injection control

6   \*           \*           \*

7                   B. The ~~assistant secretary of the office of conservation of the Department of~~  
8           ~~Energy and Natural Resources, hereafter referred to as the "assistant secretary",~~ shall  
9           have authority to make, after notice and hearings as provided in this Chapter, any  
10          reasonable rules, regulations, and orders that are necessary from time to time in the  
11          proper administration and enforcement of this Section, including but not limited to  
12          rules, regulations, or orders for the following purposes:

13                   (1) To regulate, by rules, the drilling, casing, cementing, disposal interval,  
14          monitoring, plugging, and permitting of disposal wells which are used to inject  
15          hazardous waste products in the subsurface, and to regulate all surface and storage  
16          waste facilities incidental to oil and gas exploration and production, in such a manner  
17          as to prevent the escape of such hazardous waste product into a fresh groundwater  
18          aquifer or into oil or gas strata; may require the plugging of each abandoned well or  
19          each well which is of no further use and the closure of associated pits, the removal  
20          of equipment, structures, and trash, and the general site cleanup of such abandoned  
21          or unused well sites; and may require reasonable bond with security for the  
22          performance of the duty to plug each abandoned well or each well which is of no  
23          further use and to perform the site cleanup required by this Section. Only an owner  
24          as defined in R.S. 30:3(8) shall be held or deemed responsible for the performance  
25          of any actions required by the ~~commissioner~~ **secretary**.

26                   (2) To require by rule that before a permit to operate a new commercial  
27          operations' hazardous waste disposal well may be granted, a public hearing shall be  
28          held on the application for a permit, and shall fix the date, time, and place therefor.  
29          The operator or owner, prior to such public hearing, shall give public notice on three  
30          separate days within a period of thirty days prior to the public hearing, with at least

1 five days between each publication of the notice, both in the official state journal and  
2 in the official journal of the parish in which the well is to be located, that application  
3 for a permit for a new commercial operations' hazardous waste disposal well has  
4 been made and that a public hearing on the matter will be held on the date and at the  
5 time and place which shall be stated in the public notice. The ~~assistant~~ secretary shall  
6 prescribe the form of the advertisement. In addition, the applicant for a permit shall  
7 place an advertisement in the same newspapers, but not in the classified  
8 advertisement or public notice section of the newspapers, in a form which shall be  
9 not less than one-half page in size and printed in bold face type; which shall inform  
10 the public that application for a permit has been made for a new commercial  
11 operations' hazardous waste disposal well and that a public hearing, at which all  
12 interested persons are charged to be present and to present their views and which  
13 shall state the date, time, and place at which the meeting will be held. The content  
14 of both the public notice and the one-half page announcement or advertisement also  
15 shall include the name of the owner or operator, location of the proposed well,  
16 materials to be disposed in the well, a statement that comments may be sent to the  
17 ~~assistant commissioner of the Office of Conservation~~ **secretary** prior to the public  
18 meeting, ~~and the mailing address of the assistant secretary.~~

19 \* \* \*

20 C.(1) No person shall inject, pump, dispose, or in any manner allow the  
21 escape of any hazardous waste into any well or underground strata by way of an  
22 injection well without obtaining a permit from the ~~assistant~~ secretary or in violation  
23 of any permit issued by the ~~assistant~~ secretary; or violate any rule, regulation, or  
24 order of the ~~assistant~~ secretary issued under the authority of this Section.

25 (2) The ~~assistant~~ secretary shall not issue any new permit for a previously  
26 unpermitted Class I well for the disposal of hazardous waste as defined in the  
27 comprehensive state hazardous waste control program, provided for in R.S. 30:2175,  
28 which previously produced or was drilled for the purpose of producing oil or gas,  
29 whether oil or gas was actually produced therein. Where a new permit has been  
30 issued for such a Class I well for disposal of hazardous waste, the ~~assistant~~ secretary

1 shall immediately proceed to revoke such permit, giving notice and upon request, an  
2 opportunity for the parties to be heard, and set a schedule for the abandonment and  
3 closure of the well, in accordance with rules and regulations of the office of  
4 conservation. No later than November 15, 1985, the ~~assistant~~ secretary shall order  
5 the cessation of injection and issue an order for closure which shall be completed  
6 within one hundred twenty days of the order.

7 D. Whenever the ~~assistant~~ secretary or an authorized representative of the  
8 ~~assistant~~ secretary determines that a violation of any requirement of this Section has  
9 occurred or is about to occur, the ~~assistant~~ secretary or the authorized representative  
10 of the ~~assistant~~ secretary shall either issue an order requiring compliance within a  
11 specified time period or shall commence a civil action for appropriate relief,  
12 including a temporary or permanent injunction.

13 E. Requirements of compliance orders. Any order issued under this Section  
14 shall state with reasonable specificity the nature of the violation and specify a time  
15 for compliance and, in the event of noncompliance, assess a civil penalty, if any,  
16 which the ~~assistant~~ secretary determines is reasonable, taking into account the  
17 seriousness of the violation and any good faith efforts to comply with the applicable  
18 requirements.

19 F. Penalties. (1) Except as otherwise provided by law, any person to whom  
20 a compliance order or a cease and desist order is issued and who fails to take  
21 corrective action within the time specified and said order or any person found by the  
22 ~~assistant~~ secretary to be in violation of any requirement of this Section, may be liable  
23 for a civil penalty, to be assessed by the ~~assistant~~ secretary or court, of not more than  
24 twenty-five thousand dollars for each day of the continued noncompliance or  
25 violation. The ~~assistant~~ secretary in order to enforce the provisions of this Section  
26 may suspend or revoke any permit, compliance order, license, or variance which has  
27 been issued to said person.

28 \* \* \*

29 I. Settlement of suits. Except as otherwise provided herein, the ~~assistant~~  
30 secretary, with the concurrence of the attorney general, may settle or resolve as he

1 may deem advantageous to the state any suits, disputes, or claims for any penalty  
2 under any provisions of this Section or the regulations or permit license terms and  
3 conditions applicable thereto.

4 \* \* \*

5 K. The ~~commissioner~~ **secretary** shall not authorize or issue any permit which  
6 allows the use or withdrawal of three million gallons or more of ground water per  
7 day from the Chicot aquifer that shall be injected into the subsurface in a parish  
8 whose population is more than seventy thousand and less than seventy-five thousand.

9 §4.2. Effective enforcement of wildlife and fisheries laws

10 The ~~assistant~~ secretary shall make, after notice and public hearing as provided  
11 in this Chapter, any reasonable rules, regulations, and orders which are necessary to  
12 prohibit the operators of oil and gas wells from performing any acts on lands subject  
13 to a drilling permit which may preclude agents of the Department of Wildlife and  
14 Fisheries from effectively enforcing any of the provisions of Title 56 of the  
15 Louisiana Revised Statutes of 1950. The ~~assistant~~ secretary shall revoke any permit  
16 granted to an operator and deny any application for a permit to drill any well by an  
17 operator found to be in violation of the rules provided for in this Section.

18 §4.3. Financial security

19 A. As required by R.S. 30:4, an applicant for a permit to drill or to amend a  
20 permit to drill for change of operator shall provide financial security as provided in  
21 this Section in a form acceptable to the ~~commissioner~~ **secretary**. For an application  
22 for a permit to drill, the security shall be provided within thirty days of the  
23 completion date or from the date the operator is notified that financial security is  
24 required. For an application to amend a permit to drill for a change of operator, the  
25 security shall be provided as required by this Section or by establishing a site-  
26 specific trust account in accordance with R.S. 30:88 prior to the operator change.

27 B.(1) Except as provided in Paragraph (2) of this Subsection, the amount of  
28 the financial security shall be provided for in rules and regulations promulgated by  
29 the ~~commissioner~~ **secretary** in accordance with the Administrative Procedure Act.  
30 The amounts may be on an individual-well or multiple-well basis and may be

1 categorized based on the well's location.

2 (2) For an individual well located on land of a depth equal to or less than  
3 three thousand feet, the financial security required shall be two dollars per foot.  
4 However, the ~~commissioner~~ secretary may increase the financial security by rules  
5 and regulations promulgated after September 1, 2017, in accordance with the  
6 Administrative Procedure Act.

7 C. Financial security shall not be required for the following wells:

8 (1) Any well declared to be orphaned by the ~~commissioner~~ secretary and  
9 subsequently transferred to another operator.

10 (2) Any well to be drilled by an operator who has an agreement with the  
11 ~~office of conservation~~ department to plug a well that has been declared to be  
12 orphaned by the ~~commissioner~~ secretary and that orphaned well is similar to the  
13 proposed well in terms of depth and location.

14 §5. Permission to convert gas into carbon black; recycling gas; unit operations

15 A. In order to prevent waste of natural gas, the ~~commissioner~~ secretary may  
16 grant to bona fide applicants permits for the building and operation of plants and to  
17 burn natural gas into carbon black for the period of time fixed by the ~~commissioner~~  
18 secretary in the permit, not to exceed twenty-five years and subject to the provisions  
19 of the laws of the state and the rules and regulations of the department. It shall be a  
20 violation of this Chapter for any person to build or operate a new plant, for these  
21 purposes without the permit required by this Section.

22 B. In order to prevent waste and to avoid the drilling of unnecessary wells,  
23 the ~~commissioner~~ secretary shall, after notice and upon hearing, and his  
24 determination of feasibility, require the re-cycling of gas in any pool or portion of  
25 a pool productive of gas from which condensate or distillate may be separated or  
26 natural gasoline extracted, and promulgate rules to unitize separate ownership and  
27 to regulate production of the gas and reintroduction of the gas into productive  
28 formations after separation of condensate or distillate, or extraction of natural  
29 gasoline, from the gas.

30 C.(1) Without any way modifying the authority granted to the ~~assistant~~

~~secretary of the office of conservation in R.S. 30:9(B) to establish a drilling unit or~~  
units for a pool and in addition to the authority conferred in Subsection B of this  
Section:

(a) The ~~assistant~~ secretary of the office of conservation upon the application of any interested party, also is authorized and empowered to enter an order requiring the unit operation of any pool or a combination of two pools in the same field, productive of oil or gas, or both, in connection with the institution and operation of systems of pressure maintenance by the injection of gas, water, or any other extraneous substance, or in connection with any program of secondary or tertiary recovery; and

(b) The ~~assistant~~ secretary of the office of conservation is further authorized and empowered to require the unit operation of a single pool in any situation where the ultimate recovery can be increased and waste and the drilling of unnecessary wells can be prevented by such a unit operation.

(2) In connection with such an order of unit operation, the ~~assistant~~ secretary of the office of conservation shall have the right to unitize, pool, and consolidate all separately owned tracts and other property ownerships. Any order for such a unit operation shall be issued only after notice and hearing and shall be based on all of the following findings:

\* \* \*

(d) At least three-fourths of the owners and three-fourths of the royalty owners, as to a particular interest, as hereinafter defined, such three-fourths to be in interest as determined under Subparagraph (c) of this Paragraph, shall have approved the plan and terms of unit operation, such approval to be evidenced by a written contract or contracts covering the terms and operation of the unitization signed and executed by the three-fourths in interest of the owners and three-fourths in interest of the royalty owners and filed with the ~~assistant~~ secretary of the office of conservation on or before the day set for the hearing. Notwithstanding any other provision of this Subparagraph to the contrary, with respect to an order for unit operation for the production of brine, such approval shall only be required from at

1 least three-fourths of the owners as to the particular interest, such approval to be  
2 evidenced by a written contract or contracts covering the terms and operation of the  
3 unitization signed and executed by the three-fourths in interest of the owners and  
4 filed with the ~~assistant~~ secretary of the office of conservation on or before the day  
5 set for the hearing.

6 \* \* \*

7 (4) Upon application and after notice and a public hearing and consideration  
8 of all available geological and engineering evidence, the ~~Assistant Secretary of the~~  
9 ~~Office of Conservation~~ secretary, to the extent required by such evidence, may  
10 revise any reservoirwide unit or units heretofore created by the ~~Assistant Secretary~~  
11 ~~of the Office of Conservation~~ secretary.

12 \* \* \*

13 (6) No order of the ~~commissioner~~ secretary entered pursuant hereto shall  
14 have the effect of enlarging, displacing, varying, altering, or in anywise whatsoever  
15 modifying or changing contracts in existence on the effective date of this Act  
16 concerning the unitization of any pool (reservoir) or pools (reservoirs) or field (as  
17 defined in the contract) for the production of oil, gas, brine, or any combination  
18 thereof.

19 D.(1) In order to prevent waste and increase the ultimate recovery of oil or  
20 gas, or both, the ~~assistant~~ secretary of the office of conservation, upon the application  
21 of any interested owner, and only after notice and a public hearing, is authorized to  
22 approve a cyclic injection project for the operation of a well by the method of  
23 enhanced recovery known as cyclic injection, without the formation of a unit under  
24 Subsection C of this Section or under any other provisions of this Chapter. No  
25 operator shall utilize cyclic injection without first securing the ~~assistant~~ secretary's  
26 approval pursuant to this Subsection. For the purposes of this Subsection, "cyclic  
27 injection" is hereby defined as a single-well process in which a production well is  
28 injected with a substance for the purpose of enhanced recovery. After a shut-in  
29 period, the well is returned to production. This procedure may be performed  
30 repeatedly on one or more wells in a reservoir.

(2) Prior to approving any cyclic injection project the ~~assistant~~ secretary must find that the project will not drain any area of the reservoir different from that being drained by the project well prior to initiation of the project, and that the project will not otherwise adversely affect other owners having rights in the same reservoir in which the applicant proposed to conduct cyclic injection. If the ~~assistant~~ secretary does not make these findings required in the preceding sentence, he shall not approve the cyclic injection project, and it shall not be conducted, unless:

\* \* \*

§5.1. Deep pool order; ultra deep structure units; application; procedure; allocation of costs; rules and regulations

A. The following shall be applicable to deep pool units:

(1) In order to prevent waste and to avoid the drilling of unnecessary wells, and to encourage the development of deep oil and gas pools in Louisiana, the ~~commissioner~~ secretary of conservation is authorized, as provided in this Subsection, to establish a single unit to be served by one or more wells for a deep pool and to adopt a development plan for such deep unit.

(2) Without in any way modifying the authority granted to the ~~commissioner~~ secretary in R.S. 30:9(B) to establish a drilling unit or units for a pool and in addition to the authority conferred in R.S. 30:5, the ~~commissioner~~ secretary upon the application of any interested party may enter an order requiring the unit operation of any deep pool when such unit operation will promote the development of such deep pools, prevent waste, and avoid the drilling of unnecessary wells.

(3) In connection with such order, the ~~commissioner~~ secretary shall have the right to establish a unit for a deep pool and to unitize, force pool, and consolidate all separately owned tracts and other property ownerships within such unit. Any order creating a unit for a deep pool shall be issued only after notice and public hearing and shall be based on findings that:

\* \* \*

(e) The plan of development for the unit is reasonable. The plan shall be revised only if approved by the ~~commissioner~~ secretary after notice and public

1 hearing.

2 \* \* \*

3 (5) No order shall be issued by the ~~commissioner~~ **secretary** unless interested  
4 parties have been provided a reasonable opportunity to review and evaluate all data  
5 submitted by the applicant to the ~~commissioner~~ **secretary** to establish the limits of  
6 the deep pool, including seismic data.

7 (6) The order creating the unit shall designate a unit operator and shall also  
8 make provision for the proportionate allocation to the owners (lessees or owners of  
9 unleased interests) of the costs and expenses of the unit operation, which allocation  
10 shall be in the same proportion that the separately owned tracts share in unit  
11 production. The cost of capital investment in wells and physical equipment and  
12 intangible drilling costs, in the absence of voluntary agreement among the owners  
13 to the contrary, shall be shared in like proportion. However, no such owner who has  
14 not consented to the unitization shall be required to contribute to the costs or  
15 expenses of the unit operation or to the cost of capital investment in wells and  
16 physical equipment and intangible drilling costs except out of the proceeds of  
17 production accruing to the interest of such owner out of production from such unit  
18 operation. In the event of a dispute relative to the calculation of unit well costs or  
19 depreciated unit well costs, the ~~commissioner~~ **secretary** shall determine the proper  
20 costs after notice to all interested owners and public hearing thereon.

21 (7) Upon application and after notice and public hearing and consideration  
22 of all available geological and engineering evidence, the ~~commissioner~~ **secretary**,  
23 to the extent required by such evidence, may create, revise, or dissolve any unit  
24 provided for under this Subsection or modify any provision of any order issued  
25 hereunder. Any such order shall provide for the allocation of unit production on a  
26 just and equitable basis to each separately owned tract within the unit.

27 (8) The ~~commissioner~~ **secretary** shall prescribe, issue, amend, and rescind  
28 such orders, rules, and regulations as he may find necessary or appropriate to carry  
29 out the provisions of this Subsection.

30 (9) While this Subsection authorizes the initial creation of a single unit to be

1 served by one or more wells, nothing herein shall be construed as limiting the  
2 authority of the ~~commissioner~~ secretary to approve the drilling of alternate unit  
3 wells on drilling units established pursuant to R.S. 30:9(B).

4 B. The following shall be applicable to ultra deep structure units:

5 (1) In order to prevent waste and to avoid the drilling of unnecessary wells,  
6 and to encourage the development of ultra deep oil and gas structures in Louisiana,  
7 the ~~commissioner~~ secretary of conservation is authorized, as provided in this  
8 Subsection, to establish a single unit to be served by one or more wells for an ultra  
9 deep structure and to adopt a plan of development for such ultra deep structure unit.  
10 For purposes of this statute, a "structure" is defined as a unique geologic feature that  
11 potentially traps hydrocarbons in one or more pools or zones.

12 (2) Without in any way modifying the authority granted to the ~~commissioner~~  
13 secretary by R.S. 30:9(B) to establish a drilling unit or units for a pool and in  
14 addition to the authority conferred by R.S. 30:5 and 5.2, the ~~commissioner~~ secretary,  
15 upon the application of any interested party, may enter an order requiring the unit  
16 operation of any ultra deep structure when such unit operation will promote the  
17 development of such ultra deep structure, prevent waste, and avoid the drilling of  
18 unnecessary wells.

19 (3) In connection with such order, the ~~commissioner~~ secretary shall have the  
20 right to establish a unit no greater than nine thousand acres for an ultra deep structure  
21 and to unitize, force pool, and consolidate all separately owned tracts and other  
22 property ownerships within such unit. Any order creating a unit for an ultra deep  
23 structure shall be issued only after notice and public hearing and shall be based on  
24 findings that:

25 \* \* \*

26 (5) Upon application of any landowner or other interested party, or at the  
27 ~~commissioner's~~ secretary's discretion, the plan of development may be revised by  
28 the ~~commissioner~~ secretary after notice and public hearing for good cause.

29 \* \* \*

30 (7) No order creating a unit for an ultra deep structure shall be issued by the

commissioner secretary unless interested parties have been provided a reasonable opportunity to review and evaluate all data, including seismic data, submitted by the applicant to the commissioner secretary to establish the limits of the deep structure.

\* \* \*

(9) The initial well and each subsequent well proposed or drilled pursuant to the plan of development shall be deemed a unit well. The provisions of R.S. 30:10(A)(2) shall be applicable to ultra deep structure units, including the applicable risk charge. In the event of a dispute relative to the calculation of unit well costs or depreciated unit well costs, the ~~commissioner~~ secretary shall determine the proper costs after notice to all interested owners and public hearing thereon.

(10) Upon application by any landowner or other interested party, or at the ~~commissioner's~~ secretary's discretion, and after notice and public hearing and consideration of available geological, engineering, and other relevant evidence, the ~~commissioner~~ secretary, to the extent required by such evidence, may by order create, revise, confirm, or dissolve any unit provided for under this Subsection or modify any provision of any order issued hereunder. Any such order shall provide for the allocation of unit production on a just and equitable basis to each separately owned tract within the unit. The applicant shall, in all cases, have the burden of proof that the existing unit or order should be revised, confirmed, dissolved, or amended in the manner proposed in the application. If the ~~commissioner~~ secretary determines that the unit operator has not substantially complied with the plan of development, the unit operator shall be required to show cause why the unit should not be reduced in size.

\* \* \*

(12) The ~~commissioner~~ secretary shall prescribe, issue, amend, and rescind such orders, rules, and regulations as he may find necessary or appropriate to carry out the provisions of this Subsection.

(13) While the provisions of this Subsection authorize the initial creation of a single unit to be served by one or more wells, nothing herein shall be construed as limiting the authority of the ~~commissioner~~ **secretary** to approve the drilling of

1 alternate unit wells on drilling units established pursuant to R.S. 30:9(B).

2 §5.2. Coal seam natural gas producing areas order; application; procedure;  
3 allocation of costs; rules and regulations

4 A. In order to prevent waste and to avoid the drilling of unnecessary wells  
5 and to encourage the development of coal seam natural gas producing areas in  
6 Louisiana, the ~~commissioner of conservation~~ **secretary** is authorized, as provided in  
7 this Section, to establish a single unit to be served by one or more wells for a coal  
8 seam natural gas producing area.

9 B. Without in any way modifying the authority granted to the ~~commissioner~~  
10 **secretary** in R.S. 30:9(B) to establish a drilling unit or units for a pool and in  
11 addition to the authority conferred in R.S. 30:5, the ~~commissioner~~ **secretary**, upon  
12 the application of any interested party, may enter an order requiring the unit  
13 operation of any coal seam natural gas producing area when such unit operation will  
14 promote the development of such coal seam natural gas producing area, prevent  
15 waste, and avoid the drilling of unnecessary wells.

16 C. In connection with such order, the ~~commissioner~~ **secretary** shall have the  
17 right to establish a unit for a coal seam natural gas producing area and to unitize,  
18 force pool, and consolidate all separately owned tracts and other property ownerships  
19 within such unit. Any order creating a unit for a coal seam natural gas producing area  
20 shall be issued only after notice and a public hearing and shall be based on findings  
21 that:

22 \* \* \*

23 E. No order shall be issued by the ~~commissioner~~ **secretary** unless interested  
24 parties have been provided a reasonable opportunity to review and evaluate all data  
25 submitted by the applicant to the ~~commissioner~~ **secretary** to establish the limits of  
26 the coal seam natural gas producing area.

27 F. The order creating the unit shall designate a unit operator and shall also  
28 make provision for the proportionate allocation to the owners (lessees or owners of  
29 unleased interests) of the costs and expenses of the unit operation, which allocation  
30 shall be in the same proportion that the separately owned tracts share in unit

1 production. The cost of capital investment in wells and physical equipment and  
2 intangible drilling costs, in the absence of voluntary agreement among the owners  
3 to the contrary, shall be shared in like proportion. However, no such owner who has  
4 not consented to the unitization shall be required to contribute to the costs or  
5 expenses of the unit operation or to the cost of capital investment in wells and  
6 physical equipment and intangible drilling costs except out of the proceeds of  
7 production accruing to the interest of such owner out of production from such unit  
8 operation. In the event of a dispute relative to the calculation of unit well costs or  
9 depreciated unit well costs, the ~~commissioner~~ secretary shall determine the proper  
10 costs after notice to all interested owners and a public hearing thereon.

11 G. Upon application and after notice and a public hearing and consideration  
12 of all new available geological and engineering evidence, the ~~commissioner~~  
13 secretary, to the extent required by such evidence, may create, revise, or dissolve  
14 any unit provided for under this Section or modify any provision of any order issued  
15 pursuant to this Section. Any such order shall provide for the allocation of unit  
16 production on a just and equitable basis to each separately owned tract within the  
17 unit.

18 H. The ~~commissioner~~ secretary shall prescribe, issue, amend, and rescind  
19 such orders, rules, and regulations as he may find necessary or appropriate to carry  
20 out the provisions of the Section.

21 §6. Hearings; notice; rules of procedure; emergency; service of process; public  
22 records; request for hearings; orders and compliance orders

23 A. The ~~commissioner~~ secretary shall prescribe the rules of order or  
24 procedure in hearings or other proceedings before him under this Chapter.

25 B. No rule, regulation, order, or change, renewal, or extension thereof, shall,  
26 in the absence of an emergency, be made by the ~~commissioner~~ secretary under the  
27 provisions of this Chapter except after a public hearing upon at least ten days' notice  
28 given in the manner and form prescribed by him. This hearing shall be held at a time  
29 and place and in the manner prescribed by the ~~commissioner~~ secretary. The  
30 ~~commissioner~~ secretary, in his discretion, may designate a member of his staff to

1           conduct public hearings on his behalf. Any person having an interest in the subject  
2           matter of the hearing shall be entitled to be heard. Whenever any application shall  
3           be made to the ~~commissioner of conservation~~ **secretary** for creation, revision, or  
4           modification of any unit or units for production of oil or gas, or for adoption of any  
5           plan for spacing of wells or for cycling of gas, pressure maintenance or restoration,  
6           or other plan of secondary recovery, the applicant shall be required to file with the  
7           application two copies of a map of such unit or units or well spacing pattern or two  
8           explanations of such plan of cycling, pressure maintenance or restoration, or other  
9           secondary recovery program and at least thirty days' notice shall be given of the  
10          hearings to be held thereon, in the manner prescribed by the ~~commissioner of~~  
11          ~~conservation~~ **secretary** and a copy of such plat or explanation of program shall  
12          remain on file in the ~~office of conservation~~ **department** in Baton Rouge and in the  
13          office of the district manager of the conservation district in which the property is  
14          located, and be open for public inspection, at least thirty days prior to such hearing.

15               C. If the ~~commissioner~~ **secretary** finds an existing emergency which in his  
16          judgment requires the making, changing, renewal, or extension of a rule, regulation,  
17          or order without first having a hearing, the emergency rule, regulation, or order shall  
18          have the same validity as if a hearing had been held after due notice. The emergency  
19          rule, regulation, or order shall remain in force no longer than fifteen days from its  
20          effective date. In any event, it shall expire when the rule, regulation, or order made  
21          after notice and hearing with respect to the same subject matter becomes effective.

22               D. Should the ~~commissioner~~ **secretary** elect to give notice by personal  
23          service, it may be made by any officer authorized to serve process or any agent of  
24          the ~~commissioner~~ **secretary** in the same manner as is provided by law for the service  
25          of citation in civil actions in the district courts. Proof of the service by an agent shall  
26          be by the affidavit of the person making it.

27               E. All rules, regulations, and orders made by the ~~commissioner~~ **secretary**  
28          shall be in writing and shall be entered in full by him in a book kept for that purpose.  
29          This book shall be a public record and shall be open for inspection at all times during  
30          reasonable office hours. A copy of a rule, regulation, or order, certified by the

1           ~~commissioner~~ secretary, shall be received in evidence in all courts of this state with  
2           the same effect as the original.

3           F. Any interested person has the right to have the ~~commissioner~~ secretary  
4           call a hearing for the purpose of taking action in respect to a matter within the  
5           jurisdiction of the ~~commissioner~~ secretary by making a request therefor in writing.  
6           Upon receiving the request the ~~commissioner~~ secretary shall promptly call a  
7           hearing. After the hearing, and with all convenient speed and in any event within  
8           thirty days after the conclusion of the hearing the ~~commissioner~~ secretary shall take  
9           whatever action he deems appropriate with regard to the subject matter. In the event  
10          of failure or refusal of the ~~commissioner~~ secretary to issue an order within the  
11          period of thirty days, he may be compelled to do so by mandamus at the suit of any  
12          interested person.

13          G. Notwithstanding the provisions of Subsections B and C to the contrary,  
14          the ~~commissioner~~ secretary, upon determining that a violation of this Chapter or the  
15          regulations adopted hereunder has occurred, may impose a civil penalty as provided  
16          in this Chapter. Additionally, upon determining that a violation of this Chapter or the  
17          regulations adopted hereunder has occurred, the ~~commissioner~~ secretary may issue  
18          an order requiring compliance. Any such order issued shall state, with reasonable  
19          specificity, the nature of the violation, any cessation of activities or affirmative  
20          operations required to achieve compliance, and a time limit within which compliance  
21          with the order must be achieved. Noncompliance with any such order to comply shall  
22          constitute a violation of this Chapter, and the ~~commissioner~~ secretary may impose  
23          a civil penalty for such violation. Any person subjected to a civil penalty shall have  
24          the right to a public hearing if requested in writing, which written request shall  
25          suspend the imposition of the penalty until final action is taken by the ~~commissioner~~  
26          secretary after hearing.

27          H. When an application for any permit to construct or drill a Class V or Class  
28          VI well related to the geologic sequestration of carbon dioxide becomes complete,  
29          the ~~commissioner~~ secretary shall notify the governing authority of any parish  
30          included in the permit application. The notice to the governing authority of the parish

1 shall be made no later than the date on which public notice is issued in accordance  
2 with applicable law or regulations. Notice may be made by electronic mail to the  
3 parish president, police jury president, or mayor-president, depending on the form  
4 of parish government.

5 §6.1. Declaration of emergency

6 A. Notwithstanding any other provision of this Title, upon receipt of evidence  
7 that there is an incident occurring or threatening to occur imminently at an oilfield  
8 site or other facility, structure, or pipeline under the ~~commissioner's~~ **department's**  
9 jurisdiction pursuant to R.S. 30:1 et seq., which is of such magnitude as to require  
10 immediate action to prevent substantial or irreparable damage to the environment or  
11 a serious threat to life or safety based on recognized criteria, standards or industry  
12 practices, the ~~commissioner~~ **department** may declare in writing that an emergency  
13 exists.

14 B. Upon declaration of an emergency, the ~~commissioner~~ **department** shall  
15 notify the operator of record. Notification shall be made by telephone at the  
16 emergency number on file in the ~~commissioner~~ **department**, telegraph, facsimile,  
17 or personal appearance. If the operator cannot be contacted for notification within  
18 twenty-four hours or if the operator of record fails to begin abatement procedures  
19 within twenty-four hours after notice by the ~~commissioner~~ **department**, the  
20 ~~commissioner~~ **department** shall begin the emergency procedures provided for in this  
21 Section. Refusal on the part of the operator to begin abatement procedures after  
22 notification by the ~~commissioner~~ **department** shall constitute a failure or refusal to  
23 comply with the provisions of this Title and rules, regulations, and orders issued  
24 thereunder.

25 C. When an emergency situation is declared, the ~~commissioner~~ **department**  
26 is authorized to undertake the containment and abatement of the pollution source and  
27 pollutants and may retain personnel or contract for these purposes with persons who  
28 shall operate under his direction. All contracts let by the ~~commissioner~~ **department**  
29 to respond to a declared emergency shall be exempt from the provisions of Chapter  
30 10 of Title 38 of the Louisiana Revised Statutes of 1950 and the Louisiana

1 Procurement Code. However, the ~~commissioner~~ **department** may employ an  
2 informal bidding procedure by which bids are solicited from at least three bidders:  
3 He **and** may order the operator of record or owner to undertake the containment,  
4 abatement, or cleanup of such pollution source and pollutants. Failure to comply with  
5 his order shall be a violation of this Title and shall be punishable as provided in this  
6 Title. The ~~commissioner~~ **department** shall submit an annual report to the House  
7 Committee on Natural Resources and Environment and Senate Committee on  
8 Natural Resources listing the number and type of emergencies declared within the  
9 previous year.

10 D.(1) The ~~commissioner~~ **department** may issue permits, variances, or other  
11 orders as necessary to respond to the emergency, which shall be effective  
12 immediately upon issuance, and any request for hearing, appeal, or request for  
13 review shall not suspend the implementation of the action ordered. The term of any  
14 such emergency action shall be limited to the time necessary to address the  
15 emergency conditions.

16 \* \* \*

17 F. In responding to an emergency, the ~~commissioner~~ **department** may utilize  
18 any funds allowable under federal law or state law or any funds which have been  
19 appropriated for such purposes, including but not limited to the Oilfield Site  
20 Restoration Fund pursuant to R.S. 30:80 et seq. Recovery of costs expended shall be  
21 in accordance with the statutes, rules, and regulations applicable to the source of  
22 funds.

23 \* \* \*

24 §8. Subpoenas, and production of records; service; excuses for disobedience;  
25 enforcement of subpoenas

26 A. The ~~commissioner~~ **secretary** may subpoena witnesses and require their  
27 attendance and the giving of testimony before him. He may require the production  
28 of any books, papers, or records material to the questions lawfully before him.

29 (1) Subpoenas shall be served by any agent of the department ~~of~~  
30 ~~conservation~~, by the sheriff, or by any other officer authorized by law to serve

1 process in this state.

2 (2) No person shall be excused from attending and testifying or producing  
3 books, papers, or records, or from obeying the subpoena of the ~~commissioner~~  
4 secretary or of a court of record on the ground that the testimony or evidence  
5 required of him may tend to incriminate him or subject him to penalty or forfeiture.

6 (3) Nothing contained in this Subsection shall be construed as requiring any  
7 person to produce books, papers, or records, or to testify in response to any inquiry  
8 not pertinent to some question lawfully before the ~~commissioner~~ secretary or court  
9 for determination.

10 (4) No natural person shall be subjected to criminal prosecution or to any  
11 penalty or forfeiture on account of anything concerning which he may be required  
12 to testify or produce evidence before the ~~commissioner~~ secretary or a court.

13 \* \* \*

14 B. In the case of failure or refusal of a person to comply with a subpoena  
15 issued by the ~~commissioner~~ secretary, or in the case of the refusal of a witness to  
16 testify or answer as to a matter regarding which he may be lawfully interrogated, any  
17 district court on the application of the ~~commissioner~~ secretary may, in term time or  
18 in vacation, issue an attachment for the person to compel him to comply with the  
19 subpoena and to attend before the ~~commissioner~~ secretary with the desired  
20 documents and to give his testimony upon whatever matters are lawfully required.

21 The court may punish for contempt those disobeying its orders as in the case  
22 of disobedience of a subpoena issued by the court or refusal to testify therein.

23 §9. Production from pool; drilling units; equitable share; rules and regulations

24 A. Whether or not the total production from a pool be limited or prorated, no  
25 rule, regulation, or order of the ~~commissioner~~ secretary shall in terms or effect:

26 \* \* \*

27 B. For the prevention of waste and to avoid the drilling of unnecessary wells,  
28 the ~~commissioner~~ secretary shall establish a drilling unit or units for each pool,  
29 except for those pools which, prior to July 31, 1940, had been developed to an extent  
30 and where conditions exist making it impracticable or unreasonable to use a drilling

1 unit at the present stage of development. A drilling unit, as contemplated herein,  
2 means the maximum area which may be efficiently and economically drained by the  
3 well or wells designated to serve the drilling unit as the unit well, substitute unit  
4 well, or alternate unit well. This unit shall constitute a developed area as long as a  
5 well is located thereon which is capable of producing oil, gas, or brine in paying  
6 quantities.

7 C. Each well permitted to be drilled upon a drilling unit hereafter established  
8 shall be drilled at the location designated by the ~~commissioner of conservation~~  
9 secretary, after public hearing, in the order creating the unit. The ~~commissioner of~~  
10 ~~conservation~~ secretary shall consider all available geological and engineering  
11 evidence and shall provide for the unit well to be located at the optimum position in  
12 the drilling unit for the most efficient and economic drainage of such unit with such  
13 exceptions as may be reasonably necessary where topographical conditions exist that  
14 would make such a location of the unit well unduly burdensome or where the  
15 designated unit well was drilled or commenced prior to the creation of the drilling  
16 unit; provided, however, the ~~commissioner of conservation~~ secretary shall fix the  
17 well location for each drilling unit so that the producer thereof shall be allowed to  
18 produce no more than his just and equitable share of the oil and gas in the pool, as  
19 this share is set forth in this Section.

20 D. Subject to the reasonable necessities for the prevention of waste, and to  
21 reasonable adjustment because of structural position, a producer's just and equitable  
22 share of the oil, gas, or brine in the pool, also referred to as a tract's just and equitable  
23 share, is that part of the authorized production of the pool, whether it be the total  
24 which could be produced without any restriction on the amount of production or  
25 whether it be an amount less than that which the pool could produce if no restriction  
26 on amount were imposed, which is substantially in the proportion that the quantity  
27 of recoverable oil, gas, or brine in the developed area of his tract or tracts in the pool  
28 bears to the recoverable oil, gas, or brine in the total developed area of the pool,  
29 insofar as these amounts can be practically ascertained. To that end, the rules,  
30 regulations, and orders of the ~~commissioner~~ secretary shall be such as will prevent

1 or minimize reasonably avoidable net drainage from each developed area, that is,  
2 drainage not equalized by counter drainage, and will give to each producer the  
3 opportunity to use his just and equitable share of the production. In determining each  
4 producer's just and equitable share of the production authorized for the pool, the  
5 ~~commissioner~~ **secretary** is authorized to give due consideration to the productivity  
6 of the well or wells located thereon, as determined by flow tests, bottom hole  
7 pressure tests, or any other practical method of testing wells and producing  
8 structures, and to consider other factors and geological and engineering tests and data  
9 as may be determined by the ~~commissioner~~ **secretary** to be pertinent or relevant to  
10 ascertaining each producer's just and equitable share of the production of the field  
11 or pool.

12 \* \* \*

13 §10. Agreements for drilling units; pooling interests; terms and conditions; expenses

14 A. When two or more separately owned tracts of land are embraced within  
15 a drilling unit which has been established by the ~~commissioner~~ **secretary** as provided  
16 in R.S. 30:9(B), the owners may validly agree by separate contract to pool, drill, and  
17 produce their interests and to develop their lands as a drilling unit.

18 (1) Where the owners have not agreed by separate contract to pool, drill, and  
19 produce their interests, the ~~commissioner~~ **secretary** shall require them to do so and  
20 to develop their lands as a drilling unit, if he finds it to be necessary to prevent waste  
21 or to avoid drilling unnecessary wells.

22 \* \* \*

23 (2) In the event a drilling unit is formed by a pooling order by the  
24 ~~commissioner~~ **secretary** and absent any agreement or contract between owners as  
25 provided in this Section, then the cost of development and operation of the pooled  
26 unit chargeable to the owners therein shall be determined and recovered as provided  
27 herein.

28 (a)(i) Any owner drilling, intending to drill, or who has drilled a unit well, a  
29 substitute unit well, an alternate unit well, or a cross-unit well on any drilling unit  
30 heretofore or hereafter created by the ~~commissioner~~ **secretary**, may, by registered

mail, return receipt requested, or other form of guaranteed delivery and notification method, not including electronic communication or mail, notify all other owners in the unit of the drilling or the intent to drill and give each owner an opportunity to elect to participate in the risk and expense of such well. Such notice shall be called a "risk charge notice" and shall contain:

\* \* \*

(b)(i) \* \* \*

(ii)(aa) \* \* \*

(ii) No change or division of the ownership of a nonparticipating owner who is receiving a portion of the proceeds from the sale or other disposition of production from the drilling owner shall be binding upon the drilling owner for the purpose of paying to the nonparticipating owner for the benefit of its lessor royalty owner or overriding royalty owner, under Subitems (aa) and (bb) of this Item, until such new nonparticipating owner acquiring any interest has furnished the drilling owner, at the drilling owner's address as reflected in the records maintained by the ~~office of conservation~~ **department**, with a certified copy of the instrument or instruments, constituting the chain of title from the original nonparticipating owner.

\* \* \*

(vi) The notice to be provided by the drilling owner to the other owners in the unit pursuant to Item (iv) of this Subparagraph shall contain:

\* \* \*

(bb) A copy of the order of the ~~commissioner~~ **secretary** creating the drilling unit to which the subsequent unit operation relates.

\* \* \*

(c) Should a drilling unit be created by order of the ~~commissioner~~ **secretary** around a well already drilled or drilling and including one or more tracts as to which the owner or owners thereof had not participated in the risk and expense of drilling such well, then the provisions of this Subsection for notice, election, and participation shall be applicable as if a well were being proposed by the owner who drilled or was drilling such well; however, the cost of drilling, testing, completing,

1 equipping, and operating the well allocable to each tract included in the unit shall be  
2 reduced in the same proportion as the recoverable reserves in the unitized pool have  
3 been recovered by prior production, if any, in which said tract or tracts did not  
4 participate prior to determining the share of cost allocable to such tract or tracts.

5 (d)(i) Should a drilling unit be revised by order of the ~~commissioner~~  
6 secretary so as to include an additional tract or tracts, then the provisions of this  
7 Subsection for notice, election, and participation shall be applicable to such added  
8 tract or tracts and the owner thereof as if a well were being proposed by the owner  
9 who had drilled the well; however, the cost of drilling, testing, completing,  
10 equipping, and operating the unit well shall be reduced in the same proportion as the  
11 recoverable reserves in the unitized pool have been recovered by prior production,  
12 if any, in which said tract or tracts did not participate prior to determining the share  
13 of cost allocable to the subsequently included tract or tracts.

14 (ii) Should a drilling unit be revised by order of the ~~commissioner~~ secretary  
15 as to exclude a tract or tracts, the cost of drilling, testing, completing, equipping, and  
16 operating the unit well shall be reduced in the same proportion as the recoverable  
17 reserves in the unitized pool have been recovered by prior production to determine  
18 the share of cost allocable to the subsequently excluded tract or tracts.

19 \* \* \*

20 (f) In the event of a dispute relative to the calculation of unit well costs or  
21 depreciated unit well costs, the ~~commissioner~~ secretary shall determine the proper  
22 costs after notice to all interested owners and a public hearing thereon.

23 \* \* \*

24 (3) If there is included in any unit created by the ~~commissioner~~ of  
25 ~~conservation~~ secretary one or more unleased interests for which the party or parties  
26 entitled to market production therefrom have not made arrangements to separately  
27 sell or otherwise dispose of the share of such production attributable to such tract,  
28 and the unit operator sells or otherwise disposes of such unit production, then the  
29 unit operator shall pay to such party or parties such tract's pro rata share of the  
30 proceeds of the sale or other disposition of production within one hundred eighty

1 days of such sale or other disposition.

2 B. Should the owners of separate tracts embraced within a drilling unit fail  
3 to agree upon the pooling of the tracts and the drilling of a well on the unit, and  
4 should it be established by final and unappealable judgment of court that the  
5 ~~commissioner~~ **secretary** is without authority to require pooling as provided for in  
6 Subsection A of this Section, then, subject to all other applicable provisions of this  
7 Chapter, the owner of each tract embraced within the drilling unit may drill thereon.  
8 The allowable production therefrom shall be such proportion of the allowable for the  
9 full unit as the area of the separately owned tract bears to the full drilling unit.

10 C. For purposes of this Section, the following definitions shall apply:

11 \* \* \*

12 (7) "Unitized interval" means the subsurface interval defined in the ~~office of~~  
13 ~~conservation~~ **department** order creating the unit or units that the existing wellbore  
14 is serving as a unit well, alternate unit well, substitute unit well, or cross-unit well.

15 §10.1. Authority of governor with advice of the ~~commissioner of conservation~~  
16 **secretary** to enter unitization agreements affecting the production  
17 from state and federal waterbottoms

18 \* \* \*

19 B. Unit Agreement. (1) In accordance with the terms of such Offshore  
20 Production Agreement or any act of the United States Congress providing with  
21 respect thereto, the governor or his designee is authorized to enter into agreements  
22 for the unit operations of all or any portion or portions of any common potentially  
23 hydrocarbon bearing area underlying the federal and state boundary offshore if  
24 reasonably necessary to prevent waste, protect correlative rights, or avoid the drilling  
25 of unnecessary wells.

26 \* \* \*

27 (3) Upon a determination by the governor that a common potentially  
28 hydrocarbon bearing area may underlie the federal and state boundary offshore, all  
29 or any portion or portions of which the governor has reason to believe may be  
30 appropriate for unit operations, the governor shall direct the ~~commissioner of~~

1           ~~conservation~~ **secretary** to call a hearing for the purpose of receiving evidence from  
2           affected state or federal lessees or from any other interested persons. The  
3           ~~commissioner~~ **secretary** shall, after a review of all testimony and evidence, transmit  
4           to the governor an advisory opinion containing such information and  
5           recommendations as may be requested by the governor. The advisory opinion shall  
6           be deemed confidential and shall be exempt from the provisions of R.S. 44:1 et seq.,  
7           in accordance with the provisions of R.S. 44:4(8) and 4.1(B).

8                     (4) After a final unit agreement by the state of Louisiana and the United  
9           States or by final decision of an arbitrator or court of competent jurisdiction, or  
10          otherwise, the ~~commissioner~~ **secretary** shall, if directed by the governor, issue an  
11          order ratifying the terms of the agreement or final decision. In the event that a  
12          reservoir-wide unit is created, the ~~commissioner~~ **secretary** is exempt from the  
13          requirements of R.S. 30:5(B) and (C) in issuing such order. Neither the agreement  
14          nor any order issued pursuant to it shall be subject to the provisions of R.S. 30:12.

15                    (5) The ~~commissioner~~ **secretary** shall have full authority to enforce the unit  
16          agreement and order in the same manner as any other order issued under the  
17          provisions of this Chapter, and to issue such additional rules, regulations, or orders  
18          as may be necessary to accomplish the purposes of this Section.

19          §11.1. Filing and recording of orders creating drilling or production units

20                    Within thirty days after the issuance thereof, the ~~commissioner~~ of  
21          ~~conservation~~ **secretary** of the state of Louisiana shall cause to be filed and recorded  
22          in the conveyance records of the parish or parishes in which the immovable property  
23          affected thereby is situated certified copies of all orders and amendments thereof  
24          creating drilling or production units.

25          §12. Court review and injunction; venue; procedure; burden of proof

26                    A.(1) A person who is aggrieved by any law of this state with respect to  
27          conservation of oil or gas, or both, or by a provision of this Chapter, or by a rule,  
28          regulation, or order made by the ~~assistant secretary of the office of conservation~~  
29          hereunder, or by an act done or threatened hereunder, and who has exhausted his  
30          administrative remedy, may obtain court review by a suit for injunction or judicial

1 review against the ~~assistant~~ secretary as defendant.

2 (2) Suit for review shall be instituted in the district court of the parish in  
3 which the principal office of the ~~assistant~~ secretary is located and must be brought  
4 within sixty days of the administrative action that is the subject of the suit. In cases  
5 of judicial review of adjudication proceedings, the sixty days shall begin to run after  
6 mailing of notice of the final decision or order, or if a rehearing is requested within  
7 sixty days after the decision thereon.

8 B.(1) Judicial review of adjudication proceedings before the ~~assistant~~  
9 secretary may be obtained whether or not the plaintiff has applied for a rehearing. A  
10 preliminary, procedural, or intermediate action or ruling by the ~~assistant~~ secretary is  
11 immediately reviewable if review of the final decision of the ~~assistant~~ secretary  
12 would not provide an adequate remedy and would inflict irreparable injury.

13 (2) Within thirty days after service of the petition or within further time  
14 allowed by the court, the ~~assistant~~ secretary shall transmit to the reviewing court the  
15 original or a certified copy of the entire record of the proceeding under review. By  
16 stipulation of all parties to the review proceedings, the record may be shortened. A  
17 party unreasonably refusing to stipulate to limit the record may be taxed by the court  
18 for the additional costs. The court may require or permit subsequent corrections or  
19 additions to the record.

20 (3) If, before the date set for hearing, application is made to the court for  
21 leave to present additional evidence, and it is shown to the satisfaction of the court  
22 that the additional evidence is material and that there were good reasons for failure  
23 to present it in the proceeding before the ~~assistant~~ secretary, the court may order that  
24 the additional evidence be taken before the ~~assistant~~ secretary upon conditions  
25 determined by the court. The ~~assistant~~ secretary may modify his findings and  
26 decision by reason of the additional evidence and shall file that evidence and any  
27 modifications, new findings, or decisions with the reviewing court.

28 (4) The review shall be conducted by the court without a jury and shall be  
29 confined to the record. In cases of alleged irregularities in procedure before the  
30 ~~assistant~~ secretary not shown in the record, proof thereon may be taken in the court.

1 The court, upon request, shall hear oral argument and receive written briefs.

2 (5) The court may affirm the decision of the ~~assistant~~ secretary or remand the  
3 case for further proceedings. The court may reverse or modify the decision if  
4 substantial rights of the appellant have been prejudiced because the administrative  
5 findings, inferences, conclusions, or decisions are:

6 \* \* \*

7 (f) Manifestly erroneous in view of the reliable, probative, and, substantial  
8 evidence on the whole record. In the application of the rule, where the ~~assistant~~  
9 secretary has the opportunity to judge the credibility of witnesses by first-hand  
10 observation of demeanor on the witness stand and the reviewing court does not, due  
11 regard shall be given to the ~~assistant~~ secretary's determination on credibility issues.

12 C.(1) Any suit for an injunction brought under this Section shall be tried  
13 summarily, and the attorney representing the ~~assistant~~ secretary may have the case  
14 set for trial after ten days' notice to the plaintiff or his attorney of record.

15 (2) The burden of proof shall be upon the plaintiff, and all pertinent evidence  
16 with respect to the validity or reasonableness of the order of the ~~assistant~~ secretary  
17 complained of shall be admissible. The law, the provision of this Chapter, or the rule,  
18 regulation, or order complained of shall be taken as prima facie valid. This  
19 presumption shall not be overcome in connection with any application for injunctive  
20 relief, including a temporary restraining order, by verified petition or affidavit of or  
21 in behalf of the applicant.

22 \* \* \*

23 §13. Temporary restraining order or injunction; notice and hearing; bond

24 A. No temporary restraining order or injunction shall be granted against the  
25 ~~commissioner of conservation~~ secretary, the attorney general, or any agent,  
26 employee, or representative of the ~~commissioner~~ secretary restraining the  
27 ~~commissioner~~ secretary, or any of his agents, employees, or representatives, or the  
28 attorney general, from enforcing a statute of this state relating to conservation of oil  
29 and gas, or any of the provisions of this Chapter, or any rule, regulation, or order  
30 made hereunder, except after due notice to the ~~commissioner~~ secretary, and to all

1 other defendants, and after a hearing. It shall be clearly shown to the court that the  
2 act done or threatened is without sanction of law, or that the provisions of this  
3 Chapter, or the rule, regulation, or order complained of, is invalid, and that, if  
4 enforced against the complaining party, will cause an irreparable injury. The nature  
5 and extent of the probable invalidity of the law, or provision of this Chapter, or of  
6 any rule, regulation, or order thereunder involved in the suit, shall be recited in the  
7 order or decree granting the temporary relief, as well as a clear statement of the  
8 probable damage relied upon by the court as justifying temporary injunctive relief.

9 B. No temporary injunction against the ~~commissioner~~ secretary, or the  
10 department of ~~conservation~~, or its agents, employees, or representatives, or the  
11 attorney general, shall become effective until the plaintiff shall execute a bond in an  
12 amount and upon such conditions as the court directs.

13 §14. Suit by ~~commissioner~~ secretary for violation of law; venue; relief obtainable

14 A. Whenever it appears that a person is violating or is threatening to violate  
15 a law of this state with respect to the conservation of oil or gas, or both, or a  
16 provision of this Chapter, or a rule, regulation, or order made thereunder, the  
17 ~~commissioner~~ secretary shall bring suit to restrain that person from continuing the  
18 violation or from carrying out the threat.

19 B. Venue shall be in the district court in the parish of the residence of any one  
20 of the defendants or in the parish where the violation is alleged to have occurred or  
21 is threatened.

22 C. In this suit, the ~~commissioner~~ secretary may obtain injunctions,  
23 prohibitory and mandatory, including temporary restraining orders and preliminary  
24 injunctions, as the facts warrant, including, when appropriate, injunctions restraining  
25 a person from moving or disposing of illegal oil, illegal gas, or an illegal product.  
26 Any or all of these illegal commodities may, in the court's discretion, be ordered  
27 impounded or placed under the control of an agent appointed by the court.

28 §15. Appeal

29 In proceedings brought under authority of, or for the purpose of contesting  
30 the validity of, a provision of this Chapter, or of an oil or gas conservation law of this

1 state, or of a rule, regulation, or order issued thereunder, appeals may be taken in  
2 accordance with the general laws relating to appeals. In appeals from judgments or  
3 decrees in suits to contest the validity of a provision of this Chapter, or a rule or  
4 regulation of the ~~commissioner~~ secretary hereunder, the appeals when docketed in  
5 the proper appellate court shall be placed on the preference docket of the court and  
6 may be advanced as the court directs.

7 \* \* \*

8 §18. Penalties for violation of ~~Chapter~~; venue

9 A.(1) Whoever violates a provision of this ~~Chapter~~ Title, or a rule, regulation,  
10 or order of the ~~commissioner~~ department made hereunder, shall be subject to a civil  
11 penalty of not more than five thousand dollars a day for each day of violation and for  
12 each act of violation.

13 (2) Whoever knowingly and willfully violates a provision of this ~~Chapter~~  
14 Subtitle, or a rule, regulation, or order of the ~~commissioner~~ department made  
15 hereunder pursuant to this Subtitle, shall be deemed guilty of a misdemeanor and,  
16 upon conviction by a court of competent jurisdiction, shall be fined not more than  
17 five thousand dollars for each day of violation and for each act of violation, if a  
18 penalty for the violation is not otherwise provided in this ~~Chapter~~ Subtitle.

19 (3) Notwithstanding any provisions of this Section to the contrary, whoever  
20 violates the provisions of R.S. 30:4(C)(16) or the rules, regulations or orders of the  
21 ~~commissioner~~ department made thereunder, and who is disposing or has disposed  
22 of hazardous wastes identified and designated as such by the department under the  
23 provisions of R.S. 30:2173 may be liable for a civil penalty of not more than twenty-  
24 five thousand dollars for each day of violation and for each act of violation.

25 (4) Whoever willfully and knowingly violates the provisions of R.S.  
26 30:4(C)(16) or the rules, regulations and orders of the ~~commissioner~~ department  
27 made thereunder in the disposal of hazardous wastes identified and designated as  
28 such by the department under the provisions of R.S. 30:2173 shall be fined not more  
29 than twenty-five thousand dollars per day of violation and costs of prosecution or  
30 imprisoned for not more than one year, or both, and in such instances the prosecution

1 may be instituted by the district attorney having criminal jurisdiction.

2 (5) Any purchaser of oil and gas from any owner who violates a provision of  
3 this ~~Chapter~~ Subtitle, or a rule, regulation, or order of the ~~commissioner~~  
4 department, may be ordered by the ~~commissioner~~ department to hold in escrow  
5 any monies allocated to such owners. Monies allocated to royalty owners and  
6 overriding royalty owners shall not be affected by this Paragraph.

7 (6)(a)(i) Notwithstanding any provision of this Section to the contrary, any  
8 person found to be in violation of any provision of this ~~Chapter~~ Subtitle related to  
9 the drilling or use of underground caverns for hydrocarbon storage or solution  
10 mining, or any requirement, rule, regulation, or order related thereto, may be liable  
11 for a civil penalty, to be assessed by the ~~commissioner~~ department or the court, of  
12 not more than the cost to the state of any response action made necessary by such  
13 violation that is not voluntarily paid by the violator, and a penalty of not more than  
14 thirty-two thousand five hundred dollars for each day of violation. However, such  
15 person may be liable for an additional penalty of not more than one million dollars  
16 when any such violation is done intentionally, willfully, or knowingly and either  
17 results in a discharge or disposal that causes irreparable or severe damage to the  
18 environment or involves the discharge of a substance which endangers human life  
19 or health.

20 (ii) If the penalty assessed by the ~~commissioner~~ department is upheld in full  
21 or in part, the ~~commissioner~~ department shall be entitled to legal interest as  
22 provided in R.S. 9:3500 from the date of imposition of the penalty until paid.

23 \* \* \*

24 (b) Any person to whom a compliance order or a cease and desist order is  
25 issued pursuant to this ~~Chapter~~ Subtitle who fails to take corrective action within the  
26 time specified in said order shall be liable for a civil penalty to be assessed by the  
27 ~~commissioner~~ department or the court of not more than fifty thousand dollars for  
28 each day of continued violation or noncompliance.

29 (c)(i) In determining whether or not a civil penalty is to be assessed and in  
30 determining the amount of the penalty or the amount agreed upon in compromise,

1 the following factors shall be considered:

2 \* \* \*

3 (ff) Whether the noncompliance or violation and the surrounding  
4 circumstances were immediately reported to the ~~commissioner~~ **department** and  
5 whether the violation or noncompliance was concealed or if there was an attempt to  
6 conceal by the person charged.

7 \* \* \*

8 (ii) The ~~commissioner~~ **department** may supplement such criteria by rule. In  
9 the event that the order with which the person failed to comply was an emergency  
10 cease and desist order, no penalty shall be assessed if it appears upon later hearing  
11 that said order was issued without reasonable cause.

12 (iii) The ~~commissioner~~ **department** by rule may establish classifications or  
13 levels of violations and the appropriate enforcement response.

14 (d) After submission for a penalty determination at a hearing, the  
15 ~~commissioner~~ **department** shall provide an opportunity for relevant and material  
16 public comment relative to any penalty that may be imposed.

17 (e) If the penalty assessed by the ~~commissioner~~ **department** is upheld in full  
18 or in part, the ~~commissioner~~ **department** shall be entitled to legal interest as  
19 provided in R.S. 9:3500 from the date of imposition of the penalty until paid. If any  
20 penalty assessed by the ~~commissioner~~ **department** under the provisions of this  
21 Paragraph is vacated or reduced as the result of an appeal of the assessment, the court  
22 shall award to the respondent legal interest as provided in R.S. 9:3500 on the amount  
23 required to be refunded by the ~~commissioner~~ **department**.

24 B. Whoever knowingly and willfully aids or abets a person in the violation  
25 of a law of this state relating to the conservation of oil or gas, or the violation of a  
26 provision of this ~~Chapter~~ **Subtitle**, or any rule, regulation, or order made thereunder,  
27 shall be subject to the same penalties provided ~~herein~~ **in this Section** for the  
28 principal violator.

29 §20. Illegal gas, etc., contraband; seizure and sale; procedure; disposition of  
30 proceeds

1           A. In addition to other remedies and penalties, all illegal oil, illegal gas, or  
2           illegal products, shall, except under the circumstances stated herein, be contraband  
3           and shall be seized and sold, and the proceeds applied as herein provided. The sale  
4           shall not take place unless the court shall find, in the proceeding provided for in this  
5           Subsection, that the commodity is contraband. Whenever the ~~commissioner~~  
6           secretary believes that illegal oil, illegal gas, or illegal product is subject to seizure  
7           and sale, he shall, through the attorney general, bring a civil action in rem in the  
8           district court of the parish where the commodity is found. Or the action may be  
9           maintained in connection with any suit or reconventional demand for injunction or  
10          for penalty relating to any prohibited transaction involving the illegal oil, illegal gas,  
11          or illegal product. Any person in interest who shows himself to be adversely affected  
12          by the seizure and sale shall have the right to intervene in the suit to protect his  
13          rights.

14                                   \*       \*       \*

15          D. The court may direct the sheriff to deliver the custody of any contraband  
16          seized by him to a sequestrator who shall act as the agent of the court and shall give  
17          bond with surety as the court directs conditioned that he will faithfully conserve the  
18          contraband which comes into his custody and possession in accordance with the  
19          orders of the court. The court may appoint an agent of the ~~commissioner~~ secretary  
20          as sequestrator.

21                                   \*       \*       \*

22          §21. Fees and charges of the ~~commissioner of conservation~~ secretary; revisions;  
23                                   exceptions; collections; Oil and Gas Regulatory Dedicated Fund  
24                                   Account; creation; amounts; requirements

25          A. The ~~commissioner of conservation of the office of conservation~~ secretary  
26          shall periodically review the fees collected by ~~his office~~ the department, and, in  
27          addition to other statutory authorization, may revise such fees pursuant to the  
28          rulemaking provisions of the Administrative Procedure Act.

29          B.(1)(a) There shall be an annual fee payable to the ~~office of conservation~~  
30          department, in a form and schedule prescribed by the ~~office of conservation~~

1        department, by oil and gas operators on capable oil wells and capable gas wells  
2        based on a tiered system to establish parity on a dollar amount between the wells.  
3        The tiered system shall be established annually by rule on capable oil and capable  
4        gas production, including nonexempt wells reporting zero production during the  
5        annual base period, such that the amount generated does not exceed three million six  
6        hundred seventy-five thousand dollars for each fiscal year beginning with Fiscal  
7        Year 2015-2016. Incapable oil, stripper oil, incapable gas well gas, and incapable oil  
8        well gas shall be exempt from the fee. For the purposes of this Subsection, "capable  
9        oil" means crude oil and condensate not classified as incapable oil or stripper oil by  
10       the Department of Revenue. "Capable gas" means natural and casing head gas not  
11       classified as incapable gas well gas or incapable oil well gas by the Department of  
12       Revenue.

13                (b) There shall be an annual fee payable to the ~~office of conservation~~  
14       department, in a form and schedule prescribed by the ~~office of conservation~~  
15       department, on Class I wells in an amount not to exceed one million dollars for  
16       Fiscal Year 2015-2016 and thereafter.

17                (c) There shall be an annual regulatory fee payable to the ~~office of~~  
18       ~~conservation~~ department, in a form and schedule prescribed by the ~~office of~~  
19       ~~conservation~~ department, on Class II wells, Class III wells, storage wells, Type A  
20       facilities, and Type B facilities in an amount not to exceed two million one hundred  
21       eighty-seven thousand five hundred dollars for Fiscal Year 2015-2016 and thereafter.  
22       No fee shall be imposed on a Class II well of an operator who is also an operator of  
23       a stripper crude oil well or incapable gas well certified pursuant to R.S. 47:633 by  
24       the severance tax division of the Department of Revenue and located in the same  
25       field as such Class II well.

26                (d) There shall be an application fee payable to the ~~office of conservation~~  
27       department, in a form and schedule prescribed by the ~~office of conservation~~  
28       department, by industries under the jurisdiction of the ~~office of conservation~~  
29       department. In addition to any other fee that is on the schedule on July 1, 2015, the  
30       ~~commissioner~~ secretary may collect the following fees:

\* \* \*

(e) For the purposes of this Paragraph, exploration and production waste shall not include produced brine, produced water, or salvageable hydrocarbons bound for permitted salvage oil operators. There shall be a monthly fee payable to the ~~office of conservation~~ **department** of two cents per barrel of exploration and production waste delivered, as reported on a form prescribed by the department to collect commercial facilities monthly report of waste receipts, from the original generator of the waste to the following facilities:

(i) ~~office of conservation~~ **Department**-permitted off-site commercial facilities.

(ii) Transfer stations permitted by the ~~office of conservation~~ **department** for waste transfer to out-of-state treatment or disposal facilities.

(iii) Any other legally permitted Louisiana off-site waste storage, treatment, or disposal facilities also approved by the ~~office of conservation~~ **department** for the receipt of exploration and production waste.

(2)(a) There is hereby established a special statutorily dedicated fund account in the state treasury to be known as the Oil and Gas Regulatory Dedicated Fund Account, hereafter referred to as the "account". After deposit in the Bond Security and Redemption Fund and after a sufficient amount is allocated from that fund to pay all the obligations secured by the full faith and credit of the state that become due and payable within each fiscal year, the treasurer shall pay into the account an amount equal to the monies generated from collection of the fees provided for in this Title, R.S. 40:1749.11 et seq., or Title 47 of the Louisiana Revised Statutes of 1950, the rules and regulations promulgated thereunder, any fines and civil penalties or any other provision of law relative to fees, fines, or civil penalties attributable to the ~~office of conservation~~ **department**, and fifty percent of any annual assessment paid by an operator who chooses not to plug a well classified as inactive with the remainder being deposited into the Oilfield Site Restoration Fund.

(b) Monies deposited into the account shall be categorized as fees and self-generated revenue for the sole purpose of reporting related to the executive

1 budget, supporting documents, and general appropriation bills. The monies credited  
2 to the account shall be appropriated by the legislature and dedicated solely to the use  
3 of the ~~office of conservation~~ **department** for the regulation of the oil and gas  
4 industry and other industries under the jurisdiction of the ~~office of conservation~~  
5 **department** and shall be used solely for the purposes of that program. Any monies  
6 remaining in the account at the end of any fiscal year shall remain with the account  
7 and shall not revert to the state general fund. All interest or earnings of the account  
8 shall be credited to the account. All fees and self-generated revenue remaining on  
9 deposit for the ~~office of conservation~~ **department** at the end of any fiscal year shall  
10 be deposited into the account. The amount appropriated from the account to the  
11 ~~office of conservation~~ **department** shall be subject to appropriation by the  
12 legislature.

13 \* \* \*

14 **§21.1. Natural Resources Financial Security Fund**

15 **A.(1) There is hereby created, in the state treasury, a special fund to be**  
16 **known as the Natural Resources Financial Security Fund, hereinafter referred**  
17 **to as the "fund". The fund shall be used exclusively to support the Department**  
18 **of Conservation and Energy in administering, managing, and responding to**  
19 **financial security obligations related to oil and gas, injection and mining,**  
20 **surface mining, solar, wind, or any other natural resource or energy-related**  
21 **regulatory program for which financial security or financial assurance are**  
22 **required by law or regulation.**

23 **(2) Out of the funds remaining in the Bond Security and Redemption**  
24 **Fund, after a sufficient amount is allocated from that fund to pay all the**  
25 **obligations secured by the full faith and credit of the state that become due and**  
26 **payable within each fiscal year, the treasurer shall pay into Natural Resources**  
27 **Financial Security Fund an amount equal to the revenues generated from**  
28 **collection of the payments provided for in Subsection C of the Section.**

29 **(3) The funds received shall be placed in the Natural Resources Financial**  
30 **Security Fund in the custody of the state treasurer to be used only in accordance**

1 with this Part and shall not be placed in the general fund. The funds provided  
2 to the trust authority pursuant to this Section shall at all times be and remain  
3 the property of the trust authority. The monies in this fund shall be used solely  
4 as provided in this Section and only in the amount appropriated by the  
5 legislature. All unexpended and unencumbered monies remaining in this fund  
6 at the end of the fiscal year shall remain in the fund. Except for the pledge of the  
7 revenues provided in R.S. 30:83.1, it is the intent of the legislature that this fund  
8 and its increments shall remain intact and inviolate. Monies in the fund shall be  
9 invested by the state treasurer in the same manner as monies in the state  
10 general fund. At the request of the Natural Resources Trust Authority, the state  
11 treasurer may invest monies in the fund, or any portion thereof, in accordance  
12 with the provisions of R.S. 33:2955, including the use of the Louisiana Asset  
13 Management Pool, and any interest earned on such investments shall be  
14 credited to the fund.

15 B. The fund shall be administered by the Natural Resources Trust  
16 Authority in consultation with the Mineral and Energy Board.

17 C. The fund shall consist of:

18 (1) Annual payments, premiums, or fees collected from operators  
19 participating in financial security programs administered by the Natural  
20 Resources Trust Authority.

21 (2) Appropriations, donations, grants, or other public or private sources  
22 received for the purposes of the fund.

23 (3) Investment earnings on monies in the fund.

24 (4) Any other funds lawfully designated for deposit into the fund.

25 D. Monies in the fund shall be used solely for the following purposes:

26 (1) To restore regulated sites for which financial security payments have  
27 been collected under programs administered by the department.

28 (2) To provide a financial backstop for unfunded or underfunded  
29 regulatory obligations related to covered operators.

30 (3) To cover custodial services, investment, and disbursement costs

1 directly attributable to the investment of the fund and administrative and  
2 program costs associated with managing financial security instruments,  
3 including but not limited to risk assessment, compliance monitoring,  
4 rulemaking, legal services, actuarial evaluations, and reporting.

5 (4) Upon certification by the Natural Resources Trust Authority that  
6 plugging or remediation has occurred for a site covered for which the  
7 department has collected financial security, the state treasurer is authorized  
8 and directed to transfer from the Natural Resources Financial Security Fund  
9 to the Oilfield Site Restoration Fund the amount necessary to reimburse related  
10 expenditures.

11 (5) Upon request by the Natural Resources Trust Authority and with the  
12 approval of the Mineral and Energy Board, the state treasurer is hereby  
13 authorized and directed to transfer from the Natural Resources Financial  
14 Security Fund to the Mineral and Energy Operations Fund such amounts as are  
15 approved by the board and deemed necessary to implement any purpose for  
16 which monies in the Mineral and Operations Fund may be used, subject to the  
17 availability of funds and in accordance with applicable law.

18 E. By July 1, 2026, excluding the proceeds from the oilfield site  
19 restoration fees collected pursuant to R.S. 30:87 and any interest thereon, all  
20 cash deposits held or managed under the Oilfield Site Restoration Fund  
21 pursuant to R.S. 30:86 or any related provision, shall be transferred to and  
22 administered under the Natural Resources Financial Security Fund. The  
23 Natural Resources Trust Authority, in consultation with the state treasurer,  
24 shall implement the transfer, including the transfer of associated records, in a  
25 manner that preserves financial integrity and ensures continuity of obligations.

26 \* \* \*

27 §22. Underground storage of natural gas, liquid hydrocarbons, and carbon dioxide

28 \* \* \*

29 B. Prior to the use of any underground reservoir for the storage of natural gas  
30 and prior to the exercise of eminent domain by any person, firm, or corporation

1 having such right under laws of the state of Louisiana, and as a condition precedent  
2 to such use or to the exercise of such rights of eminent domain, the ~~commissioner~~  
3 secretary, after public hearing pursuant to the provisions of R.S. 30:6, shall have  
4 found all of the following:

5 \* \* \*

6 C. Prior to the use of any underground reservoir for the storage of liquid  
7 hydrocarbons or carbon dioxide, the ~~commissioner~~ secretary, after public hearing  
8 pursuant to the provisions of R.S. 30:6, shall have found all of the following:

9 \* \* \*

10 D. The ~~commissioner~~ secretary shall determine with respect to any such  
11 underground reservoir proposed to be used as a storage reservoir, whether or not  
12 such reservoir is fully depleted of the original commercially recoverable natural gas,  
13 condensate, or liquid hydrocarbon content therein. If the ~~commissioner~~ secretary  
14 finds that such reservoir has not been fully depleted, the ~~commissioner~~ secretary  
15 shall determine the amount of the remaining commercially recoverable natural gas,  
16 condensate, or liquid hydrocarbon content of such reservoir.

17 E. The ~~commissioner~~ secretary may issue any necessary order providing that  
18 all natural gas, liquid hydrocarbons, or carbon dioxide which has previously been  
19 reduced to possession and which is subsequently injected into an underground  
20 storage reservoir shall at all times be deemed the property of the injector, his  
21 successors and assigns; and in no event shall such gas, liquid hydrocarbons, or  
22 carbon dioxide be subject to the right of the owner of the surface of the lands or of  
23 any mineral interest therein under which such underground storage reservoir shall  
24 lie or be adjacent to or of any person other than the injector, his successors, and  
25 assigns to produce, take, reduce to possession, waste, or otherwise interfere with or  
26 exercise any control thereover, provided that the injector, his successors, and assigns  
27 shall have no right to gas or liquid hydrocarbons in any stratum or portion thereof not  
28 determined by the ~~commissioner~~ secretary to constitute an approved underground  
29 storage reservoir. The ~~commissioner~~ secretary shall issue such orders, rules, and  
30 regulations as may be necessary for the purpose of protecting any such underground

1 storage reservoir, strata, or formations against pollution or against the escape of  
2 natural gas, liquid hydrocarbons, or carbon dioxide therefrom, including such  
3 necessary rules and regulations as may pertain to the drilling into or through such  
4 underground storage reservoir.

5 §23. Underground storage of liquid or gaseous hydrocarbons or both, carbon  
6 dioxide, hydrogen, nitrogen, ammonia, compressed air, or noble  
7 gases not otherwise prohibited by law

8 \* \* \*

9 B. Except as to liquid or gas hydrocarbon, carbon dioxide, hydrogen,  
10 nitrogen, ammonia, compressed air, or noble gas storage projects begun before the  
11 effective date of this Section, and prior to authorizing the use of any salt dome cavity  
12 for the storage of liquid or gaseous hydrocarbons or carbon dioxide, the ~~assistant~~  
13 secretary, after public hearing pursuant to the provisions of R.S. 30:6, shall have  
14 found all of the following:

15 \* \* \*

16 C. After having made the findings required in Subsection B of this Section,  
17 the ~~commissioner~~ secretary shall transmit a copy of the application, together with  
18 his findings, to the natural resources committees of the Senate and House of  
19 Representatives. These committees, meeting jointly, shall consider the facts  
20 surrounding the application and the findings of the ~~commissioner~~ secretary and may  
21 hold public hearings thereon. Based upon its deliberations, the committees, acting  
22 jointly, may submit a report and recommendations to the ~~commissioner~~ secretary  
23 within fifteen days after receipt of the application. After consideration of any  
24 recommendations so made, the ~~commissioner~~ secretary may issue all necessary  
25 orders providing that liquid or gaseous hydrocarbons, carbon dioxide, hydrogen,  
26 nitrogen, ammonia, compressed air, or noble gases not otherwise prohibited by law,  
27 previously reduced to possession and which are subsequently injected and stored in  
28 a salt dome cavity, shall at all times be deemed the property of the injector, his  
29 successors, or assigns, subject to the provisions of any contract between the owner  
30 or owners of the solid mineral or land overlying the area affected as determined by

1 the ~~commissioner of conservation~~ secretary; and providing further that in no event  
2 shall the owner of the surface of the lands or water bottoms or of any mineral interest  
3 under or adjacent to which such salt dome cavity may lie, or any other person, be  
4 entitled to any right or claim in or to such liquid or gaseous hydrocarbons, carbon  
5 dioxide, hydrogen, nitrogen, ammonia, compressed air, or noble gases not otherwise  
6 prohibited by law stored therein, including the right to produce, take, reduce to  
7 possession, waste, or otherwise interfere with or exercise any control thereover. The  
8 ~~commissioner~~ secretary shall issue necessary orders, rules, and regulations for the  
9 protection from pollution of any salt dome cavity used for storage of liquid or  
10 gaseous hydrocarbons, carbon dioxide, hydrogen, nitrogen, ammonia, compressed  
11 air, or noble gases not otherwise prohibited by law, or any adjacent strata or  
12 formation; and such rules and regulations as may be necessary pertaining to surface  
13 storage facilities for the protection of the environment, drilling into any salt dome  
14 for the creation of cavities, and equipping of same for the injection, storage, and  
15 withdrawal of liquid or gaseous hydrocarbons, carbon dioxide, hydrogen, nitrogen,  
16 ammonia, compressed air, or noble gases not otherwise prohibited by law. Subject  
17 to the exception provided in Subsection B of this Section, the ~~commissioner~~  
18 secretary shall not allow the use of any salt dome in the state of Louisiana for the  
19 purposes mentioned herein until such time as he has prepared and promulgated the  
20 regulations required herein according to the Administrative Procedure Act, R.S.  
21 49:950 et seq. In addition, the ~~commissioner~~ secretary shall issue necessary orders,  
22 rules, and regulations for the protection of the rights of owners of parts of the salt  
23 dome which are adjacent to any part thereof sought to be used for the storage of  
24 liquid or gaseous hydrocarbons, carbon dioxide, hydrogen, nitrogen, ammonia,  
25 compressed air, or noble gases not otherwise prohibited by law.

26 D.(1) In furtherance of the development of comprehensive energy policy for  
27 the state, the secretary of the Department of Conservation and Energy ~~and Natural~~  
28 ~~Resources~~ shall determine the feasibility of initiating projects, by the state or by  
29 contract on behalf of the state, for the storage of emergency supplies of state-owned  
30 oil and gas, carbon dioxide, hydrogen, nitrogen, ammonia, compressed air, or noble

1 gas not otherwise prohibited by law. The determination shall include consideration  
2 of the techniques, costs, quantities of oil and gas, carbon dioxide, hydrogen, nitrogen,  
3 ammonia, compressed air, or noble gas not otherwise prohibited by law available for  
4 such purpose and priorities for allocation in time of emergency.

5 (2) Upon presentation of the findings and determination by the secretary to  
6 the committees on natural resources of the Senate and House of Representatives and  
7 approval by said committees of any such projects, the secretary shall authorize the  
8 ~~commissioner of conservation~~ secretary to initiate such procedures as the  
9 ~~commissioner~~ secretary deems necessary within the scope of his authority under  
10 Chapter 7 of this Title and the constraints of this Section to accomplish the purposes  
11 hereof.

12 §23.1. Recordation of notice of solution mined cavern

13 A. The owner or operator of a solution mined cavern shall record the survey  
14 plat of the well location for the solution mining injection well in the mortgage and  
15 conveyance records of the parish in which the property is located. Such notice shall  
16 be made in a form approved by the ~~commissioner~~ secretary and within the time  
17 specified by the ~~commissioner~~ secretary. If an owner or operator fails or refuses to  
18 record such notice, the ~~commissioner~~ secretary may, if he determines that the public  
19 interest requires, and after due notice and an opportunity for a hearing has been given  
20 to the owner and operator, cause such notice to be recorded. The clerk of court shall  
21 forward to the ~~office of conservation~~ department a copy of each notice recorded by  
22 an owner or operator in accordance with this Subsection.

23 \* \* \*

24 §25. Closure of production pits in the wetlands

25 A.(1) \* \* \*

26 (2) Each production pit located within the inland tidal waters, lakes bounded  
27 by the Gulf of Mexico, and saltwater marshes shall be closed by January 1, 1993.  
28 The Department of Conservation and Energy ~~and Natural Resources through the~~  
29 ~~office of conservation~~ shall adopt rules to enforce the provisions of this Section and  
30 may issue compliance orders, cease and desist orders, and other orders as are

1 necessary to enforce the requirements of this Section and the rules of the department.

2 (3) The exemptions and exceptions for production pits located within the  
3 inland tidal waters, lakes bounded by the Gulf of Mexico, and saltwater marshes  
4 provided for by the rules of the Department of **Conservation and** Energy and  
5 ~~Natural Resources, office of conservation~~ in Statewide Order No. 29-B, Section XV,  
6 Paragraph 2.2(K) and (M) are hereby declared null, void, and without effect. After  
7 June 30, 1989, no new production pits shall be constructed within the inland tidal  
8 waters, lakes bounded by the Gulf of Mexico, and saltwater marshes.

9 \* \* \*

10 (5) The ~~commissioner of conservation~~ **secretary** may grant an extension of  
11 time within which to close production pits, not to exceed two years from January 1,  
12 1993, provided that there is a clear showing that the production pit for which the  
13 extension is sought is being operated in such a manner so as to assure the protection  
14 of soil, surface water, wildlife, aquatic life, and vegetation. The department ~~through~~  
15 ~~the office of conservation~~ in consultation with the Department of Environmental  
16 Quality shall adopt rules and regulations regarding the operating standards which  
17 must be followed in order to qualify for such extension of time to close said  
18 production pit in accordance with the provisions of this Section no later than April  
19 1, 1990.

20 (6) The ~~commissioner~~ **secretary** may grant an exemption from the closure  
21 requirements of this Section for any onshore terminal pit in existence on June 30,  
22 1989, provided that there is a clear showing that such pit is being operated in such  
23 a manner so as to assure the protection of soil, surface water, wildlife, aquatic life,  
24 and vegetation. The ~~commissioner~~ **secretary** in consultation with the Department of  
25 Environmental Quality shall adopt rules and regulations regarding the operating  
26 standards of such onshore terminal pits which must be followed in order to qualify  
27 for such exemption no later than April 1, 1990.

28 (7) No permit or approval from any agency, department, or authority other  
29 than the Department of **Conservation and** Energy and ~~Natural Resources, office of~~  
30 ~~conservation~~ shall be required or sought in connection with any activity mandated

1 by, arising out of, or resulting from the requirements of this Section.

2 \* \* \*

3 D. Civil penalties may be imposed only by a ruling of the ~~commissioner~~  
4 secretary pursuant to an adjudicatory hearing held in accordance with the  
5 Administrative Procedure Act, R.S. 49:950 et seq. In determining the amount of the  
6 fine to be imposed upon a violator, the ~~commissioner~~ secretary may consider the  
7 nature of the violation, the economic benefit of the violation to the violator, previous  
8 violations, any damage or harm caused by the violation, the degree of compliance,  
9 and whether the violator has acted in good faith.

10 E. The ~~commissioner~~ secretary may institute civil proceedings in the  
11 Nineteenth Judicial District Court to enforce its rulings. In the event judgment is  
12 rendered in said court affirming the civil penalties assessed, the court shall also  
13 award to the department reasonable attorney fees and judicial interest on said civil  
14 penalties from the date of its assessment by the department until paid and all costs.

15 F. The ~~commissioner~~ secretary may institute civil proceedings in the  
16 Nineteenth Judicial District Court seeking injunctive relief to restrain and prevent  
17 violations of the provisions of this Part or of the rules and regulations adopted under  
18 the provisions of this Part. If the court grants the injunctive relief sought by the  
19 department it shall also award reasonable attorney fees and costs to the department.

20 \* \* \*

21 §26. Applications and notification of completeness

22 A. Notwithstanding any other law to the contrary, the secretary of the  
23 Department of Conservation and Energy ~~and Natural Resources and the~~  
24 ~~commissioner of conservation~~ shall, after notification by the department to the  
25 applicant that the application is complete, grant or deny all applications for all  
26 permits, licenses, registrations, or compliance in this or any other Title within sixty  
27 days. The notification of completeness shall be issued within fourteen days,  
28 exclusive of holidays, by the department. If the application is not complete the  
29 department shall notify the applicant in writing of the deficiencies which cause the  
30 application not to be complete. If the secretary or the ~~commissioner~~ secretary does

1 not grant the application, the secretary or the ~~commissioner~~ secretary shall provide  
2 written reasons for his decision to deny, and copies of the decision shall be provided  
3 to all parties. The secretary and the ~~commissioner~~ secretary may delegate the power  
4 to grant permits, licenses, registrations, variances, or compliance schedules to an  
5 assistant.

6 \* \* \*

7 §27. Authorization to enter lands of another

8 A. When the consent of a property owner has not been otherwise obtained,  
9 the issuance of a work order or compliance order by the ~~commissioner of~~  
10 ~~conservation~~ secretary or his agents shall constitute sufficient authorization for the  
11 operator, agents of the operator, or persons acting on behalf of the operator to enter  
12 the lands of another person, whether or not such operator or persons hold a valid  
13 lease regarding such property, for the purposes of conducting site assessments, site  
14 restoration, pit closure, plugging and abandonment operations, or any other matter  
15 covered by said work order or compliance order issued under the provisions of Title  
16 30 of the Louisiana Revised Statutes of 1950, or regulations adopted thereunder. The  
17 entering of the lands of another under the provisions of this Section shall be subject  
18 to the following:

19 \* \* \*

20 D. Failure of the holder of the work order or compliance order to seek relief  
21 before a court of competent jurisdiction shall not affect that parties' duties and  
22 obligations under said Title 30 or the rules, regulations, and orders of the ~~office of~~  
23 ~~conservation~~ department, nor shall it constitute a defense to any civil penalty issued  
24 due to noncompliance with the orders of the ~~commissioner of conservation~~  
25 secretary.

26 \* \* \*

27 F. No party to whom a work order or compliance order is issued shall be  
28 deemed to be a public employee or an agent of the ~~office of conservation~~  
29 department.

30 \* \* \*

1           §28. Drilling permits; issuance; fees; location plat; notice and hearing; funds from  
2                           drilling permit fees

3           A. No well or test well may be drilled in search of minerals without first  
4           obtaining a permit from the ~~commissioner of conservation~~ secretary, and the  
5           ~~commissioner~~ secretary shall collect for each such well or test well a drilling permit  
6           fee. The ~~commissioner~~ secretary shall periodically review the fees collected by his  
7           office for drilling permits and may revise such fees pursuant to the rulemaking  
8           provisions of the Administrative Procedure Act.

9                                   \*       \*       \*

10          C. For each drilling permit that must be altered, amended, or changed after  
11          its initial issuance, the ~~commissioner~~ secretary shall collect an amendment fee  
12          which shall be set pursuant to the Administrative Procedure Act, except for unit well  
13          nomenclature. An assignment or contract of sale that reflects an assumption of  
14          liability for oil and gas wells requires an amended permit. Any person who assumes  
15          such liability shall apply for an amended permit within thirty days of the assumption  
16          of liability.

17          D. The ~~commissioner of conservation~~ secretary shall not issue a permit to  
18          drill a well or a test well pursuant to Subsection A, B, or C of this Section until the  
19          provisions of this Subsection have been satisfied:

20                                   \*       \*       \*

21          (2) The ~~commissioner of conservation~~ secretary shall review the location  
22          plat and make a determination as to whether any residential or commercial structure  
23          or area of review for a carbon dioxide storage facility not owned by the applicant, his  
24          lessor, or other predecessor in interest is situated within a five-hundred-foot radius  
25          of the proposed drilling site. For purposes of this Section, "carbon dioxide storage  
26          facility" shall include any current or proposed project for which a Class VI permit  
27          has been applied or issued, and "area of review" shall have the same meaning as that  
28          term is defined in administrative rules regarding Class VI injection wells.

29          (3) Upon a determination by the ~~commissioner~~ secretary that a residential  
30          or commercial structure or area of review for a carbon dioxide storage facility is

1 located within five hundred feet of the proposed drilling site, the ~~commissioner~~  
2 secretary shall convey that information, together with written notice of a public  
3 hearing thereon, by means of an official notice delivered by first class mail to any  
4 person owning a residential or commercial structure within a five-hundred-foot  
5 radius of the proposed site, to the operator of a carbon dioxide storage facility whose  
6 area of review is within a five-hundred-foot radius of the proposed site, and to the  
7 local governing authority in whose jurisdiction the property is located.

8 \* \* \*

9 (5) The ~~commissioner~~ secretary shall hold a public hearing, if one is  
10 requested, on the issues concerning the proposed drilling, affording residential and  
11 commercial property owners and local government representatives the opportunity  
12 to be heard in regard thereto.

13 (6) No permit for drilling a well or test well shall be issued by the  
14 ~~commissioner~~ secretary until after the conclusion of the public hearing and after  
15 consideration by the ~~commissioner~~ secretary of the comments and information  
16 presented at that hearing.

17 (7) If the ~~commissioner~~ secretary, in his review of the location plat required  
18 by Paragraph (2) of this Subsection, determines that no residential or commercial  
19 structure or area of review for a carbon dioxide storage facility not owned by the  
20 applicant, his lessor, or other predecessor in interest falls within five hundred feet of  
21 the proposed well site, the ~~commissioner~~ secretary shall issue the permit required  
22 for such drilling in accordance with the provisions of Subsections A, B, C, and F of  
23 this Section and any rules and regulations issued thereunder.

24 \* \* \*

25 F. The issuance of the permit by the ~~commissioner of conservation~~ secretary  
26 shall be sufficient authorization to the holder of the permit to enter upon the property  
27 covered by the permit and to drill in search of minerals thereon. No other agency or  
28 political subdivision of the state shall have the authority, and they are hereby  
29 expressly forbidden, to prohibit or in any way interfere with the drilling of a well or  
30 test well in search of minerals by the holder of such a permit.

1           G. The ~~commissioner~~ secretary shall promulgate rules, regulations, and  
2 orders necessary to require certification of water quality by the operator for surface  
3 water used in conjunction with oil and gas drilling operations before drilling begins  
4 which ensure ground water aquifer safety.

5           H. Subject to the provisions contained in Article VII, Section 9 of the  
6 Constitution of Louisiana, all funds collected under the provisions of this Section  
7 shall be paid by the ~~office of conservation~~ department into the state treasury and  
8 shall be credited to the Bond Security and Redemption Fund.

9           I.(1) The ~~commissioner~~ secretary, in accordance with the Administrative  
10 Procedure Act, shall promulgate rules, regulations, and orders necessary to require  
11 an operator, agent, or assigns, to provide a single notice to the surface owner of lands  
12 on which drilling operations are to be conducted. For the purposes of this Subsection,  
13 such notice shall be referred to as the "pre-entry notice". The rules, regulations, and  
14 orders to be promulgated pursuant to this Subsection shall include the following:

15           (a) The pre-entry notice shall be sent to the surface owner no less than thirty  
16 days prior to construction operations of a drilling location on the property by the  
17 operator for the purpose of commencing drilling operations on the well described in  
18 the pre-entry notice. Such notice shall be provided in the form required by the  
19 ~~commissioner~~ secretary. No subsequent notice to the surface owner shall be  
20 required.

21                               \*       \*       \*

22           (d) Upon application, the ~~commissioner~~ secretary may, without notice or  
23 hearing, waive the pre-entry notice or reduce the thirty-day requirement for such  
24 notice in the event the thirty-day delay would result in the loss or termination of a  
25 mineral lease, or in the event of such other emergency circumstances as the  
26 ~~commissioner~~ secretary may deem appropriate for such waiver.

27                               \*       \*       \*

28           (g) Such other matters as the ~~commissioner~~ secretary may deem necessary  
29 or appropriate to implement the one time pre-entry notice required by this  
30 Subsection.

\* \* \*

J. No later than thirty days after the issuance of an amended permit to transfer a well to another operator, the ~~commissioner~~ **secretary** shall require that the operator identify on a form approved by the ~~commissioner~~ **secretary** the surface owner of lands on which the well site is located. "Surface owner" shall mean the person shown in the assessor's rolls of the parish as the current owner of the surface rights for the land on which the well site is located.

\* \* \*

§41. Production of gas in excess of market demands, proportionate production

In order to conserve the natural gas in the state, whenever the full production from any common source of supply of natural gas is in excess of the market demand, then any person having the right to produce gas from the common source of supply, may take therefrom only such proportion of the natural gas that may be marketed without waste, as the natural flow of the well or wells owned or controlled by the person bears to the total natural flow of the common source of supply having due regard to the acreage drained by each well, so as to prevent the person from securing an unfair proportion of the gas therefrom. The ~~commissioner of conservation of Louisiana~~ **secretary of the Department of Conservation and Energy** may by proper order, permit the taking of a greater amount whenever he deems it reasonable or equitable.

§42. Right to purchase gas

Every person, engaged in the business of purchasing and selling natural gas in this state, shall be a common purchaser thereof, and shall purchase all of the natural gas which may be offered for sale which may be brought in pipes and connecting lines by the owner or proposed seller to its trunk lines, at the sellers' expense, or to its gathering lines, without discrimination in favor of one producer as against another, or in favor of any one source of supply as against another save as authorized by the ~~commissioner of conservation~~ **secretary** after due notice and hearing. If a person is unable to purchase all the gas offered, then he shall purchase natural gas from each producer ratably, and each common purchaser of gas shall

1 have the same right to purchase the production of a gas well that is not being utilized  
2 under the conditions of this Section. In the event the owner of the well refuses to sell,  
3 the common purchaser shall have the same rights of action against the owner as the  
4 seller has against the common purchaser who refuses to buy, and the seller refusing  
5 to sell shall be subject to the same penalties as are provided against the common  
6 purchaser who refuses to buy. This Section shall not affect in any way a municipal  
7 corporation engaged in buying and selling natural gas.

8 \* \* \*

9 §44. Gas to be measured by meter

10 All gas produced from the deposits of this state when sold shall be measured  
11 by meter and the ~~commissioner of conservation~~ secretary shall, upon notice and  
12 hearing, relieve any common purchaser from purchasing gas of an inferior quality  
13 or grade, and the ~~commissioner~~ secretary shall from time to time make such  
14 regulations for delivery, metering and equitable purchase and taking as conditions  
15 may necessitate.

16 §45. ~~Commissioner of conservation~~ Secretary to enforce Part

17 The ~~commissioner of conservation~~ secretary shall see that the provisions of  
18 this Part are fully and properly complied with and the district attorney in whose  
19 district a violation takes place shall, on application, bring suit if necessary to enforce  
20 the provisions of this Part. Any injunction which may be necessary shall be furnished  
21 without bond.

22 \* \* \*

23 §48. Average specific gravity; average flowing temperature; field rules

24 A. The ~~commissioner of conservation~~ secretary is hereby authorized and  
25 empowered, in the absence of the availability of satisfactory actual data based upon  
26 observed or recorded specific gravity and flowing temperature determinations, to  
27 determine the average specific gravity, and average flowing temperature of the gas  
28 at the point of measurement, as produced in each oil or gas field or pool in Louisiana,  
29 which after being so determined shall be used to calculate the standard cubic foot.

30 B. If for any reason the ~~commissioner of conservation~~ secretary has not so

1 determined such average specific gravity and average flowing temperature of the gas  
2 produced in any oil or gas field or pool in Louisiana, the average specific gravity  
3 shall be assumed to be six-tenths and the average flowing temperature shall be  
4 assumed to be sixty degrees Fahrenheit.

5 C. In the event that the ~~commissioner of conservation~~ **secretary** finds the  
6 necessity therefor upon the request of any interested party, the ~~commissioner of~~  
7 ~~conservation~~ **secretary** shall give notice and hold a public hearing before making  
8 such determinations. Promptly upon such determination the ~~commissioner of~~  
9 ~~conservation~~ **secretary** shall make and publish such finding and promulgate such  
10 reasonable field rules as may be necessary to effectuate the provisions of this Part.

11 D. Any person, association of persons, or corporation shall be permitted to  
12 use the findings and field rules of the ~~commissioner of conservation~~ **secretary** for  
13 all purposes under this Part, but if such findings or field rules are not so used in  
14 determining volumes under this Part, the volumes so otherwise determined shall be  
15 corrected to the basis of the "standard cubic foot of gas" as defined in R.S. 30:47.  
16 Nothing herein shall ever prevent the use of actual recorded values and actual test  
17 data where available, for all purposes under this Part, and the ~~commissioner of~~  
18 ~~conservation~~ **secretary** has been informed in writing of the intent so to use actual  
19 recorded values and actual test date.

20 \* \* \*

21 §61. Exploitation of natural resources by ~~commissioner~~ **secretary** or employees  
22 prohibited

23 Neither the ~~commissioner of conservation~~ **secretary** nor any salaried officer  
24 or employee of the department shall be or become:

25 \* \* \*

26 §73. Definitions

27 As used in this Part, the following terms shall have the meaning ascribed to  
28 them in this Section, unless the context or use clearly indicates otherwise:

29 (1) "commissioner" means the ~~commissioner of the office of conservation~~  
30 ~~within~~ **secretary of** the Department of **Conservation and** Energy and Natural

Resources or his authorized representatives from the injection and mining division of that office.

\* \* \*

## §74. Abandoned oilfield waste sites; notification; clean up

A.(1) Whenever any responsible person, owner, or operator of any abandoned waste site obtains information that indicates that oilfield waste is spilling, discharging, or otherwise escaping into, or on any land or water without appropriate authorization or permit, or is being treated, stored, handled, or disposed of in a manner contrary to applicable regulations of the ~~commissioner~~ **secretary**, such person shall notify the ~~office of conservation~~ **department** in accordance with regulations to be adopted.

(2) Upon receipt of the information required to be provided in Paragraph (1) of this Subsection, the ~~commissioner~~ **secretary** may order any responsible owner, operator, or person to take samples, monitor, or take action at the abandoned waste site to ascertain the nature and extent of any waste or discharge, or hazard. The ~~commissioner~~ **secretary**, upon failure or refusal by the responsible person, operator, or owner to comply with the orders, may undertake such activities and investigate the abandoned waste site, take samples to be analyzed, and may expend monies available for these purposes.

(3)(a) Prior to any sheriff's sale or public auction of any property related to the operation of oil and gas wells, the person seeking such sale shall notify the ~~commissioner~~ **secretary** of such sale not less than thirty days prior to such sale. Such sale shall not occur unless the ~~commissioner~~ **secretary** consents thereto in writing, and the sale shall include the wellbore unless specifically excluded from the sale. In the event the wellbore is not specifically excluded from the sale as provided herein, the sheriff or person seeking such a sale shall cause to be included in the notice of the sale and in the sale instrument a statement or notice that the purchaser shall be required to file the appropriate documents with the ~~office of conservation~~ **department** to become operator of record of the subject well pursuant to the provisions of R.S. 30:204.

1 (b) The ~~commissioner~~ secretary may, if he deems it appropriate to insure the  
2 proper plugging and abandonment of the wells and closure of the associated oilfield  
3 pits, retain a first lien and privilege on such property, which lien and privilege shall  
4 follow such property into the hands of third persons whether such persons are in  
5 good or bad faith. The ~~commissioner~~ secretary shall record a notice of such lien  
6 with the clerk of court in the parish in which the property is located and in which the  
7 sale is to occur. The lien and privilege may be enforced against any person in  
8 possession of the property in the same manner as a lien provided under the Louisiana  
9 Oil Well Lien Act.

10 (4) Failure to notify the ~~commissioner~~ secretary as provided in Paragraph (3)  
11 of this Subsection shall render the person seeking such a sale and the purchaser  
12 liable, in solido, to the ~~office of conservation~~ department for the fair market value  
13 of the property at the time of such seizure and sale.

14 B. Any failure or refusal by an owner or operator or responsible person to  
15 undertake such action as ordered by the ~~commissioner~~ secretary to take samples,  
16 monitor, contain, or clean up an abandoned oilfield waste site shall be a violation of  
17 this Chapter, and the commission, in order to prevent damage to public health, the  
18 environment, or an oil or gas strata, may immediately declare the site abandoned,  
19 notwithstanding the provisions of R.S. 30:75, and commence appropriate  
20 proceedings under this Chapter, including the recovery of penalties, revocation of  
21 any permit, closure of the site, or any combination thereof.

22 \* \* \*

23 §79. Recordation of notice of abandoned oilfield waste sites by landowner

24 A. In addition to the notice required under R.S. 30:74, any landowner who  
25 has notified the ~~office of conservation~~ department that his property contains an  
26 abandoned oilfield waste site or who owns property which has been identified by the  
27 ~~commissioner~~ secretary as an abandoned oilfield waste site pursuant to R.S. 30:75  
28 shall cause notice of the identification of the location of the abandoned oilfield waste  
29 site to be recorded in the mortgage and conveyance records of the parish in which  
30 the property is located. Such notice shall be made in a form approved by the

1           ~~commissioner~~ secretary and within the time specified by the ~~commissioner~~  
2           secretary. If a landowner fails or refuses to record such notice, the ~~commissioner~~  
3           secretary may, if he determines that the public interest requires, and after due notice  
4           and an opportunity for a hearing has been given to a landowner, cause such notice  
5           to be recorded.

6                     B.(1) If any person wishes to remove such notice, he shall notify the  
7           ~~commissioner~~ secretary prior to requesting the removal from the clerk of court in  
8           the parish where the property is located. The request shall specify the facts  
9           supporting removal of the notice, including any evidence that the oilfield waste no  
10          longer poses a potential threat to health or the environment. Upon finding that the  
11          oilfield waste no longer poses a potential threat to health or the environment, the  
12          ~~commissioner~~ secretary shall approve removal of the notice.

13                    (2) If approval is granted by the ~~commissioner~~ secretary, the request may be  
14          made by affidavit to the clerk of court for the removal of the notice and it shall be  
15          removed. Within ten days after removal, the clerk of court shall send a notice of the  
16          removal to the ~~commissioner~~ secretary. If the ~~commissioner~~ secretary objects to the  
17          removal of such notice, or fails to make a final determination upon the request within  
18          ninety days, the person desiring to have the notice removed may petition the court  
19          in the parish where the property is located for removal of the notice and after a  
20          contradictory hearing between the landowner, the clerk of court, and the  
21          ~~commissioner~~ secretary or his designee, the court may grant such relief upon  
22          adequate proof by the petitioner that the property no longer contains the oilfield  
23          waste which may pose a potential threat to health or to the environment.

24                    C. This Section shall not apply to any commercial operation which is  
25          operating under a permit issued by the ~~commissioner~~ secretary until such time as  
26          such notice is required by an order of the ~~commissioner~~ secretary, by a permit, or  
27          by rule or regulation applicable to such operation.

28   \*           \*           \*

29                    §82. Definitions

30                    As used in this Part, the following terms shall have the meanings ascribed to

1           them in this Section, unless the context or use clearly indicates otherwise:

2                       (1) "~~Assistant secretary~~ **Secretary**" means the ~~assistant~~ secretary of the office  
3           of ~~conservation~~ within the Department of **Conservation and** Energy and Natural  
4           Resources or his authorized representatives.

5                                       \*           \*           \*

6                       (6) "Issuer" means a public trust and public corporation organized and  
7           existing by, under, and pursuant to the provisions of R.S. 9:2341 through 2347,  
8           whose beneficiary is the state of Louisiana, and who is authorized to issue revenue  
9           bonds on behalf of the state of Louisiana **or the Louisiana Local Government**  
10          **Environmental Facilities and Community Development Authority, pursuant to**  
11          **the provisions of R.S. 33:4548.1, et seq.**

12                      (7) "Nonproducing oilfield site" means an oilfield site which is not a  
13           producing oilfield site and which has not been declared an orphaned oilfield site by  
14           the ~~assistant~~ secretary.

15                                       \*           \*           \*

16                      (11) "Responsible party" means the operator of record according to the ~~office~~  
17           of ~~conservation~~ **department** records, who last operated the property on which the  
18           oilfield site is located at the time the site is about to be abandoned, ceases operation,  
19           or becomes an unusable oilfield site, and that operator's partners and working interest  
20           owners of that oilfield site. A working interest owner is the owner of a mineral right  
21           who is under an obligation to share in the costs of drilling or producing a well on the  
22           oilfield site.

23                                       \*           \*           \*

24                      (14) "Site restoration" means any and all oilfield site restoration activities  
25           required of a responsible party of an oil or gas property by regulations adopted by  
26           the ~~office of conservation~~ **department** pursuant to this Subtitle, including without  
27           limitation plugging of oil and gas wells, pit closure, site remediation, and removal  
28           of oilfield equipment.

29                                       \*           \*           \*

30          §83. Oilfield site restoration; administration by the Department of **Conservation**

and Energy and Natural Resources

A. The Natural Resources Trust Authority, under the direction of the secretary and subject to oversight by the State Mineral and Energy Board pursuant to R.S. 36:356.1, is authorized to perform the following functions related to oilfield site restoration:

\* \* \*

(5) Review administration of site restoration activities and review the adequacy of site restoration assessments and reopen the funding needs and arrangements for site-specific trust accounts every four years. However, unless the oilfield site is transferred from one party to another after the adoption of a standard for evaluation, site-specific trust accounts established prior to the adoption of a standard for evaluation by the Department of **Conservation and** Energy and Natural Resources, office of conservation shall not be reassessed if the operator of record provides to the office on an annual basis, utilizing the methodology in use at the time that the site-specific trust account was established, proof that the security is adequate to ensure proper closure of the wells upon completion of activity.

\* \* \*

(7) Perform any function authorized by this Part or which is consistent with its purpose and not otherwise assigned by this Part to the secretary ~~or assistant secretary~~.

\* \* \*

§83.1. Authorization of bonds

\* \* \*

B.(1) \* \* \*

(3) The secretary, the undersecretary, and the Natural Resources Trust Authority are hereby authorized to execute loan, reimbursement, investment, and bond purchase agreements, and all documents as may be necessary or desirable to carry out the provisions of this Section and are further authorized to take any and all further actions and execute and deliver all other documents as may be necessary in connection with the issuance of any bonds, notes, certificates, reimbursement

obligations, or other evidences of indebtedness referred to in this Section. The provisions of R.S. 9:2347(J) **and R.S. 39:112(G)** shall not apply to bonds or any contractual obligation, including the pledge of state funds, to be undertaken or incurred in connection therewith.

\* \* \*

§85. Powers of the ~~assistant~~ secretary

A. The powers of the assistant secretary shall include without limitation the power to do the following, subject to the supervision of the secretary:

\* \* \*

(3) The ~~assistant~~ secretary shall perform all regulatory functions imposed by this Part.

\* \* \*

C. The aforementioned powers shall be in addition to and shall not limit the powers conferred on the ~~assistant~~ secretary in other provisions in this Title or any other pertinent provision of any state or federal law or regulation.

§86. Oilfield Site Restoration Fund

A.(1) \* \* \*

\* \* \*

(2) Out of the funds remaining in the Bond Security and Redemption Fund, after a sufficient amount is allocated from that fund to pay all the obligations secured by the full faith and credit of the state that become due and payable within each fiscal year, the treasurer shall pay into the Oilfield Site Restoration Fund an amount equal to the revenues generated from collection of the fees provided for in Subsection D of this Section. ~~The treasurer shall also transfer into the Oilfield Site Restoration Fund the amount of thirty million dollars in federal funding from the first federal funds received by the state for which oilfield site restoration or plugging orphan wells is an allowable use, as determined by the Joint Legislative Committee on the Budget.~~ Such funds shall constitute a special custodial trust fund which shall be administered by the Natural Resources Trust Authority, which shall make disbursements from the fund solely in accordance with the purposes and uses

1 authorized by this Part.

2 \* \* \*

3 D. The following monies shall be placed into the Oilfield Site Restoration  
4 Fund:

5 \* \* \*

6 (8) Any sums collected from financial security instruments required by rules  
7 and regulations adopted by the ~~assistant~~ secretary pursuant to R.S. 30:4(R) and 4.3.  
8 However, the monies collected from each financial security instrument tied to a  
9 specific well or wells shall not be used for any oilfield sites other than those for  
10 which the financial security was provided.

11 (9) ~~The sum of thirty million dollars from the first federal funds received by~~  
12 ~~the state for which oilfield site restoration or plugging orphan wells is an allowable~~  
13 ~~use, as determined by the Joint Legislative Committee on the Budget~~ **Monies paid**  
14 **to the department pursuant to a site restoration contribution agreement entered**  
15 **into pursuant to R.S. 30:93(C).**

16 (10) ~~Monies from federal appropriations or any federal grant program~~  
17 ~~established by the United States Congress for the purpose of restoring orphan oilfield~~  
18 ~~sites.~~

19 ~~(11)~~ Any other source of funding for which restoring orphan oilfield sites is  
20 an allowable use, as determined by the Joint Legislative Committee on the Budget.

21 E. Except as otherwise provided in this Section, the monies in the fund may  
22 be disbursed and expended pursuant to the authority and direction of the secretary  
23 or the Natural Resources Trust Authority for the following purposes and uses:

24 \* \* \*

25 (2) Upon approval of the trust authority, the administration of this Part by the  
26 department in an amount not to exceed ~~nine hundred fifty thousand dollars~~ **the**  
27 **department's federal approved indirect cost rate or, if no such rate exists, the**  
28 **de minimis rate of fifteen percent of all direct costs**, each fiscal year. Amounts  
29 expended pursuant to Paragraph (4) of this Subsection shall not count towards the  
30 administrative expenditure limitation.

\* \* \*

(6) Upon approval of the trust authority, up to five hundred thousand dollars per fiscal year for the ~~office of conservation~~ **department** to act alone, or in conjunction with the voluntarily participating parties, for the assessment and restoration of commercial oilfield waste disposal facilities used for the storage, treatment, or disposal of non-hazardous oilfield waste for a fee or other consideration, which were abandoned, leaving no financially responsible owner, operator, or bonding company, in accordance with the plan of closure as required in the permit, or if the permit did not provide a plan of closure, a plan approved by the trust authority; however, a responsible person shall not be released from his duty or liability, if any, imposed by this Section.

(7) ~~Except for the costs of administration of this Part by the Department of Energy and Natural Resources not exceeding the limitations set by the United States Congress or administering federal agency for the federal funds appropriated or granted, the monies deposited into the fund pursuant to Paragraphs (D)(9), (10), and (11) of this Section shall be used only for the purposes of assessing and restoring orphan oilfield sites. Notwithstanding any other requirements in this Part, the monies may be expended by the secretary through a contract entered into under any competitive process authorized by Title 38 or 39 of the Louisiana Revised Statutes of 1950. The contract may be awarded to any qualified party whether or not the party is on the approved list of contractors acceptable to conduct site assessment and restoration by the trust authority~~ **Upon approval of the trust authority, expenditures consistent with a site restoration contribution agreement entered into pursuant to R.S. 30:93(C).**

\* \* \*

G. Upon declaration of an emergency as defined in R.S. 30:6.1, the assistant secretary shall notify the trust authority and the State Mineral and Energy Board of the declared emergency. Upon notification, the trust authority, in consultation with the State Mineral and Energy Board, may direct that no monies in the fund be disbursed or spent for response activity related to the emergency declaration.

H. At the direction of the secretary or the Natural Resources Trust Authority, federal monies dedicated pursuant to Paragraph (D)(9) or (10) of this Section monies from federal appropriations or any federal grant program established by the United States Congress for the purpose of restoring orphan oilfield sites shall be placed into the department's federal funds account instead of the Oilfield Site Restoration Fund, but such money shall otherwise be subject to the same requirements applicable to money identified in Paragraph (D)(9) or (10) of this Section. Except for administrative costs not exceeding federal limits as set by Congress or the administering federal agency, all such federal monies shall be used exclusively for orphan oilfield site assessment and restoration, including plugging of orphan wells.

I. Notwithstanding any other provision of this Part, such monies from the Oilfield Site Restoration Fund may be expended by the secretary through contracts entered into under any competitive process authorized by Title 38 or 39 of the Louisiana Revised Statutes of 1950.

J. Notwithstanding any provision of law to the contrary, for any oilfield site restoration project funded in whole or in part with monies from the Oilfield Site Restoration Fund, federal funds, or a combination of such funds, and delivered using the construction management at risk method as authorized in R.S. 38:2225.2.4, the contractor selected under the construction management at risk process shall not be required to be included on any pre-approved list of contractors acceptable to conduct site assessment and site restoration.

\* \* \*

§88. Oilfield site trust accounts

\* \* \*

B. In the event the parties to a transfer elect to establish a site-specific trust account under this Section, the ~~assistant~~ secretary shall require an oilfield site restoration assessment to be made to determine the site restoration requirements existing at the time of the transfer, or at the time the site-specific trust account is established. The oilfield site restoration assessment shall be conducted by approved

1 site assessment contractors appearing on a list approved by the trust authority or  
2 acceptable to the trust authority. The oilfield site restoration assessment shall  
3 specifically detail site restoration needs and shall provide an estimate of the site  
4 restoration costs needed to restore the oilfield site based on the conditions existing  
5 at the time of transfer, or at the time the site-specific trust account is established.

6 C. The party or parties to the transfer shall, based upon the site restoration  
7 assessment, propose a funding schedule which will provide for the site-specific trust  
8 account. The funding schedule shall consider the uniqueness of each transfer,  
9 acquiring party, and oilfield site. Funding of the site-specific trust account shall  
10 include some contribution to the account at the time of transfer and at least quarterly  
11 payments to the account. Cash or bonds in a form and of a type acceptable to the  
12 ~~assistant~~ secretary, or any combination thereof, may also be considered for funding.  
13 The ~~assistant~~ secretary shall monitor each trust account to assure that it is being  
14 properly funded. The funds in each trust account shall remain the property of the  
15 trust authority.

16 D. The ~~assistant~~ secretary may approve the site-specific trust account for an  
17 oilfield site upon review of the assessment and the site-specific trust account that has  
18 been proposed for that oilfield site as provided in the regulations. Such approval shall  
19 not be unreasonably withheld.

20 E. When transfers of oilfield sites occur subsequent to the formation of  
21 site-specific trust accounts but prior to the end of their economic life, the ~~assistant~~  
22 secretary and the acquiring party shall, in the manner provided for in this Section,  
23 again redetermine cost and agree upon a funding schedule. The balance of any  
24 site-specific trust account at the time of subsequent transfer shall remain with the  
25 oilfield site and shall be a factor in the redetermination.

26 F. Once the ~~assistant~~ secretary has approved the site-specific trust account,  
27 and the account is fully funded, the party transferring the oilfield site and all prior  
28 owners, operators, and working interest owners shall not thereafter be held liable by  
29 the state for any site restoration costs or actions associated with the transferred  
30 oilfield site. The party acquiring the oilfield site shall thereafter be the responsible

1 party for the purposes of this Part.

2 \* \* \*

3 I. Subject to agreement between the ~~assistant~~ secretary, the seller and the  
4 purchaser of an oilfield site sold prior to August 15, 1993, a site-specific trust  
5 account can be established or transferred to the state.

6 J. For unusable oilfield sites, after site restoration has been completed and  
7 approved by the ~~assistant~~ secretary, funds from a site-specific trust account shall be  
8 disbursed as follows:

9 \* \* \*

10 §88.1. Oilfield site trust accounts for orphaned wells

11 A. Orphan wells. (1) \* \* \*

12 (3) Upon full funding of the associated site-specific trust account in  
13 accordance with a plan approved by the ~~assistant~~ secretary as provided in this  
14 Section, all monies remaining in the account shall be credited in full to the state  
15 treasury as provided by R.S. 47:645(B).

16 (4) When the conditions of this Subsection are met relative to the funding of  
17 the site-specific trust account, the ~~assistant~~ secretary shall not require additional  
18 financial security for the well associated with that site-specific trust account.

19 \* \* \*

20 C. Site restoration assessment. When establishing a site-specific trust account  
21 under this Section, the ~~assistant~~ secretary shall require an oilfield site restoration  
22 assessment to be made to determine the site restoration requirements existing at the  
23 time the site-specific trust account is established. The oilfield site restoration  
24 assessment shall be conducted by approved site assessment contractors appearing on  
25 a list approved by the trust authority or acceptable to the trust authority. The oilfield  
26 site restoration assessment shall specifically detail the site's restoration needs and  
27 shall provide an estimate of the restoration costs needed to restore the oilfield site  
28 based on the conditions existing at the time the site-specific trust account is  
29 established.

30 D. Trust account monitoring. The ~~assistant~~ secretary shall monitor each trust

1 account to assure that it is being properly funded. The funds in each trust account  
2 shall remain the property of the trust authority. In the event that the site-specific trust  
3 account is not funded through the payment of the severance tax due the state for a  
4 period of greater than six months from the date of first production following  
5 designation of the well as part of an orphaned oilfield site, the ~~assistant~~ secretary  
6 shall require financial security in accordance with the ~~office of conservation's~~  
7 **department's** rules and regulations.

8 E. Transfers of oilfield sites. When transfers of oilfield sites occur subsequent  
9 to the formation of site-specific trust accounts pursuant to this Section but prior to  
10 the end of the oilfield site's economic life, the ~~assistant~~ secretary and the acquiring  
11 party shall, in the manner provided in this Section, redetermine cost. The balance of  
12 any site-specific trust account at the time of transfer shall remain associated with the  
13 oilfield site and shall be a factor in the redetermination.

14 \* \* \*

15 G. Unusable oilfield sites. For unusable oilfield sites, after site restoration has  
16 been completed and approved by the ~~assistant~~ secretary, funds from a site-specific  
17 trust account shall be disbursed as follows:

18 \* \* \*

19 H. Rules, regulations, and orders. The ~~assistant~~ secretary shall make, after  
20 notice and public hearings as provided in this Chapter, any reasonable rules,  
21 regulations, and orders that are necessary to implement this Section.

22 §88.2. Orphan well rework program

23 \* \* \*

24 C. Trust account monitoring. The ~~assistant~~ secretary shall monitor each trust  
25 account to assure that it is being properly funded. The funds in each trust account  
26 shall remain the property of the trust authority. If the site-specific trust account is not  
27 funded through the payment of amounts equal to the severance tax that would  
28 otherwise be due the state for a period of greater than six months from the date of  
29 first production following designation of the well as part of an orphaned oilfield site,  
30 the ~~assistant~~ secretary shall require financial security in accordance with this Subtitle

1 and the rules and regulations adopted pursuant to this Subtitle including the  
2 exceptions provided in R.S. 30:4(R).

3 \* \* \*

4 E. Unusable oilfield sites. For unusable oilfield sites, after site restoration has  
5 been completed and approved by the ~~assistant~~ secretary, funds from a site-specific  
6 trust account shall be disbursed as follows:

7 (1) If the site restoration has been completed by the operator of record on file  
8 with the ~~assistant~~ secretary, the balance of the funds existing in the site-specific trust  
9 account shall be remitted to that operator of record.

10 \* \* \*

11 F. Rules, regulations, and orders. The ~~assistant~~ secretary shall promulgate,  
12 after notice and public hearings as provided in this Chapter, any reasonable rules,  
13 regulations, and orders that are necessary to implement this Section.

14 §89. Non-orphan site restoration

15 A. After due notice and hearing and upon certification from the ~~assistant~~  
16 secretary that a responsible party has failed to undertake site restoration of an  
17 unusable oilfield site, the secretary ~~or assistant secretary~~ is authorized to disburse  
18 such funds as are necessary for site restoration from the site-specific trust account.

19 B. The ~~assistant~~ secretary, upon notice and hearing, pursuant to rules adopted  
20 by the ~~assistant~~ secretary in accordance with the Administrative Procedure Act, may  
21 declare an oilfield site to be an unusable oilfield site. Upon failure of a responsible  
22 party to undertake site restoration as ordered by the ~~assistant~~ secretary, the secretary  
23 ~~or assistant secretary~~ is authorized to disburse such funds as are necessary for site  
24 restoration from the site-specific trust account.

25 C. For sites restored pursuant to Subsections A and B of this Section, after  
26 site restoration has been completed and approved by the ~~assistant~~ secretary, funds  
27 from the site-specific trust account will be disbursed as follows:

28 \* \* \*

29 (2) If the funds in the site-specific trust account are depleted prior to the  
30 payment of all site restoration costs, the department is authorized to collect the

1 remainder of site restoration costs from the responsible party or ensure that the  
2 responsible party completes the site restoration to the satisfaction of the ~~assistant~~  
3 secretary.

4 (3) If the funds in the site-specific trust account are depleted prior to the  
5 payment of all site restoration costs, and if the ~~assistant~~ secretary subsequently  
6 declares that oilfield site to be an orphaned oilfield site and upon approval of the  
7 trust authority, the Oilfield Site Restoration Fund shall contribute the balance of the  
8 restoration costs for that orphaned oilfield site.

9 D. If a responsible party fails or is unable to restore a site and there is no  
10 site-specific trust account, the ~~assistant~~ secretary shall declare the site orphaned in  
11 accordance with R.S. 30:91(B).

12 §90. Natural Resources Trust Authority annual report to the legislature

13 \* \* \*

14 C. The ~~assistant~~ secretary shall furnish the trust authority with semiannual  
15 reports that review the efforts of the ~~assistant~~ secretary to assure proper and timely  
16 cleanup, closure, and restoration of oilfield sites.

17 D. The ~~assistant~~ secretary's semiannual reports shall include:

18 (1) The number of wells plugged by the ~~assistant~~ secretary.

19 \* \* \*

20 (4) The status of enforcement proceedings for all sites in violation of the  
21 ~~assistant~~ secretary's rules and the time period during which the sites have been in  
22 violation, including the status of the ~~assistant~~ secretary's attempts to recover  
23 reimbursement for restoration costs.

24 E. The trust authority's annual report to the legislature shall include:

25 \* \* \*

26 (4) The status of enforcement proceedings for all sites in violation of the  
27 ~~assistant~~ secretary's rules and the time period during which the sites have been in  
28 violation, including the status of the ~~assistant~~ secretary's attempts to recover  
29 reimbursement for restoration costs.

30 \* \* \*

1           §91. Orphaned oilfield sites

2                   A. A site may be declared to be an orphaned oilfield site by the ~~assistant~~  
3           secretary upon a finding that:

4                   (1) No responsible party can be located, or such party has failed or is  
5           financially unable to undertake actions ordered by the ~~assistant~~ secretary; and

6                                   \*       \*       \*

7                   B.(1) Prior to declaring a site to be an orphaned oilfield site, the ~~assistant~~  
8           secretary shall seek to notify the last operator of record, at his last known address  
9           contained in the department records, of the site that is to be declared orphaned and  
10          shall publish a notice in the Louisiana Register that the oilfield site is to be declared  
11          orphaned. Additionally, the ~~assistant~~ secretary shall seek to notify the surface owner  
12          of the site, at the address provided by the operator pursuant to R.S. 30:28(J), that the  
13          site is to be declared orphaned. Failure of the ~~assistant~~ secretary to notify the surface  
14          owner of the site shall not invalidate the decision to declare a site orphaned. If  
15          resolution of a factual dispute is requested by any owner or operator, the ~~assistant~~  
16          secretary shall hold a fact-finding hearing prior to declaring the site orphaned and the  
17          ~~assistant~~ secretary shall make any fact determination necessary to resolve the  
18          dispute.

19                  (2)(a) In the event that a site is being declared orphaned, the ~~assistant~~  
20          secretary shall retain a first lien and privilege upon such property superior to any  
21          existing mortgages, privileges, or liens of any kind, type, or nature whatsoever. The  
22          ~~assistant~~ secretary shall record a notice of such lien with the clerk of court in the  
23          parish where the site is located. The ~~assistant~~ secretary shall notify all other  
24          lienholders of record who have acquired a privilege, lien, or mortgage upon the  
25          property contained within a well site, in writing by registered mail, return receipt  
26          requested, that he is declaring the site orphaned. If the salvage value of property at  
27          the site exceeds the cost of plugging and abandoning the well site in accordance with  
28          this Part, any excess funds shall be paid to other lienholders by rank. Any other  
29          excess funds from salvage shall be paid into the fund.

30                                   \*       \*       \*

1 (c) In the event that a lienholder is not properly notified as provided in this  
2 Paragraph, any claim by the holder or holders against the trust authority, Department  
3 of Conservation and Energy and Natural Resources, office of conservation, or the  
4 contractors for the value of the salvaged property shall be limited to the actual cash  
5 value of the salvaged property at the time of salvage.

6 (3) Sale or removal of property from an oilfield site which has been declared  
7 orphaned without the written consent of the ~~assistant~~ secretary is prohibited. The  
8 secretary shall have a claim against the person or persons who have sold or removed  
9 such property for the fair market value of the property sold or removed, and the lien  
10 and privilege provided herein shall follow such property into the hands of third  
11 persons whether such persons are in good or bad faith.

12 (4) Conducting operations on an oilfield site which has been declared  
13 orphaned without the written consent of the ~~assistant~~ secretary is prohibited.

14 \* \* \*

15 D. In the event that the ~~commissioner~~ secretary declares an emergency as  
16 provided in R.S. 30:6.1, the provisions regarding notice to the operator as provided  
17 therein shall be applicable to declaring the site orphaned.

18 §92. Orphan site restoration

19 A. The secretary is hereby authorized to expend sums from the fund and enter  
20 into contracts for the purpose of site restoration on any site declared to be an  
21 orphaned oilfield site. The ~~assistant~~ secretary may conduct site restoration, expend  
22 sums from the fund, and enter into contracts for the purpose of site restoration to  
23 respond to an emergency as provided in R.S. 30:6.1.

24 \* \* \*

25 C. A contract for site assessment or site restoration shall require a formal bid  
26 process. All contracts shall be exempt from the provisions of the Public Bid Law and  
27 the Louisiana Procurement Code; however, before this exemption from the Public  
28 Bid Law and the Louisiana Procurement Code can be effective, the ~~assistant~~  
29 secretary shall promulgate rules in accordance with the Administrative Procedure  
30 Act to set forth the procedures, which, to the extent practicable, shall be in

1 substantial compliance with the Public Bid Law and shall require a formal bid  
2 process. A project which the ~~assistant~~ secretary has declared in writing to be an  
3 emergency may employ a written and thoroughly documented informal bidding  
4 procedure in which bids are solicited from at least three bidders. All such contracts  
5 shall be reviewed prior to execution by the ~~assistant~~ secretary, and all informally bid  
6 contracts shall be reviewed by the secretary. Notwithstanding any other requirements  
7 in this Part, any monies deposited pursuant to R.S. 30:86(D)(9) or (10) may be  
8 expended by the secretary through a contract entered into under any competitive  
9 process authorized by Title 38 or 39 of the Louisiana Revised Statutes of 1950.

10 §93. Recovery of site restoration costs; emergency costs

11 A. If the ~~assistant secretary~~ **department** undertakes restoration of an  
12 orphaned oilfield site under this Part or responds to any emergency as provided in  
13 R.S. 30:6.1, the secretary shall seek to recover all costs incurred by the secretary,  
14 ~~assistant secretary~~; penalties, and other relief from any party who has operated or  
15 held a working interest in such site, or who is required by law, rules adopted by the  
16 department, or a valid order of the ~~assistant secretary~~ **department** to control, clean  
17 up, close, or restore the oilfield sites or other facilities, structures, or pipelines under  
18 the ~~commissioner's~~ **secretary's** jurisdiction pursuant to R.S. 30:1 et seq. in  
19 accordance with the following:

20 \* \* \*

21 **C. The secretary may enter into a site restoration contribution**  
22 **agreement prior to undertaking restoration of an orphaned oilfield site under**  
23 **this Part. In such agreement the secretary shall accept and agree to specific**  
24 **levels of monetary or other contribution towards the cost of restoring an**  
25 **orphaned oilfield site by a party or parties who have operated or held a working**  
26 **interest in such orphaned oilfield site. Upon entering into a site restoration**  
27 **contribution agreement and following final payment by a party to the**  
28 **department of the contribution amount agreed to therein, the party shall be**  
29 **deemed to have met their obligations under this Part and the secretary shall**  
30 **have no right to recover costs incurred by the secretary, penalties, or other**

relief as contemplated in this Section. Any party who has operated or held a working interest in an orphaned oilfield site covered by a site restoration contribution agreement but has either failed to enter into such agreement or failed to pay the department the agreed upon amount shall be liable for cost recovery pursuant to this Section. The secretary shall have no right of action to seek recovery of the costs contributed to restoration of an orphaned oilfield site by another party pursuant to a site restoration contribution agreement. Site restoration contribution agreements may include provisions resolving regulatory compliance and compliance with obligations set forth in a state lease, operating agreement, right of way, servitude or other contract associated with the orphaned oilfield site at issue.

\* \* \*

#### §94. Penalties

A. Failure of a responsible party to comply with its obligation under this Part may cause that responsible party to lose all rights of an operator under this Subtitle in the state of Louisiana. The ~~assistant~~ secretary may cancel forthwith any allowables and deny any permits until restitution is received by cashier's check for costs incurred by the ~~assistant~~ secretary under this Part. Costs shall include without limitation restoration costs, legal expenses, and interest. The fund shall be reimbursed for any expenditures made on behalf of the oilfield site.

B.(1) The ~~assistant~~ secretary may withhold any permit application under this Subtitle to the following:

\* \* \*

(2) An individual or entity has committed a violation of Statewide Order 29-B if any one of the following has occurred:

\* \* \*

(b) The ~~assistant~~ secretary and the individual or entity have entered into an agreed order relating to the alleged violation and the individual or entity is not in compliance or on a schedule for compliance with such order.

(3) The ~~assistant~~ secretary shall not deny the permit application if:

\* \* \*

C. In addition to the foregoing, any person found by the ~~assistant~~ secretary to be in violation of any requirement of this Part, may be liable for a civil penalty, to be assessed by the ~~assistant~~ secretary or court, of not more than twenty-five thousand dollars for each day of the continued noncompliance.

\* \* \*

§95. No inference of liability on the part of the state

\* \* \*

B. The secretary, ~~assistant secretary~~, the trust authority, or their agents, on proper identification, may enter the land of another for purposes of site assessment or restoration.

C. The trust authority, the secretary, ~~and the assistant secretary~~, and their agents, are not liable for any damages arising from an act or omission if the act or omission is part of a good faith effort to carry out the purpose of this Part.

D. No party contracting with the Department of Conservation and Energy ~~and Natural Resources, office of conservation~~, or the trust authority under the provisions of this Part shall be deemed to be a public employee or an employee otherwise subject to the provisions of Parts I through IV of Chapter 15 of Title 42 of the Louisiana Revised Statutes of 1950.

\* \* \*

## Part VIII. WATER RESOURCE MANAGEMENT

### §98.1. Legislative Declaration; Purpose

A. The legislature declares that the management, protection, and development of water resources in the state are essential for public welfare, economic prosperity, and environmental sustainability. To fulfill these objectives, it is necessary to provide a framework for comprehensive water resource management, balancing environmental needs with human and economic activities. Accordingly, the legislature grants broad authority to the Department of Conservation and Energy establish a comprehensive water resource management program taking into consideration the requirements,

1 needs, and obligations of all stakeholders of water in the state of Louisiana. The  
2 program shall be based on good management practices, sound science, and  
3 economics according to generally accepted principles in those disciplines. It  
4 shall include as a goal the long-term sustainability of the state's water resources  
5 and of the state's ecological welfare, while considering the economic value of the  
6 state's role in interstate commerce and the economic welfare of its citizens.  
7 Further, it shall provide for the efficient administration in the utilization and  
8 management of water resources, including the gathering of data related to the  
9 state's water resources. Thus, the state's water resources shall be protected,  
10 conserved, managed, and replenished in an effective manner with due regard  
11 for the foregoing considerations and the best interest of all the citizens of the  
12 state.

13 B. The legislature hereby recognizes the need for uniformity in the  
14 establishment of a comprehensive water resource management program.  
15 Therefore, the state shall have exclusive jurisdiction over the management of  
16 water resources and this Part shall supersede and preempt any rule, regulation,  
17 code, statute, or ordinance of any political subdivision or other unit of local  
18 government. However, nothing contained in this Part shall be construed to deny  
19 such local government the authority over siting facilities pursuant to any  
20 general land use planning or zoning ordinance or to deny soil and water  
21 conservation districts powers granted pursuant to R.S. 3:1208.

22 C. In accordance with the legislative intent provided in this Section, the  
23 statewide water resource management program and any rule, regulation, or  
24 order of the secretary shall recognize historic use of water resources in the state  
25 and may incorporate the use of appropriate incentives to encourage  
26 conservation of water resources and the appropriate utilization of alternate  
27 water supplies where appropriate. Consistent with the provisions of this  
28 Chapter and in consultation with the secretary, the incentives and provisions of  
29 alternate water resources may be provided by the state, or any local subdivision  
30 thereof, by virtue of tax incentives, tax credits, and physical projects

1 transporting or providing alternate water resources to existing water users and  
2 by any private person with an interest in conserving such water resources for  
3 public use.

4 §98.2. Definitions

5 The department shall define through rules adopted in accordance with  
6 the Administrative Procedure Act necessary terms relevant to the  
7 comprehensive water resource management program.

8 §98.3. Powers of the Department of Conservation and Energy

9 A. Notwithstanding any other provision of law to the contrary, in  
10 carrying out the provisions of this Part, the Department of Conservation and  
11 Energy is exclusively empowered to do the following:

12 (1) Prepare required forms and establish other procedures to govern the  
13 submission of applications, reports, and other information authorized to be sent  
14 to the office as required by this Part.

15 (2) Upon presenting valid identification as an inspector for the  
16 department, enter upon and be given access at reasonable times and under  
17 reasonable conditions to any premises for the purposes of inspecting water wells  
18 or surface water withdrawals under the jurisdiction of the department.

19 B. If the office finds that compliance with all the requirements of this  
20 Part would result in undue hardship, an exemption from any one or more of  
21 such requirements may be granted by the office to the extent necessary to  
22 ameliorate such undue hardship and to the extent such exemption can be  
23 granted without impairing the intent and purpose of this Part.

24 §98.4. Regional districts; water resource management

25 A. The secretary may in consultation with the Natural Resources  
26 Commission promulgate rules and regulations for the appointment or  
27 designation of regional water districts, which when so appointed may be  
28 delegated the powers, authorities, and duties of the department for groundwater  
29 or surface water resource management within the regional district.

30 B. In addition to its other powers and authorities established in law, the

1 department is authorized to:

2 (1) Receive and collect water resource data and water use data  
3 throughout the state.

4 (2) Cooperate with and enter into contracts or cooperative agreements  
5 with other governmental units and agencies of this state, with governments and  
6 agencies of other states and of the United States, and with private agencies or  
7 other water conservation districts as necessary to fulfill the provisions of this  
8 Part.

9 (3) Conduct studies and investigations of all problems concerning water  
10 resources in the state.

11 (4) Identify and protect water recharge areas.

12 (5) Monitor and evaluate water resources including current and  
13 projected demands, inventory the state's water resources, identify technical  
14 research and previously developed information on water, identify future  
15 potential deficit areas, study alternatives to surface water use including  
16 treatment, transmission systems, and reclamation, and investigate incentives for  
17 conservation and the use of alternative technologies including public education  
18 and conservation programs.

19 (6) Promote water conservation measures and best practices for water  
20 resource sustainability.

21 §98.5. Comprehensive water resource plan

22 A. The department, utilizing the Natural Resources Commission, shall  
23 develop, implement, and periodically update a comprehensive statewide water  
24 resource management plan, addressing current and future water demands,  
25 conservation strategies, infrastructure needs, environmental impacts, and  
26 sustainable water management practices.

27 B. The comprehensive plan shall be developed through a transparent  
28 public process, including stakeholder input, interagency collaboration, and  
29 review by the Natural Resources Commission.

30 §98.6. Enforcement and compliance

1           A. The department shall have the exclusive authority to enforce the  
2           provisions of this Part consistent with its authority under law.

3           B. The department shall have the authority to collaborate with federal,  
4           state, and local agencies to ensure coordinated enforcement efforts.

5           §98.7. Administrative review and appeals

6           Any party adversely affected by a decision or action of the department  
7           under this Part shall be entitled to an administrative hearing in accordance with  
8           rules adopted pursuant to the Administrative Procedure Act. Judicial review  
9           shall be available following the exhaustion of administrative remedies as  
10          provided by law.

11          §98.8. Immunity from liability

12          The department and its officers, employees, agents, and designated  
13          representatives acting in the discharge of their duties under this Chapter shall  
14          be immune from civil liability for actions taken in good faith in compliance with  
15          established rules and regulations.

16          §98.9. Cooperation with other agencies

17          The department is authorized to collaborate and enter into agreements  
18          with local, state, federal, and private entities to facilitate efficient and effective  
19          water resource management and conservation efforts.

20          §98.10. Funding and financial assistance

21          The department may seek, receive, and administer funding, grants, and  
22          financial assistance from federal, state, local, and private sources to implement  
23          the objectives of this Chapter.

24          §98.11. Agricultural use exemption

25          Notwithstanding any other provision of law to the contrary, nothing in  
26          this Part shall be construed to impact, burden, or impose regulatory  
27          requirements or fees upon agricultural water users. Agricultural water use,  
28          including but not limited to irrigation, livestock watering, and other customary  
29          agricultural and horticultural purposes, shall be explicitly exempt from any  
30          regulatory or administrative oversight established pursuant to this Part.

Participation in programs or initiatives established in this Part by agricultural users shall be strictly voluntary and without a fee.

§98.12. Public water supply prioritization

Notwithstanding any other provision of law to the contrary, in carrying out its authorities established by this Part the department shall prioritize and protect the sustainability of public water supplies in its management and regulatory decisions, consistent with the policy established in R.S. 38:3097.6. In exercising its authority under this Part, the department shall ensure that no regulatory or permitting action undermines or adversely impacts the availability or quality of water necessary for public water supply systems.

§98.13. Severability

If any provision of this Chapter or its application is held invalid, the invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application, and to this end, the provisions of this Chapter are severable.

\* \* \*

§101.2. Policy and purpose

A. The legislature finds and declares that it is in the public interest and within the police power of this state to establish a fishermen's gear compensation and underwater obstruction removal program and a fishermen's gear compensation and underwater obstruction removal dedicated fund account to provide for the proper and timely identification, inventory, and removal of underwater obstructions that are a hazard to navigation and commercial fishing in the state, and to compensate commercial fishermen for damage to their fishing gear from the underwater obstructions. The program and fund account shall be administered, for purposes of fishermen's gear compensation, by the ~~assistant~~ secretary of the office of coastal management and, for purposes of underwater obstruction, by the ~~assistant~~ secretary of the office of conservation, both with the Department of **Conservation and** Energy and Natural Resources.

\* \* \*

## 1 §101.3. Definitions

2 As used in this Part, the following terms shall have the meanings ascribed to  
3 them in this Section, unless the context or use clearly indicates otherwise:

4 \* \* \*

5 (2) "~~assistant secretary~~ **Secretary**" means the ~~assistant~~ secretary of the office  
6 ~~of conservation within the~~ Department of **Conservation and** Energy ~~and Natural~~  
7 ~~Resources~~ or his authorized representatives.

8 \* \* \*

9 §101.4. Fishermen's Gear Compensation and Underwater Obstruction Removal  
10 Program

11 A. The Fishermen's Gear Compensation and Underwater Obstruction  
12 Removal Program is hereby created within the office of the secretary of the  
13 Department of **Conservation and** Energy ~~and Natural Resources~~ and shall be  
14 administered, for purposes of fishermen's gear compensation, by the assistant  
15 secretary of the office of coastal management and, for purposes of underwater  
16 obstruction, by the ~~assistant secretary of the office of conservation~~.

17 B. The ~~assistant~~ secretary shall adopt rules and regulations, in accordance  
18 with the Administrative Procedure Act, to implement the provisions of this Part and  
19 to provide for procedures for the identification, inventory, and removal of  
20 underwater obstructions to navigation and commercial fishing.

## 21 §101.5. Powers of the secretary

22 A. The powers of the secretary shall include without limitation the power to  
23 do the following:

24 \* \* \*

25 (2) Maintain all supervisory and fiscal responsibility imposed under the  
26 provisions of this Part ~~which are not specifically conferred upon the assistant~~  
27 ~~secretary~~.

28 \* \* \*

29 §101.6. Powers of the ~~assistant~~ secretary

30 A. The powers of the ~~assistant~~ secretary shall include without limitation the

power to do the following:

\* \* \*

B. The aforementioned powers shall be in addition to and shall not limit the powers conferred on the ~~assistant~~ secretary in other provisions in this Title or any other pertinent provision of any state or federal law or regulation.

§101.7. Contracts; parties

A. A contract for obstruction removal shall require a cash bond, performance bond, or other equivalent surety instrument approved by the ~~assistant~~ secretary, and shall require a formal bid process. A project which the ~~assistant~~ secretary has declared in writing to be an emergency may employ a written and thoroughly documented informal bidding procedure in which bids are received from at least three bidders. All such contracts shall be reviewed prior to execution by the secretary, and all informally bid contracts shall be reviewed by the ~~commissioner~~ secretary of the division of administration.

\* \* \*

§101.8. Liability

The secretary ~~or the assistant secretary~~ shall not be liable for any damages arising from an act or omission if the act or omission is part of a good faith effort to carry out the purpose of this Part.

§101.9. Fishermen's Gear Compensation and Underwater Obstruction Removal

Dedicated Fund Account

\* \* \*

D. The monies in the account may be disbursed and expended pursuant to the authority and direction of the ~~assistant~~ secretary for the following purposes and uses:

(1) Any underwater obstruction identification, inventory, or removal conducted by the ~~office of conservation~~ department pursuant to this Part.

(2) The administration of this Part by the ~~office of conservation~~ department in an amount not to exceed two hundred thousand dollars in any fiscal year.

\* \* \*

§101.10. ~~assistant secretary's~~ Secretary annual report to the legislature

1           A. The ~~assistant~~ secretary shall submit to the Senate Committee on Natural  
2 Resources and the House Committee on Natural Resources and Environment before  
3 March first an annual report that reviews the extent to which the program has  
4 enabled the ~~assistant~~ secretary to better protect the navigable waters and commercial  
5 fishing of the state and enhance the income of the fund.

6           B. The ~~assistant~~ secretary's annual reports shall include:

7                               \*           \*           \*

8       §101.13. Disbursement of funds; eligibility; hearings

9           A. Payments may be disbursed by the ~~assistant~~ secretary from the dedicated  
10 fund account to compensate commercial fishermen for actual property damage  
11 suffered as a result of hitting or snagging an obstruction or hazard in the territorial  
12 waters of the state within the boundaries established for the fund but shall not be  
13 extended to speculative loss such as anticipated profit or income.

14          B. In order to be eligible to receive reimbursement from the account, a  
15 commercial fisherman shall show that the commercial fisherman has a valid claim.  
16 A valid claim shall be established by the hearing examiner, based on evidence that  
17 the following conditions have been met:

18                               \*           \*           \*

19          (2) The fisherman made a report to the ~~assistant~~ secretary on the location of  
20 the obstruction postmarked within ninety days of the loss. If good cause is shown,  
21 the secretary, when there are extenuating circumstances, may waive the ninety-day  
22 limit on the reporting period, such waiver period not to exceed forty-five days.

23                               \*           \*           \*

24          C. Notwithstanding the provisions of Subsections A and B of this Section, no  
25 payment:

26                               \*           \*           \*

27          (4) Shall be made for any claim at a site that has been certified by the  
28 ~~assistant~~ secretary of the office of conservation for the Department of **Conservation**  
29 **and** Energy ~~and Natural Resources~~ as having been cleared under the provisions of  
30 this Part. Once a site has been cleared under the Louisiana Fishermen's Gear

1 Compensation and Underwater Obstruction Removal Program, the ~~assistant~~ secretary  
2 shall certify that the site of at least two hundred yards in diameter is free of  
3 obstructions, and future claims at a site so certified shall be denied. Whenever four  
4 or more claims are reported after a site has been certified as clear, the site shall be  
5 revisited and the new or leftover obstruction shall be located and, if the department  
6 determines it is feasible, removed.

7 \* \* \*

8 §101.14. Facilities reports; survey of obstruction; labeling

9 A. The ~~assistant~~ secretary shall prepare a detailed file of all structures and  
10 facilities located on state waterbottoms within the boundaries of the dedicated fund  
11 account. In developing the file, the secretary may require the owners and operators  
12 of state mineral leases and pipeline rights-of-way to furnish information relative to  
13 the location, description, and nature of facilities, both active and abandoned, on and  
14 beneath the state's waterbottoms.

15 B. The ~~assistant~~ secretary shall establish and classify all potential hazards to  
16 commercial fishing caused by oil and gas exploration, development, and production  
17 activities in Louisiana waters, including all obstructions on the bottom, throughout  
18 the water column, and on the surface.

19 \* \* \*

20 §103.1. Operators and producers to report to owners of unleased oil, gas or brine  
21 interests

22 A. Whenever there is included within a drilling unit, as authorized by the  
23 ~~commissioner of conservation~~ **secretary**, lands producing oil, gas, brine, or any  
24 combination thereof upon which the operator or producer has no valid oil, gas, or  
25 mineral lease, the operator or producer shall issue the following reports to the owners  
26 of the interests by a sworn, detailed, itemized statement:

27 \* \* \*

28 §121. State Mineral and Energy Board created; composition and powers

29 A. The State Mineral and Energy Board, as created by Act No. 93 of the 1936  
30 Regular Session of the Legislature, is hereby continued. The board shall be

1 composed of the governor and the ~~secretary~~ **undersecretary** of the Department of  
2 **Conservation and** Energy ~~and Natural Resources~~, ex officio, and nine members  
3 appointed by the governor. Each appointment by the governor shall be submitted to  
4 the Senate for confirmation. Six members shall constitute a quorum.

5 \* \* \*

6 C. The governor shall be ex officio chairman or may designate the board to  
7 elect its chairman to serve for two years. The board shall be a body corporate with  
8 power to sue and be sued. The domicile of the board shall be in Baton Rouge and it  
9 shall possess, in addition to the powers herein granted, all of the usual powers  
10 incident to corporations. If the governor serves as ex officio chairman, in case of a  
11 tie, the vote of the governor shall determine the issue. If the governor has designated  
12 the board to elect its chairman, the chairman may vote only once on any motion. The  
13 deputy secretary or the ~~undersecretary of the Department of Energy and Natural~~  
14 ~~Resources~~ **director of the office of state resources** may serve as a proxy member  
15 of the board in the absence of the ~~secretary~~ **undersecretary** with full authority to act  
16 for the ~~secretary~~ **undersecretary** as a member of the board.

17 D. The board shall administer the state's proprietary interest in minerals **and**  
18 **water resources** as herein provided. The governor may appoint to the board  
19 members engaged in the industry and related business activity which members and  
20 which board shall be subject to the provisions of R.S. 42:1101 through R.S. 42:1168.

21 \* \* \*

22 **§124.1. Confidential information**

23 **A. Information submitted to the board, the office of mineral resources,**  
24 **or the office of state resources as part of a bid or proposal for the right to**  
25 **explore, develop, or utilize public property may be deemed confidential and**  
26 **withheld from public disclosure by the board or office if disclosure of such**  
27 **information would be reasonably likely to:**

28 **(1) Reveal technical, operational, or financial details to be used in the bid**  
29 **or proposal; and**

30 **(2) Give any advantage to a competitor.**

**B. Unless otherwise exempt from public release in accordance with the Public Records Law, or as otherwise provided by regulations adopted pursuant to Subsection C of this Section, information withheld pursuant to this provision shall be subject to disclosure upon conclusion of the competitive evaluation process and a final board determination regarding bid or proposal.**

**C. The board, the office of mineral resources, or the office of state resources may promulgate rules or regulations establishing procedures for the submission, designation, handling, and protection of information designated as confidential pursuant to this Section.**

§125. Application for lease; fee

All proposals for mineral leases under this Subpart shall be submitted to and examined by the ~~assistant secretary of the office of mineral resources~~ who shall transmit them to the board for its action. All proposals shall be submitted by application as ~~provided herein in the form required by the office of mineral resources~~ **in the form required by the department**, giving the description of the land, including a map, and submission of six hundred dollars, payable to the office of mineral resources, to satisfy the cost of processing the application. The fee shall not be returned, even in the event of a bid.

\* \* \*

§127.1. Tertiary recovery incentive

\* \* \*

C. For purposes of this Section, a "qualified tertiary recovery project" is an enhanced crude oil recovery project utilizing one of the following methods:

\* \* \*

(10) Specific variations of any of the above listed general techniques, as determined in any particular case by the ~~assistant secretary of the office of conservation~~.

(11) Any other method approved by the ~~assistant secretary of the office of conservation~~ as constituting tertiary recovery within the contemplation of that term in the profession of petroleum engineering.

D. This Section shall apply to tertiary recovery activities on any reservoir that is no longer capable of producing by methods other than tertiary. It shall also apply to reservoirs which are still capable of producing by primary and secondary methods after an amount of production has been recovered during a tertiary recovery project equal to that which would have been recovered by utilizing primary and secondary methods, which amount shall be determined by the ~~assistant~~ secretary ~~of the office of conservation~~ at the hearing required under Subsection B of this Section.

\* \* \*

§129. Powers, duties, and authority of board; pooling agreements; operating units; fees

\* \* \*

B.(1)(a) "Operating unit" as herein used means that number of surface acres of land which, under regular or special rules of the ~~commissioner of conservation~~ secretary or other authority having control in the premises, or by agreement of the lessors, lessees, and mineral and royalty owners, may be pooled and unitized for development and operation as a unit. An agreement creating an operating unit may provide for cycling, recycling, pressure maintenance, or repressuring in fields productive of oil, gas, and gas from which condensate, distillate, or other product may be separated or extracted.

\* \* \*

§135. Secretary and other employees

The Department of Conservation and Energy ~~and Natural Resources~~, through the office of mineral resources, shall provide the necessary staff functions to assist the board in its leasing, supervisory, and other activities, and the ~~assistant~~ secretary, or his designee thereof shall serve as secretary to the board.

\* \* \*

§136.3. Mineral and Energy Operation Fund

\* \* \*

B. Out of the funds remaining in the Bond Security and Redemption Fund, after a sufficient amount is allocated from that fund to pay all obligations secured by

1 the full faith and credit of the state which become due and payable within any fiscal  
2 year as required by Article VII, Section 9(B) of the Constitution of Louisiana, the  
3 treasurer in each fiscal year shall pay into the fund revenues and amounts from the  
4 following sources:

5 (1) ~~An The amount equal to one million six hundred thousand dollars~~  
6 ~~received by the state through the office of mineral state resources from nonjudicial~~  
7 ~~settlements, including but not limited to settlements of disputes of royalty audit~~  
8 ~~findings, title disputes, and acreage conflicts, and court-awarded judgments and~~  
9 ~~settlements. For Fiscal Years 2021-2022 through 2024-2025, an additional amount~~  
10 ~~equal to nine hundred thousand dollars received by the state through the office of~~  
11 ~~mineral resources from nonjudicial settlements, including but not limited to~~  
12 ~~settlements of disputes of royalty audit findings, and court-awarded judgments and~~  
13 ~~settlements.~~

14 \* \* \*

15 (6) All revenue received from fees collected pursuant to activities and  
16 authorities identified at R.S. 36:358(E)(3).

17 (7) All revenue, income, fees, or other collections collected by or on  
18 behalf of the Capital Area Groundwater Conservation District (R.S. 38:3087 et  
19 seq.). The department shall maintain separate accounting of such revenues for  
20 auditing and reporting purposes.

21 C. Monies in the fund shall be invested by the state treasurer in the same  
22 manner as monies in the state general fund. At the request of the Natural  
23 Resources Trust Authority, the state treasurer may invest monies in the fund,  
24 or any portion thereof, in accordance with the provisions of R.S. 33:2955,  
25 including the use of the Louisiana Asset Management Pool. Interest earned on  
26 investment of monies in the fund shall be credited to the ~~state general~~ fund.

27 D. The monies in the fund shall be appropriated by the legislature to the  
28 Department of Conservation and Energy and Natural Resources to be used solely  
29 for the administration and regulation of minerals, ground water, and related  
30 conservation and energy activities. ~~Additionally, monies~~ Monies deposited into the

fund pursuant to Paragraph (B)(5) of this Section shall be used solely for the administration and regulation of solar power generation facilities. Monies deposited into the fund pursuant to Paragraph (B)(7) of this Section shall be used solely for the administration, regulation, enforcement, and oversight of groundwater resources and related activities within the geographical boundaries served by the Capital Area Groundwater Conservation District. These monies shall not be used for any purpose outside of that jurisdiction.

\* \* \*

§143. Transfer of solid mineral leases; approval by board

\* \* \*

D.(1)

\* \* \*

(2) In advance of any the hearing, the secretary of the Department of Conservation and Energy and ~~Natural Resources~~ shall have the same powers as are conferred ~~upon the commissioner of conservation~~ by R.S. 30:909 to investigate, receive written statements, administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda, contracts, agreements, or other records or documents, and any party to the hearing shall have the right to take the testimony of any witness and to compel any witness to appear and depose and to produce books, papers, correspondence, memoranda, contracts and agreements, or other records or documents, on the same terms as are contained in R.S. 30:909.

(3) Except as otherwise provided herein, the hearing required hereby shall be conducted in accordance with and pursuant to the provisions of Chapter 13 of Title 49 of the Louisiana Revised Statutes of 1950 and such regulations as the secretary of the Department of ~~Resources~~ Conservation and Energy may issue hereunder.

\* \* \*

§148.8. Oil, gas, and mineral rights not affected; exceptions

Nothing in this Subpart is intended to authorize the leasing of lands or bodies of lakes, bays or coves, sea, arms of the sea, or other navigable waters and beds thereof for the exploration and development of same for the production of oil, gas,

1 sulphur, or other minerals, provided, however, such absence of authorization shall  
2 not be construed as prohibiting drilling for the purpose of injection, storage, or  
3 withdrawal of any stored oil, natural gas, liquid hydrocarbons, or carbon dioxide into  
4 or from any underground reservoirs or salt dome caverns, or the drilling of wells for  
5 the purpose of making caverns in salt domes covered by any lease granted pursuant  
6 to the provisions of this Subpart. Such absence of authorization shall not be  
7 construed to prohibit the production of any oil, natural gas, or liquid hydrocarbons  
8 which may remain in a partially depleted underground reservoir determined by the  
9 ~~commissioner of conservation of the state of Louisiana~~ secretary of the  
10 Department of Conservation and Energy to be suitable for use as an underground  
11 storage reservoir in accordance with the provisions of this Title.

12 §148.9. Oil; natural gas; liquid hydrocarbons; carbon dioxide; lease for underground  
13 storage

14 A. Any lease for the underground storage of oil, natural gas, liquid  
15 hydrocarbons, or carbon dioxide granted pursuant to the provisions of this Subpart  
16 shall be granted conditionally and shall not be final until the following conditions are  
17 met:

18 (1) Lessee shall request a public hearing with the ~~commissioner of~~  
19 ~~conservation~~ secretary within sixty days after the conditional award of such lease.

20 (2) After the public hearing is held, the lessee shall obtain an order from the  
21 ~~commissioner of conservation~~ secretary finding that the proposed project is in the  
22 public interest.

23 \* \* \*

24 §153. Agencies may lease or administer through State Mineral and Energy Board

25 A. Any agency may by resolution direct the State Mineral and Energy Board  
26 to lease or otherwise contract for the exploration, development, or use of its land  
27 ~~in the manner provided in Subpart A of this Part.~~ The bonus money, if any, received  
28 ~~for the lease~~ pursuant to any such contract shall be transmitted by the State  
29 Mineral and Energy Board to the agency. After the execution of the original ~~lease~~  
30 contract, all rights and authority in connection therewith shall be vested in the

1 agency to the same extent as if the agency had itself ~~leased the land~~ **administered**  
2 **and executed the contract.**

3 B. Upon request, the State Mineral and Energy Board may administer and  
4 manage the leases **and other contracts** of any levee district, state university, state  
5 college, state penal or charitable institution, or agency, unit, or institution of the  
6 state. If the State Mineral and Energy Board agrees to administer and manage such  
7 ~~leases~~ **contracts**, the parties shall enter into a cooperative endeavor agreement to  
8 accomplish this purpose.

9 \* \* \*

10 §172. Lessees may construct breakwaters, etc.

11 Any person holding or acquiring a lease from the state for the development  
12 and production of minerals from lands including water bottoms belonging to the  
13 state, shall be authorized, in the conduct of the operations under the lease, to build,  
14 install and exclusively control, upon the shores, banks or water bottoms covered by  
15 the lease, breakwaters, platforms, fills, islands, (through excavation, pumping  
16 process or otherwise) and other constructions and facilities that he may find  
17 necessary or convenient for the exploitation, production, storing, treating, processing,  
18 refining, conveying, transporting and marketing of minerals produced under such  
19 lease and under leases covering other lands in the vicinity. Should any island or fill  
20 be made within navigable waters, a permit shall first be secured from the Register  
21 of the State Land Office and approved by the ~~commissioner of conservation~~  
22 **secretary.**

23 \* \* \*

24 §209. State Mineral and Energy Board; authority

25 In order to carry out the provisions of R.S. 30:208, the State Mineral and  
26 Energy Board may:

27 \* \* \*

28 (4)(a)

29 \* \* \*

30 (e) Upon a two-thirds vote of the members of the State Mineral and Energy

Board and after notification to the governing authority of the affected parish, which may be made by electronic mail to the parish president, police jury president, or mayor-president, depending on the form of parish government, and a public hearing conducted by a hearing officer appointed by the ~~assistant~~ secretary for the office of mineral resources in each affected parish pursuant to R.S. 30:6, enter into operating agreements whereby the state receives a share of revenues from the storage of oil, natural gas, liquid or liquefied hydrocarbons, or carbon dioxide, in whole or in part, as may be agreed upon by the parties, and assumes all or a portion of the risk of the cost of the activity in those situations where the board determines it is in the best interest of the state either in equity or in the promotion of conservation to do so, such as but not limited to the following illustrations:

\* \* \*

**(6) Notwithstanding any other provision of law to the contrary, the State Mineral and Energy Board is hereby authorized to enter into operating agreements for the usus or fructus of state resources under the department's jurisdiction, or other arrangements to fulfill the purposes and functions of the office of state resources pursuant to R.S. 36:358(E), and to adopt, promulgate, amend, or repeal all rules and regulations necessary to implement, administer, and enforce any such agreements.**

§209.1. Acquisition of ~~geological~~ information **and data**

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

1 as owner in its own right or licensee, information and data acquired or  
2 processed from geological and geophysical surveys or other operations  
3 conducted on any lands, whether public or private, for evaluation,  
4 administration, and development of the mineral resources of state-owned  
5 properties.

6 B.(1) Information and data acquired as authorized by Subsection A of this  
7 Section shall be confidential for all purposes consistent with the terms of acquisition  
8 and shall be made available only to the State Mineral and Energy Board, and the  
9 ~~commissioner of conservation~~ secretary at the sole discretion of the board, who shall  
10 keep such information and data confidential and may use such information and data  
11 only in the lawful, official administration and development of publicly owned lands.  
12 Whoever knowingly and willfully violates the provisions of this Subsection shall be  
13 punished by the penalties provided by R.S. 30:213(B).

14 \* \* \*

15 §413. Certified emergencies; suspension of act

16 A. Whenever there is a compulsory reallocation or curtailment of natural gas  
17 resulting in a failure to supply natural gas in Louisiana pursuant to a contract, the  
18 ~~assistant~~ secretary, on call of the governor, shall hold a public hearing for the  
19 purpose of determining whether, as a result of extreme shortages of natural gas an  
20 emergency condition exists within a locality, municipality, parish or region of the  
21 state or elsewhere within the United States.

22 B. In the event that such an emergency is determined to exist, the ~~assistant~~  
23 secretary shall certify such fact to the governor, who shall immediately thereafter  
24 issue an official order to that effect.

25 \* \* \*

26 §414. Reallocation hearings; powers and duties of the ~~assistant~~ secretary; reports to  
27 the governor

28 A. Whenever there has been a failure to supply natural gas as a result of  
29 compulsory reallocation or curtailment procedures other than as provided for at R.S.  
30 30:571 and R.S. 30:413, the ~~assistant~~ secretary shall call a public hearing pursuant

to the Louisiana Administrative Procedure Act for the purpose of determining the reasons for the compulsory action, the sustained and impending harm to the health, safety and welfare of the citizens of the state as a result of the compulsory action, and the beneficiaries of the natural gas otherwise made available as a result of the compulsory action.

\* \* \*

§502. Declaration of energy emergency; purpose of Chapter

\* \* \*

D. Notwithstanding anything herein to the contrary, this Chapter shall not apply to natural gas, not to exceed twenty five million cubic feet per day, owned or purchased by a person at or near the field where produced and transported by the purchaser through his own pipeline solely for his own consumption or to gas acquired, through an exchange of any portion of such gas, solely for his own consumption; provided that such gas may be made subject to the provisions of Part IV of this Chapter in cases where the ~~commissioner~~ **secretary** finds that an extreme emergency exists impairing gas otherwise required for the priorities set forth in R.S. 30:572(1)(a), (b), (c), (d), and (e) which cannot be substantially otherwise provided for.

\* \* \*

§503. Definitions

As used in this Chapter, the following words and phrases have the meaning ascribed to them in this Section except as otherwise provided in this Chapter or unless a different meaning is plainly required by the context:

(1) "~~Assistant secretary~~ **Secretary**" means the ~~assistant secretary of the office of conservation~~ of the Department of **Conservation and** Energy ~~and Natural Resources~~.

(2) "Commissioner" means the ~~commissioner of conservation of the state of Louisiana~~ **secretary of the Department of Conservation and Energy**.

\* \* \*

(4) "Excess capacity" of intrastate gas pipelines is defined as that part of the

1 capability of a pipeline system to transport intrastate natural gas from point to point  
2 along its line in excess of the immediate needs of the pipeline company or its  
3 subsidiaries or its parent or the subsidiary companies of its parent. In determining  
4 excess capacity, the ~~commissioner~~ secretary may disregard existing contracts for the  
5 transportation or sale of intrastate natural gas not then being performed or fulfilled.  
6 Excess capacity of intrastate pipelines may also be created as a result of intrastate  
7 natural gas delivery curtailment orders of the ~~commissioner~~ secretary in the  
8 implementation of the allocation, rationing and conservation measures governing the  
9 end-use of intrastate natural gas provided for in this Chapter.

10 \* \* \*

11 (6) "Intrastate natural gas" is defined as that gas produced, transported, and  
12 utilized wholly within the state of Louisiana, through the use of intrastate pipelines  
13 or of interstate pipelines where such use of interstate pipelines is or may hereafter  
14 be exempt from the control of the Federal ~~Power~~ Energy Regulatory Commission  
15 under the Natural Gas Act and/or rules and regulations promulgated by the Federal  
16 Power Commission thereunder; and gas, wherever produced, which is or may be  
17 transported into this state and delivered to an intrastate pipeline in this state to be  
18 used or consumed wholly within this state.

19 \* \* \*

20 (8) "Intrastate pipeline" is defined as a pipeline which is located and operated  
21 ~~wholly within~~ in the state of Louisiana and is or may hereafter be exempt from  
22 the control of the Federal Energy Regulatory Commission ~~for the transportation~~  
23 ~~of intrastate natural gas within the state of Louisiana, which does not extend beyond~~  
24 ~~the boundaries of the state of Louisiana, and which is not merely a local branch of~~  
25 ~~an interstate pipeline system.~~

26 \* \* \*

27 §504. ~~Division of Natural Resources~~ Department of Conservation and Energy;  
28 powers of the secretary

29 ~~A. The commissioner~~ secretary ~~shall establish in~~ of the State Department of  
30 Conservation and Energy ~~a Division of Natural Resources and Energy through~~

1        ~~which he~~ shall administer, enforce and carry out the powers, duties and functions  
2        transferred to him by Part II of this Chapter or otherwise vested in him by this  
3        Chapter.

4                ~~B. All of the funds, property and other things, and persons and functions~~  
5        ~~merged, consolidated and transferred by the provisions of Part II of this Chapter to~~  
6        ~~the commissioner and/or the State Department of Conservation shall be in the~~  
7        ~~Division of Natural Resources and Energy.~~

8        §521. Merger and consolidation of agencies or functions

9                A. In order to merge and consolidate into one agency, under authority of  
10       Section 32 of Article III of the Constitution of 1921, certain executive and  
11       administrative offices, boards, commissions and agencies of the state of Louisiana  
12       whose duties and functions are of a similar nature or character, the following named  
13       offices, boards, commissions and agencies are merged and consolidated into the  
14       State Department of Conservation **and Energy**:

15                                \*           \*           \*

16                C. Except as otherwise provided herein, on and after April 1, 1974, the  
17       ~~commissioner~~ **secretary** shall exercise those functions of the state, authorized by the  
18       state, or now or hereafter authorized by the constitution and laws to be exercised  
19       which relate to the administration, management and operation of the functions,  
20       programs and facilities of the offices, boards, commissions, and agencies hereby  
21       merged and consolidated, as well as the functions, powers, and duties transferred to  
22       the ~~commissioner~~ **secretary** by Subsection B of this Section.

23                                \*           \*           \*

24        §524. ~~Commissioner~~ **Secretary** or merged agencies as agency of state for accepting  
25                                and expending federal funds and carrying out purposes of federal  
26                                laws

27                The ~~commissioner~~ **secretary** is designated as the sole agency of the state for  
28       accepting, administering and expending any and all federal funds awarded or  
29       allocated to the state of Louisiana for any purpose covered by any provision of this  
30       Chapter and for carrying out the purposes of any federal law concerning any matter

covered by the provisions of this Chapter; however, each of said agencies shall remain in existence as agencies within the ~~Division of Natural Resources and Energy~~ of the Department of Conservation **and Energy** and to the full extent required by any federal law or regulation shall serve as the agency of the state to accept federal funds and administer them in connection with their programs and functions as provided by law prior to this merger and consolidation.

§525. Transfer of employees

All employees heretofore engaged in the performance of duties in any agency in the exercise of functions transferred by this Part to the ~~commissioner~~ **secretary** shall be transferred with such functions to ~~State~~ Department of Conservation **and Energy** to the full extent necessary to carry out the purposes of this Chapter and shall, so far as practicable and necessary, continue to perform the duties heretofore performed, subject to the state civil service laws and regulations and the laws and regulations governing the state employees retirement system.

§541. General power; ~~assistant~~ secretary, requirements

To accomplish the purposes of this Chapter, the ~~assistant~~ secretary is authorized to:

\* \* \*

(2) Contract, upon such terms as he may agree upon, for legal, financial, engineering, and other professional services necessary or expedient in the conduct of the affairs of the ~~office of conservation~~ **department** under the provisions of this Chapter; however, counsel retained by the ~~assistant~~ secretary to represent the interests of the state before the congress and the federal energy agencies and to advise the ~~assistant~~ secretary regarding the same shall not be deemed to be a public employee within the meaning of Chapter 15 of Title 42 of the Louisiana Revised Statutes of 1950.

\* \* \*

§544. Violation; penalties, civil and criminal

A.(1) Any person who shall be determined by the ~~assistant~~ secretary, after notice and an opportunity for a hearing, to have violated any provision of this

Chapter or any rule, regulation, or order promulgated or issued under this Chapter shall be liable to the ~~office of conservation~~ **department** for a civil penalty not to exceed two hundred thousand dollars for each violation for each day that the violation persists, except that the maximum civil penalty shall not exceed two million dollars for any related series of violations.

(2) The amount of the penalty shall be assessed by the ~~assistant~~ secretary by written notice.

(3) In determining the amount of the penalty, the ~~assistant~~ secretary shall consider the nature, circumstances, and gravity of the violation and, with respect to the person found to have committed the violation, the degree of culpability, any history of prior violations, the effect on ability to continue to do business, any good faith in attempting to achieve compliance, ability to pay the penalty, and such other matters as justice may require.

B. The legal counsel employed or retained by the ~~assistant~~ secretary may recover the assessed civil penalty by bringing action against the person so assessed in the court having jurisdiction. The ~~assistant~~ secretary may compromise the civil penalty.

\* \* \*

§546. General powers to control natural resources and energy

A. The ~~assistant secretary of the office of conservation~~ of the Department of **Conservation and** Energy and Natural Resources shall have the powers and duties of:

\* \* \*

(5) Adopting and promulgating rules and regulations requiring the users or end users of hydrocarbons or hydrocarbon products to register with the ~~assistant~~ secretary and report on the use or end use of hydrocarbons or hydrocarbon products in the processing, production, or manufacture of commodities, goods, or services.

\* \* \*

B. The ~~commissioner~~ **secretary** shall have and exercise all necessary power and authority to supervise, govern, regulate and control the production,

1 transportation, distribution, storage, sale, use and end-use of intrastate natural gas,  
2 including the power and authority to supervise, govern, regulate and control  
3 intrastate natural gas transporters and all aspects of sales of intrastate natural gas  
4 including direct sales to industrial users for fuel or for other uses; provided, however,  
5 the ~~commissioner~~ secretary shall have no authority to regulate the sale prices of  
6 intrastate natural gas except as authorized by the provisions of this Chapter with  
7 respect to prices on reallocated gas and prices under contracts executed after the  
8 effective date of this Chapter.

9 C. The ~~commissioner~~ secretary is empowered to take such actions, and  
10 promulgate such rules, regulations, and orders, as necessary to provide for the  
11 enforcement of the laws of the United States and regulations of appropriate federal  
12 agencies to the extent such enforcement, power, authority and responsibility is  
13 delegated to the state, for the mandatory allocation or rationing of natural gas, crude  
14 oil, residual fuel oil, refined petroleum products and other fuels.

15 \* \* \*

16 §548. Exercise of powers

17 The ~~assistant~~ secretary of conservation shall exercise his powers so as to  
18 provide, under the priorities hereinafter set forth, to the maximum extent practicable,  
19 for:

20 \* \* \*

21 §551. Regulatory designation

22 A. Pursuant to Section 2(A) of Article IX of the Louisiana Constitution of  
23 1974, the ~~assistant~~ secretary shall be the authority to regulate natural gas and natural  
24 gas transporters and distribution companies as provided in this Chapter; provided,  
25 however, that the Louisiana Public Service Commission shall remain the authority  
26 to regulate the sale of natural gas moving by pipeline to local distributing systems  
27 for resale, and shall regulate resales by those distributing companies, for the  
28 purposes of fixing and regulating the rates and services charged and rendered by  
29 public utilities in such sale; except that those distribution companies or systems  
30 owned or operated by the governing authority of one or more political subdivisions

1 or subject to regulation in accordance with the provisions of a home rule charter or  
2 plan of government shall be regulated, except as provided in Subsection B, hereof,  
3 by the owning or operating governing authority or as provided by such home rule  
4 charter or plan of government.

5 B. Notwithstanding the provisions of Subsection A of this Section, the  
6 ~~assistant~~ secretary shall be the authority to regulate persons engaged in the  
7 transportation of gas or who own or operate intrastate pipeline facilities for the  
8 transportation of gas. The ~~assistant~~ secretary shall establish by regulation minimum  
9 safety standards for pipeline facilities and the transportation of gas, and those  
10 regulations shall be consistent with the rules and regulations authorized by 49 U.S.C.  
11 60101 et seq.

12 C. The assistant secretary, as permitted by 49 U.S.C. 60105, may certify  
13 annually to the United States Department of Transportation that the state, through the  
14 ~~office of conservation~~ **Department of Conservation and Energy**, has regulatory  
15 jurisdiction over the safety standards and practices of intrastate pipelines and  
16 liquefied natural gas facilities not otherwise regulated by the Federal Energy  
17 Regulatory Commission and the transportation of gas and liquefied natural gas  
18 associated with those facilities.

19 D. Except as provided in 49 U.S.C. 60104(c), nothing in this Section  
20 authorizes the ~~assistant~~ secretary to adopt or enforce safety standards for interstate  
21 gas pipeline facilities or the transportation of gas associated with those facilities.

22 E. The ~~commissioner of conservation~~ **secretary**, as permitted by 49 U.S.C.  
23 60101, et seq., may certify annually to the United States Department of  
24 Transportation that the state, through the ~~office of conservation~~ **Department of**  
25 **Conservation and Energy**, has regulatory jurisdiction over the safety standards and  
26 practices of intrastate underground gas storage facilities not otherwise regulated by  
27 the Federal Energy Regulatory Commission and the transportation of gas and the  
28 storage of gas at those facilities. The ~~commissioner of conservation~~ **secretary**, as  
29 permitted by 49 U.S.C. 60101 et seq., may enter into an agency relationship with the  
30 United States Department of Transportation to enforce compliance with safety

standards with respect to interstate gas storage facilities or the transportation of gas associated with those facilities.

\* \* \*

§557. Construction and operation of pipelines by ~~commissioner~~ secretary

A. The ~~commissioner~~ secretary shall be empowered to plan, finance, construct in accordance with the provisions of R.S. 38:2211, develop, acquire, maintain and operate a pipeline system or systems, inclusive of pipelines, pumps, storage and all facilities, structures and properties incidental and necessary or useful in the transportation, distribution and delivery of natural gas and hydrocarbons from any and all points of production to points of consumption or to the points of distribution for consumption, within or without the state of Louisiana, inclusive of a pipeline system within the offshore area under the jurisdiction of the state, to facilitate the production, transportation, distribution and delivery of natural gas and hydrocarbons, including gas and hydrocarbons received as royalties "in-kind" by private land or mineral owners, under private leases, and by the state, pursuant to mineral leases by the state, its agencies and political subdivisions, and gas and hydrocarbons acquired by purchase or otherwise by the state from private land or mineral owners.

B. In order to provide for the financing, construction, development, maintenance and operation of said pipeline systems, the ~~commissioner~~ secretary may lease or rent to others, after advertisement in accordance with the provisions of R.S. 30:142, the facilities constructed pursuant to the authority conferred herein, and all facilities, structures and properties necessary and incidental, to facilitate the production, transportation, distribution and delivery of natural gas and other hydrocarbons from point of production to point of consumption or to the point of distribution for consumption.

C. The ~~commissioner~~ secretary may borrow funds not to exceed \$50,000,000.00 fifty million dollars for implementation of the purposes of this Section and mortgage and pledge any lease or leases granted by, assigned or subleased by the ~~commissioner~~ secretary.

1           D. Anything herein to the contrary notwithstanding, the ~~commissioner~~  
2           secretary shall not exercise any of the rights or powers granted to him in  
3           Subsections A, B, and C of this Section, if private persons, firms, or corporations are  
4           performing the acts and services, or are constructing or have constructed the facilities  
5           to provide the services contemplated by this Section. Prior to exercising any of such  
6           rights or powers, the ~~commissioner~~ secretary shall publish in the official journal of  
7           the state a notice describing the acts, facilities, or services contemplated by the  
8           ~~commissioner~~ secretary, and any private persons, firms or corporations desiring to  
9           perform the acts or services or to construct the facilities to provide the services  
10          described in the notice, shall have a period of thirty days from the date of last  
11          publication of the notice within which to notify the ~~commissioner~~ secretary of their  
12          intention to perform the acts or services or to construct the facilities to provide the  
13          services described in the notice. In the absence of such notification by a private  
14          person, firm or corporation, or if such person, firm or corporation, having given  
15          notice of intention to perform the acts or services or to construct the facilities to  
16          provide the services contemplated by the ~~commissioner~~ secretary, fails to  
17          commence same within sixty days from the date of notification of the ~~commissioner~~  
18          secretary of such intention, the ~~commissioner~~ secretary may proceed to perform the  
19          acts, construct the facilities or provide the services originally contemplated.

20          E. In exercising the rights and powers granted to him in this Section, the  
21          ~~commissioner~~ secretary shall be vested with authority to:

22               (1) Acquire by expropriation any properties necessary or useful for the  
23               purposes of this Section, in accordance with the general expropriation laws of the  
24               state. The ~~commissioner~~ secretary shall not have the authority to expropriate  
25               mineral leases, gas supplies, gas reserves, oil refineries, minerals, mineral rights or  
26               pipelines used in connection therewith. No person shall be granted a suspensive  
27               appeal from any judgment rendered by a district court in any expropriation action  
28               filed by the ~~commissioner~~ secretary hereunder in which it is held that a requested  
29               expropriation be approved.

30                               \*           \*           \*

1 F. In the exercise of the powers, duties and functions granted to the  
2 ~~commissioner~~ secretary in Subsection A hereof, with respect to the production,  
3 transportation, distribution and delivery of natural gas and hydrocarbons received as  
4 royalties "in-kind" by private land or mineral owners under private leases and by the  
5 state pursuant to mineral leases by the state, its agencies and political subdivisions,  
6 the ~~commissioner~~ secretary shall allocate and/or ration all such natural gas and other  
7 hydrocarbons received as "in-kind" royalties in accordance with the priorities  
8 established in Paragraphs (a) through (i), inclusive, of R.S. 30:572 and,  
9 notwithstanding any other provisions of R.S. 30:572 or any other law to the contrary,  
10 the priorities established in said Paragraphs (a) through (i), without any change or  
11 modification thereof whatsoever, shall govern the allocation and/or rationing of  
12 natural gas and other hydrocarbons received as "in-kind" royalties unless the  
13 ~~commissioner~~ secretary determines such priority use is impractical under the  
14 circumstances.

15 G. Within 90 days after December 8, 1973, the ~~commissioner of conservation~~  
16 secretary shall promulgate a set of rules and regulations for intrastate pipeline  
17 safety, using as a guideline those rules and regulations authorized by 49 U.S.C.A.  
18 §1671 to 1684 inclusive as established by the United States Secretary of  
19 Transportation.

20 §558. Bond issue for pipeline

21 A. In order to finance capital improvements authorized by R.S. 30:557, the  
22 ~~commissioner~~ secretary shall have the power to borrow money not to exceed  
23 \$50,000,000.00 fifty million dollars and evidence the borrowing in the issuance and  
24 sale of bonds or other obligations of the State Department of Conservation and  
25 Energy, the principal and interest of which shall be payable solely out of revenues  
26 herein authorized to be dedicated and pledged for such payment.

27 B. The bonds or other obligations issued under authority of this Section shall  
28 be solely the obligations of the State Department of Conservation and Energy and  
29 shall recite on their face that they do not constitute obligations of the state of  
30 Louisiana or of any parish, municipality or other political subdivision of the state.

1 The bonds or other obligations shall be authorized and issued by written  
2 authorization of the ~~commissioner~~ secretary and shall be of such series, bear such  
3 date or dates, mature at such time or times, bear interest at such rate or rates, be in  
4 such form, either coupon or fully registered without coupons, carry such registration  
5 and exchangeability privileges, be payable in such medium of payment and at such  
6 place or places, be subject to such terms of redemption and be entitled to such  
7 priorities on the revenues authorized by this Section to be pledged for the payment  
8 of principal and interest of such bonds or other obligations as such written  
9 authorization may provide. The bonds and the coupons, if any, attached thereto shall  
10 be executed in the form and manner provided by the ~~commissioner's~~ secretary's  
11 written authorization.

12 \* \* \*

13 D. Any bonds or other obligations issued hereunder shall be payable from  
14 and be secured by the pledge of the revenues derived from the operation of the  
15 pipeline system or systems, as constructed, acquired, extended or improved with the  
16 proceeds of the bonds, subject only to prior payment of the reasonable and necessary  
17 expenses of operating and maintaining the system or systems. Any holder of the  
18 bonds or other obligations or of any of the coupons thereto attached may by  
19 appropriate legal action compel performance of all duties required of the  
20 ~~commissioner~~ secretary in order to enforce payment of the bonds when due. If any  
21 bonds or other obligations issued hereunder are permitted to go into default as to  
22 principal or interest, any court of competent jurisdiction may, pursuant to the  
23 application of the holder of the bonds or other obligations, appoint a receiver for the  
24 system or systems who shall operate the system or systems and collect and distribute  
25 the revenues thereof pursuant to the provisions and requirements of the  
26 ~~commissioner's~~ secretary's written authorization for the bonds.

27 If more than one series of bonds or other obligations is issued hereunder  
28 payable from the revenues of the system or systems, priority of lien on such revenues  
29 shall depend on the time of the delivery of the bonds or other obligations each series  
30 enjoying a lien prior and superior to that enjoyed by any series of bonds or other

1 obligations subsequently delivered, except that where provision is made in the  
2 proceedings authorizing any issue or series of bonds or other obligations for the  
3 issuance of additional bonds or other obligations in the future on a parity therewith  
4 pursuant to procedure or restrictions provided in such proceedings, additional bonds  
5 or other obligations may be issued in the future on a parity with such issue or series  
6 in the manner so provided in such proceedings.

7 \* \* \*

8 F. When the ~~commissioner~~ secretary has issued bonds and pledged the  
9 revenues of the pipeline system or systems for the payment thereof as herein  
10 provided, the ~~commissioner~~ secretary shall operate and maintain the system or  
11 systems and shall impose and collect fees and charges for the services furnished by  
12 the system or systems, including those furnished to the ~~State~~ Department of  
13 Conservation and Energy, in such amounts and at such rates as shall be fully  
14 sufficient at all times to (1) pay the expenses of operating and maintaining the  
15 system or systems, (2) provide a sinking fund sufficient to assure the prompt  
16 payment of principal of and interest on the bonds or other obligations as each falls  
17 due, (3) provide such reasonable fund for contingencies as may be required by the  
18 ~~commissioner's~~ secretary's written authorization for the bonds or other obligations,  
19 and (4) provide an adequate depreciation fund for repairs, extensions and  
20 improvements to the system or systems necessary to assure adequate and efficient  
21 service to the public. No board or commission other than the ~~commissioner~~  
22 secretary shall have authority to fix or supervise the making of such fees and  
23 charges, which shall be in amounts reasonably necessary for the purposes herein  
24 stated.

25 G. Any written authorization of the ~~commissioner~~ secretary authorizing the  
26 issuance of bonds or other obligations shall be published at least three times in ten  
27 days in a newspaper published in the city of Baton Rouge. For a period of thirty days  
28 from the date of the publication, any person in interest may contest the legality of the  
29 written authorization of the ~~commissioner~~ secretary and of the bonds or other  
30 obligations to be issued pursuant thereto and the provisions securing the bonds or

1 other obligations, including the validity of any lease or other contract pledged to the  
2 payment thereof. After the expiration of thirty days no one shall have any right of  
3 action to contest the validity of the bonds or other obligations, the validity of the  
4 security pledged to the payment thereof or the provisions of the written authorization  
5 pursuant to which the bonds or other obligations were issued, and all the bonds or  
6 other obligations and all proceedings relating thereto shall be conclusively presumed  
7 to be legal, and no court shall thereafter have authority to inquire into such matters.

8 H. The ~~commissioner~~ **secretary** may by written authorization authorize the  
9 issuance of bonds or other obligations for the purpose of refunding, extending and  
10 unifying the whole or any part of the principal, interest and redemption premiums  
11 on any outstanding bonds or other obligations issued under the authority of this  
12 Section. The refunding bonds or other obligations may either be sold and the  
13 proceeds applied to or deposited in escrow for the retirement of the outstanding  
14 bonds or other obligations, or may be delivered in exchange for the outstanding  
15 bonds or other obligations. The refunding bonds or other obligations shall be  
16 authorized in all respects as original bonds or other obligations are herein required  
17 to be authorized. The ~~commissioner~~ **secretary**, in authorizing the refunding bonds  
18 or other obligations, shall provide for the security of the bonds or other obligations,  
19 the sources from which the bonds or other obligations are to be paid and for the  
20 rights of the holders thereof in all respects as herein provided for other bonds or  
21 other obligations issued under the authority of this Section. The ~~commissioner~~  
22 **secretary** may also provide that the refunding bonds or other obligations shall have  
23 the same priority of lien on the revenues pledged for their payment as was enjoyed  
24 by the bonds or other obligations refunded.

25 §559. Registration and information required by the ~~assistant~~ secretary

26 A. The ~~assistant~~ secretary may prescribe rules and regulations requiring that  
27 all persons operating, managing, or otherwise administering natural gas transmission  
28 pipelines or natural gas transmission pipeline companies register with the ~~assistant~~  
29 secretary.

30 \* \* \*

1 C. Notwithstanding any other provision of this Chapter or any other law to  
2 the contrary, the ~~assistant~~ secretary may promulgate and enforce rules and  
3 regulations relative to natural gas transmission pipeline safety, including  
4 requirements for the performance of periodic hydrostatic pressure tests to confirm  
5 or revise maximum allowable operating pressures.

6 §560. Pipeline safety inspection fees

7 \* \* \*

8 B. There is hereby imposed upon all distributors of jurisdictional gas who  
9 own and operate any jurisdictional gas distribution system that comes under the  
10 supervision of the ~~assistant~~ secretary pursuant to R.S. 30:551(B) an annual safety and  
11 odorization inspection fee not to exceed one dollar per service line, or four hundred  
12 dollars per pipeline facility, whichever is greater. The ~~commissioner~~ **secretary** shall  
13 annually review the fee amount and may revise it in accordance with the  
14 Administrative Procedure Act.

15 C. There is hereby imposed upon all distributors of jurisdictional gas who  
16 own or operate any jurisdictional gas gathering or transmission system that comes  
17 under the supervision of the ~~assistant~~ secretary pursuant to R.S. 30:551(B) an annual  
18 safety inspection fee not to exceed forty-four dollars and eighty cents per mile of  
19 pipeline used in a jurisdictional gas pipeline system, or eight hundred dollars per  
20 pipeline facility, whichever is greater. The ~~commissioner~~ **secretary** shall annually  
21 review the fee amount and may revise it in accordance with the Administrative  
22 Procedure Act.

23 D. The annual inspection fees imposed by this Section are for the purpose of  
24 enforcing the natural gas pipeline safety standards and practice required by this  
25 Chapter and regulations promulgated thereunder. All fees collected by the  
26 ~~commissioner~~ **secretary** shall be reasonably related to the services provided and  
27 shall be used by the ~~office of conservation~~ **department** solely for the purposes of  
28 that program.

29 §561. Collection of inspection fees

30 A. The annual fees imposed by R.S. 30:560 shall be paid to the ~~office of~~

conservation **department** no later than January fifteenth of each year on forms to be prescribed by the ~~commissioner of conservation~~ **secretary**.

B. If any person fails to pay the fees imposed by R.S. 30:560, the ~~commissioner of conservation~~ **secretary** may proceed to enforce the collection thereof by utilizing the remedies and procedures set forth in Chapter 1 of this Subtitle, specifically including any authority to obtain and audit information and authority to impose interest and penalties.

C. All money received or collected by the ~~commissioner of conservation~~ **secretary** under R.S. 30:560 and this Section shall be deposited immediately upon receipt in the state treasury and shall be credited to the Oil and Gas Regulatory Dedicated Fund Account.

\* \* \*

### §571. Establishment, promulgation and implementation of plan

The governor of Louisiana shall have the authority pursuant to the police powers granted him by the constitution of this state, from time to time to declare a state of emergency as a result of extreme shortages of existing intrastate natural gas for human needs pursuant to Paragraphs (a) through (e) of Subsection (1) of R.S. 30:572. In connection therewith, as soon as practicable, the ~~commissioner~~ secretary shall establish and promulgate a plan for statewide emergency intrastate natural gas conservation, allocation or rationing, which shall be implemented and enforced by the ~~commissioner~~ secretary under controls and enforcement procedures hereinafter provided. The plan shall remain in effect as implemented and changed from time to time by the ~~commissioner~~ secretary, until the governor, by proclamation, shall declare that a state energy emergency no longer exists. The plan shall maintain, preserve and protect all vital services in the state depending upon intrastate natural gas and, to the extent deemed practicable by the ~~commissioner~~ secretary, shall provide for the curtailment of unnecessary and lesser priority uses of intrastate natural gas.

## §572. Priorities

The allocation or rationing and conservation program under the plan provided

for by this Part shall include the following:

(1) A priority system and plan to be implemented without delay, for conservation, allocation, and/or rationing of intrastate natural gas qualitatively and quantitatively among distributors and consumers. To the extent practicable, such priority allocation or rationing programs shall include, but not be limited to, measures to insure that available intrastate natural gas will be distributed on a priority basis to users within the state to avoid or minimize adverse impacts on the public health, welfare, and economic well-being of the state; provided, however, that unless the ~~assistant~~ secretary rules otherwise, in the event of a serious emergency and until hearings can be had as hereinafter provided for, the priorities of mandatory allocations and rationing shall, to the maximum extent practicable, be as follows:

\* \* \*

(f) Sixth priority shall be given to the preservation of an economically sound and competitive petroleum, petrochemical, and chemical industry, provided that, except in cases where the ~~commissioner~~ **secretary** finds that an extreme emergency exists and the above priority needs cannot be substantially otherwise provided for, those industries requiring the use of intrastate natural gas for plant protection, feedstock or process needs, and public utilities generating electricity for sale to consumers listed above under Paragraphs (a), (b), (c), (d), and (e), which own or have acquired at the wellhead their own source of intrastate natural gas supply or which acquires such gas supply or any portion thereof from a wholly owned subsidiary company and which are using such supply in the operation of their own facilities, shall, as long as they continue to use said gas for plant protection, feedstock or process needs, or for generating electricity for sale to consumers listed above under Paragraphs (a), (b), (c), (d), and (e), have and be recognized as possessing first priority, above all others, for use of said gas. Industrial companies not owning intrastate natural gas reserves for their own use for plant protection, feedstock or process needs shall be subject to curtailment first, and those companies owning intrastate natural gas reserves for their own use or which acquires such gas supply or any portion thereof from a wholly owned subsidiary company for such

1 purposes shall be subject to curtailment second; provided, further, that any person  
2 to whom those industries requiring the use of intrastate natural gas for plant  
3 protection, feedstock or process needs which own their own source of intrastate  
4 natural gas may have heretofore contracted to sell a portion of their own gas for plant  
5 protection, feedstock or process needs shall have a priority for the use of said gas for  
6 plant protection, feedstock or process needs equal to the priority accorded to their  
7 vendor by this Paragraph;

8 \* \* \*

9 (h) Subject to the priorities established in R.S. 30:572(1)(a) and (b), eighth  
10 priority shall be given to industrial plants, including electrical generating plants to  
11 the extent not provided for in Paragraph (e) above, having a present requirement for  
12 use of intrastate natural gas for boiler fuel not possessing present alternate fuel  
13 capabilities. Such plants may, however, be required by the ~~commissioner~~ secretary  
14 to convert to alternate fuels within a reasonable time, considering all pertinent  
15 circumstances, or suffer curtailment by order of the ~~commissioner~~ secretary of its  
16 use of intrastate natural gas. Provided that, if a plant shall have commenced  
17 reasonable preparations to so convert, it shall not be required to convert or suffer  
18 curtailment as a consequence thereof before July 1, 1975. The ~~commissioner~~  
19 secretary may require the industry affected to submit to him evidence as to why the  
20 industrial plant cannot convert to alternate fuels within the delay specified; and, if  
21 the user alleges otherwise, and if required by the ~~commissioner~~ secretary, why the  
22 industrial plant cannot be operated on a profitable basis with the use of alternate  
23 fuels.

24 The ~~commissioner~~ secretary may authorize the use of intrastate natural gas  
25 for use as boiler fuel if the industry demonstrates that it cannot convert to alternate  
26 fuel capability by reason of the fact that it is economically unfeasible, that the  
27 industrial plant would otherwise have to close, because it could not operate with a  
28 margin of profit considered reasonable in the particular industry, or that the cost of  
29 converting to alternate fuels is totally disproportionate to the existing investment in  
30 plant facilities. If the ~~commissioner~~ secretary determines that for those reasons the

1 industrial plant cannot reasonably be converted to the use of alternate fuel  
2 capabilities and remain in business, the ~~commissioner~~ **secretary** may, if he  
3 determines that intrastate natural gas is available for such use, grant to that industry  
4 a higher priority of use than is herein provided;

5 (i) Ninth priority shall be given to industrial plants, including electrical  
6 generating plants to the extent not provided for in Paragraphs (e) and (h) above,  
7 having a present requirement for boiler fuel use, in those instances where alternate  
8 fuel capabilities now exist, or may be installed with relatively minimal cost and  
9 delay. Industries possessing existing alternate fuel capabilities or, if the  
10 ~~commissioner~~ **secretary** determines that alternate fuel capability can be installed  
11 with relatively minimal cost or delay, may be curtailed in their gas supply by the  
12 ~~commissioner~~ **secretary**, and directed by the ~~commissioner~~ **secretary** to change  
13 from use of intrastate natural gas to use of alternate fuels within a limited time to be  
14 fixed by the ~~commissioner~~ **secretary** considering all pertinent circumstances. The  
15 ~~commissioner~~ **secretary** may, if he determines that intrastate natural gas is available  
16 for such use, and if the ~~commissioner~~ **secretary** determines that it is economically  
17 unfeasible to operate a plant with alternate fuels, grant to the plant a higher priority  
18 of use.

19 Notwithstanding any other provision of this Chapter or any other law to the  
20 contrary, the ~~commissioner~~ **secretary** shall have the authority to order the  
21 husbanding and storage of intrastate natural gas to the extent that he deems necessary  
22 to protect the public interest.

23 In the exercise of the powers, duties and functions granted to the  
24 ~~commissioner~~ **secretary** in this Chapter, with respect to the production,  
25 transportation, distribution and delivery of natural gas and hydrocarbons received as  
26 royalties "in-kind" by private land or mineral owners under private leases and by the  
27 state pursuant to mineral leases by the state, its agencies and political subdivisions,  
28 the ~~commissioner~~ **secretary** shall allocate and/or ration all such natural gas and other  
29 hydrocarbons received as "in-kind" royalties in accordance with the priorities  
30 established in Paragraphs (a) through (i), inclusive, of R.S. 30:572 and,

1 notwithstanding any other provisions of R.S. 30:572 or any other law to the contrary  
2 the priorities established in said Paragraphs (a) through (i), without any change or  
3 modification thereof whatsoever, shall govern the allocation and/or rationing of  
4 natural gas and other hydrocarbons received as "in-kind" royalties unless the  
5 ~~commissioner~~ secretary determines such priority in use is impractical under the  
6 circumstances.

7 \* \* \*

8 §603. Investigations by ~~commissioner~~ secretary; attendance of witnesses;  
9 depositions

10 A. The ~~commissioner~~ secretary may investigate any facts, conditions,  
11 practices, or matters which he may find necessary or proper in order to determine  
12 whether any person has violated or is about to violate any provision of this Part or  
13 any rule, regulation, or order thereunder, or to aid in the enforcement of the  
14 provisions of this Part or in prescribing rules or regulations hereunder, or in  
15 obtaining information to serve as a basis for recommending further legislation to the  
16 legislature. The ~~commissioner~~ secretary may permit any person to file with him a  
17 statement in writing, under oath or otherwise, as he shall determine, as to any or all  
18 facts and circumstances concerning a matter which may be the subject of  
19 investigation.

20 B. For the purpose of any investigation or any other proceeding under this  
21 Part, the ~~commissioner~~ secretary or any officer or employee of the ~~State~~ Department  
22 of Conservation and Energy designated by him is empowered to administer oaths  
23 and affirmations, subpoena witnesses, compel their attendance, take evidence, and  
24 require the production of any books, papers, correspondence, memoranda, contracts,  
25 agreements, or other records which the ~~commissioner~~ secretary finds relevant or  
26 material to the inquiry. Witnesses summoned by the ~~commissioner~~ secretary to  
27 appear before him shall be paid the same fees and mileage that are paid witnesses in  
28 the courts of the state.

29 C. In case of contumacy by, or refusal to obey a subpoena issued to, any  
30 person, the ~~commissioner~~ secretary may invoke the aid of any court of competent

1 jurisdiction in requiring the attendance and testimony of witnesses and the  
2 production of books, papers, correspondence, memoranda, contracts, agreements,  
3 and other records. Such court may issue an order requiring such person to appear  
4 before the ~~commissioner~~ secretary or officer or employee of the State Department  
5 of Conservation and Energy designated by the ~~commissioner~~ secretary, there to  
6 produce records, if so ordered, or to give testimony touching the matter under  
7 investigation or in question; and any failure to obey such order of the court may be  
8 punished by such court as a contempt thereof. All process in any such case may be  
9 served in the judicial district whereof such person is an inhabitant or wherever he  
10 may be found or may be doing business. Any person who willfully shall fail or refuse  
11 to attend and testify or to answer any lawful inquiry or to produce books, papers,  
12 correspondence, memoranda, contracts, agreements, or other records, if in his or its  
13 power so to do, in obedience to the subpoena of the ~~commissioner~~ secretary, shall  
14 be guilty of a misdemeanor and upon conviction shall be subject to a fine of not more  
15 than \$1,000 or to imprisonment for a term of not more than one year, or both.

16 D. The testimony of any witness may be taken at the instance of a party, in  
17 any proceeding or investigation pending before the ~~commissioner~~ secretary, by  
18 deposition at any time after the proceeding is at issue. The ~~commissioner~~ secretary  
19 may also order testimony to be taken by deposition in any proceeding or  
20 investigation pending before him at any stage of such proceeding or investigation.  
21 Such depositions may be taken before any person authorized to administer oaths not  
22 being of counsel or attorney to either of the parties, nor interested in the proceeding  
23 or investigation. Reasonable notice must first be given in writing by the party or his  
24 attorney proposing to take such deposition to the opposite party or his attorney of  
25 record, as either may be nearest, which notice shall state the name of the witness and  
26 the time and place of the taking of his deposition. Any person may be compelled to  
27 appear and depose, and to produce documentary evidence, in the same manner as  
28 witnesses may be compelled to appear and testify and produce documentary  
29 evidence before the ~~commissioner~~ secretary, as hereinbefore provided. Such  
30 testimony shall be reduced to writing by the person taking deposition, or under his

1 direction, and shall, after it has been reduced to writing, be subscribed by the  
2 deponent.

3 E. If a witness whose testimony may be desired to be taken by deposition be  
4 in a foreign country, the deposition may be taken before an officer or person  
5 designated by the ~~commissioner~~ secretary, or agreed upon by the parties by  
6 stipulation in writing to be filed with the ~~commissioner~~ secretary. All depositions  
7 must be promptly filed with the ~~commissioner~~ secretary.

8 \* \* \*

9 G. No person shall be excused from attending and testifying or from  
10 producing books, papers, correspondence, memoranda, contracts, agreements, or  
11 other records and documents before the ~~commissioner~~ secretary, or in obedience to  
12 the subpoena of the ~~commissioner~~ secretary or any officer or employee of the State  
13 Department of Conservation and Energy designated by him, or in any cause or  
14 proceeding instituted by the ~~commissioner~~ secretary, on the ground that the  
15 testimony or evidence, documentary or otherwise, required of him may tend to  
16 incriminate him or subject him to a penalty or forfeiture; but no individual shall be  
17 prosecuted or subject to any penalty or forfeiture for or on account of any  
18 transaction, matter, or thing concerning which he is compelled to testify or produce  
19 evidence, documentary or otherwise, after having claimed his privilege against  
20 self-incrimination, except that such individual so testifying shall not be exempt from  
21 prosecution and punishment for perjury committed in so testifying.

22 §604. Hearings; rules of procedure

23 A. Hearings under this Part may be held before the ~~commissioner~~ secretary,  
24 or any officer or employee of the State Department of Conservation and Energy  
25 designated by him, and appropriate records thereof shall be kept.

26 B. All hearings, investigations, and proceedings under this Part shall be  
27 governed by rules of practice and procedure to be adopted by the ~~commissioner~~  
28 secretary, and in the conduct thereof the technical rules of evidence need not be  
29 applied. No informality in any hearing, investigation, or proceeding or in the manner  
30 of taking testimony shall invalidate any order, decision, rule or regulation issued

under the authority of this Part.

\* \* \*

§681.1. Legislative findings

The Legislature of Louisiana hereby finds that:

\* \* \*

(5) Professional staffs at Louisiana State University have obtained a small grant from the federal Energy Research and Development Administration to begin studies to determine the location of commercial size reservoirs by utilizing the services of state geologists in the ~~State~~ Department of Conservation **and Energy** to examine and chart the massive numbers of well logs available.

\* \* \*

(8) By Act 16 of the 1973 Extraordinary Session, 1 the Louisiana Legislature created the Louisiana Energy Commission and included in its duties the authorization to undertake or contract for studies and research regarding alternate fuel resources for the state; that the ~~commissioner of conservation~~ **secretary**, by Act 16, is authorized to prepare all necessary studies on the sources of energy available to Louisiana and to conduct appropriate research in connection therewith; and that the ~~State~~ Department of Conservation **and Energy** is staffed and administratively capable of exercising this authority.

(9) This Act is intended to provide the framework and guidelines for the state, through the ~~State~~ Department of Conservation **and Energy**, to begin a concerted effort to exploit this potential geothermal and geopressure energy resource.

§681.2. Definitions

For the purpose of this Subpart:

\* \* \*

(2) the term "department" means the ~~State~~ Department of Conservation **and Energy** of the state of Louisiana; and

(3) the term "commissioner" means the ~~commissioner of conservation~~ **secretary of the Department of Conservation and Energy**.

\* \* \*

## 1 §702. Definitions

2 As used in this Part, the following words and phrases have the meanings  
3 hereinafter ascribed to them:

4 (1) "~~Assistant secretary~~ Secretary" means the ~~assistant~~ secretary of the ~~office~~  
5 ~~of conservation of the~~ Department of Conservation and Energy ~~and Natural~~  
6 ~~Resources~~.

7 (2) "Hazardous liquid" means:

8 \* \* \*

9 (b) Any substance or material which is in liquid state, excluding liquefied  
10 natural gas and hydro-carbons incidental thereto, when transported by pipeline  
11 facilities and which, as determined by the ~~assistant~~ secretary by rule or regulation in  
12 accordance with R.S. 49:950 et seq., may pose an unreasonable risk to life or  
13 property when transported by pipeline facilities.

14 \* \* \*

15 (5) "Pipeline facility" means and shall include, without limitation, new and  
16 existing pipe, right of way, and any equipment, facility, or building used or intended  
17 for use in the transportation of hazardous liquids; but, rights of way as used in this  
18 Chapter does not authorize the ~~assistant~~ secretary to prescribe the location or the  
19 routing of any pipeline facility.

20 \* \* \*

## 21 §703. Regulatory designation

22 A. The ~~assistant~~ secretary shall be the authority to regulate persons engaged  
23 in the transportation of hazardous liquids or who own or operate intrastate pipeline  
24 facilities for the transportation of hazardous liquids. The ~~assistant~~ secretary shall  
25 establish by regulation minimum safety standards for pipeline facilities and the  
26 transportation of hazardous liquids and shall be consistent with those rules and  
27 regulations authorized by 49 U.S.C. 60101 et seq.

28 B. The ~~assistant~~ secretary, as permitted by 49 U.S.C. 60101 et seq., may  
29 certify annually to the secretary of the United States Department of Transportation  
30 that the state, through the ~~office of conservation~~ Department of Conservation and

Energy, has regulatory jurisdiction over the safety standards and practice of intrastate pipeline facilities and the transportation of hazardous liquids associated with those facilities. The assistant secretary, as permitted by 49 U.S.C. 60101 et seq., may enter into an agency relationship with the United States Department of Transportation to enforce compliance with safety standards with respect to interstate pipeline facilities or the transportation of hazardous liquids associated with those facilities.

## §704. Administration and enforcement

\* \* \*

B. The ~~assistant~~ secretary may employ such officers, agents, employees, and professional personnel, including legal counsel, as he deems necessary for the performance of his powers and duties and prescribe the powers and duties and fix the compensation of such officers, employees, and professional personnel.

C. The legal counsel employed or retained by the ~~assistant~~ secretary, when authorized by the ~~assistant~~ secretary, shall be entitled to represent the state and the ~~assistant~~ secretary and to appear in the courts and before agencies of this state, the United States, and other states in order to carry out the purposes of this Part.

D. Whenever it appears to the ~~assistant~~ secretary that any person has engaged, is engaged, or is about to engage in any act or practice constituting a violation of this Part or of any regulation, rule, or order issued hereunder, the ~~assistant~~ secretary may bring an action in the court having jurisdiction, to enjoin such acts or practices and to enforce compliance with this Part or any rule, regulation, or order issued thereunder. Upon a proper showing a temporary restraining order or a preliminary or permanent injunction shall be granted without bond. The relief sought may include a mandatory injunction commanding any person to comply with this Part or any such regulation, rule, or order issued hereunder, and to make restitution of money received in violation of any such regulation, rule, or order. The ~~assistant~~ secretary may transmit such evidence as may be available concerning such acts or practice or concerning apparent violations to the district attorney having jurisdiction over same who, in his discretion, may institute appropriate criminal proceedings.

1 E. Upon application by any person engaged in the transportation of hazardous  
2 liquids or the operation of intrastate pipeline facilities, the ~~assistant~~ secretary shall,  
3 by order, after notice and opportunity for hearing and under such terms and  
4 conditions and to such extent as the ~~assistant~~ secretary may deem reasonable and  
5 proper, waive in whole or in part compliance with any standard established under  
6 this Part, if he determines that compliance with such standard works a substantial  
7 hardship on an owner or operator of pipeline facilities or is not in the public interest  
8 and a waiver of compliance with such standard is not inconsistent with pipeline  
9 safety, provided that such waiver shall not be effective until the requirements of 49  
10 U.S.C.A. Section 2001 et seq. relative to such a waiver have first been satisfied.

11 §705. Violation; penalties, civil and criminal

12 A.(1) Any person who shall be determined by the ~~assistant~~ secretary, after  
13 notice and an opportunity for a hearing, to have violated any provision of this Part  
14 or any final rule, final regulation promulgated or order issued under this Part shall  
15 be liable to the ~~office of conservation~~ **department** for a civil penalty not to exceed  
16 ten thousand dollars for each violation for each day that the violation persists except  
17 that the maximum civil penalty shall not exceed five hundred thousand dollars for  
18 any related series of violations.

19 (2) The amount of the penalty shall be assessed by the ~~assistant~~ secretary by  
20 written notice.

21 (3) In determining the amount of the penalty, the ~~assistant~~ secretary shall  
22 consider the nature, circumstances, and gravity of the violation; and, with respect to  
23 the person found to have committed the violation, the degree of culpability, any  
24 history of prior violations, the effect on ability to continue to do business, any good  
25 faith in attempting to achieve compliance, ability to pay the penalty, and such other  
26 matters as justice may require.

27 B. The legal counsel employed or retained by the ~~assistant~~ secretary may  
28 recover the assessed civil penalty by bringing action against the person so assessed  
29 in the court having jurisdiction. The ~~assistant~~ secretary may compromise the civil  
30 penalty.

\* \* \*

§706. Fees

In order to implement this Part, every person engaged in the transportation of hazardous liquids or who owns or operates intrastate pipeline facilities for the transportation of hazardous liquids shall be assessed an annual fee which shall not exceed forty-four dollars and eighty cents for each mile or fraction thereof of pipeline operated or eight hundred dollars per pipeline facility, whichever is greater.

The ~~commissioner~~ **secretary** shall annually review the fee amount and may revise it not to exceed forty-four dollars and eighty cents per mile in accordance with the Administrative Procedure Act. All fees collected by the ~~commissioner~~ **secretary** shall be reasonably related to the services provided and shall be used by the ~~office of conservation~~ **department** solely for the purposes of that program.

§707. Collection of fees

A. The annual fees imposed by R.S. 30:706 shall be paid to the ~~office of conservation~~ **department** no later than January fifteenth of each year on forms to be prescribed by the ~~commissioner of conservation~~ **secretary**. If any person fails to pay the fees imposed by this Part, the ~~commissioner of conservation~~ **secretary** may proceed to enforce the collection thereof by utilizing the remedies and procedures set forth in Chapter 1 of this Title, specifically including any authority to obtain and audit information and authority to impose interest and penalties.

B. All money received or collected by the ~~commissioner of conservation~~ **secretary** under R.S. 30:706 and this Section shall be deposited immediately upon receipt in the state treasury and shall be credited to the Oil and Gas Regulatory Dedicated Fund Account.

\* \* \*

§722. Application

A. Except as may otherwise be specifically provided by the constitution of this state, the provisions of Parts I, II and III of this Chapter, including the powers, duties and functions of the ~~assistant~~ secretary, shall apply to coal or lignite slurry transportation.

B. The ~~assistant~~ secretary shall promulgate regulations governing the licensing and operation of slurry pipelines in this state and shall implement procedures necessary for the orderly and efficient administration of this Part, including assessment of reasonable fees to cover the costs of administration.

### §723. Expropriation authority

A. Subject to the provisions of R.S. 19:8, coal or lignite slurry pipeline owners or operators otherwise licensed and permitted to operate in Louisiana by order of the ~~assistant~~ secretary shall possess the right of expropriation with authority to expropriate private property under the general state expropriation laws, and shall have the right to lay, maintain, and operate pipelines, together with telegraph and telephone lines necessary and incidental to the operation of these pipelines, over private property thus expropriated, and have the further right to lay, maintain, and operate pipelines along, across, over and under any navigable stream or public highway, street, bridge, or other public place, and also have the authority, under the right of expropriation herein conferred, to cross railroads, street railways, and other pipelines, by expropriating property necessary for the crossing under the general expropriation laws of this state. The right to run along, across, over, or under any public road, bridge or highway, as before provided for, may be exercised only upon condition that the traffic thereon is not interfered with, and that such road or highway is promptly restored to its former condition of usefulness, at the expense of the pipeline owner, the restoration to be subject also to the supervision and approval of the proper local authorities.

\* \* \*

F. Nothing in this Part or under the general expropriation laws of this state shall be construed as permitting the expropriation of water or water rights for use in transportation of coal by pipeline. No Louisiana water from any source shall be used in connection with the transportation, maintenance or operation of a coal slurry pipeline within the state, except water used for drinking, toilet, bath, or other personal uses, unless the ~~assistant~~ secretary shall have determined, after public hearing, that such use will not be detrimental to the water supply of the area from

1 which the water is sought to be extracted. In that event, nothing in this Part shall  
2 authorize expropriation of water or water rights.

3 In the event the ~~assistant~~ secretary shall have authorized use of water as  
4 provided herein, he shall annually thereafter, and so long as such use continues,  
5 review the use of such water in order to determine if such continued use will be  
6 detrimental to the water supply of the area from which the water is being extracted.  
7 Further, if the local governing body of the parish from which the water is being  
8 extracted shall make a formal motion to the ~~assistant~~ secretary suggesting that  
9 continued use of such water will be detrimental to the water supply of the area from  
10 which the water is being extracted, then in that event the ~~assistant~~ secretary shall  
11 immediately call a public hearing to determine whether such continued use will be  
12 detrimental to the water supply of such area.

13 \* \* \*

14 H. In the event the price for product or services is not regulated by a state or  
15 federal agency charged with that responsibility then when the owner or owners of  
16 any pipeline constructed pursuant to this act and deemed interstate in character shall  
17 enter into a contract to provide its product or service to any person, firm or  
18 corporation in the state of Louisiana, such contract shall provide for rates and  
19 charges for such product or service that are nondiscriminatory and offer no  
20 preference insofar as the said rates and charges for such product or service are  
21 determined and charged any other users of its product or service in any other state.  
22 The ~~assistant~~ secretary shall promulgate regulations to implement and enforce the  
23 provisions of this Subsection.

24 \* \* \*

25 §731. Definitions

26 As used in this Part, the following words and phrases shall have the meanings  
27 hereinafter ascribed to them:

28 (1) "~~Assistant secretary~~ **Secretary**" means the ~~assistant~~ secretary of the office  
29 ~~of conservation of the~~ Department of **Conservation and** Energy ~~and Natural~~  
30 ~~Resources~~.

\* \* \*

§732. Regulation of compressed natural gas

The ~~assistant~~ secretary shall have the authority to regulate all activities related to the safety of compressed natural gas and shall establish by regulation minimum safety standards for compressed natural gas compression and conversion equipment including the installation and operation of such equipment. For vehicles equipped for and capable of using liquefied petroleum gas, each vehicle shall first be inspected for safety of operation by an inspector of the Louisiana Liquefied Petroleum Gas Commission.

\* \* \*

§802. Regulation of exploration, drilling, production and subsurface disposal

Full regulatory authority over all geothermal exploration, drilling, development, and production as well as subsurface disposal of geothermal waters and/or waste is hereby vested in the ~~state~~ Department of Conservation **and Energy**. The provisions of the Louisiana Conservation Act R.S. 30:1, et seq., including particularly, but without limitation, R.S. 30:5 and R.S. 30:9 thereof, are hereby extended to all geothermal operations. The ~~commissioner of conservation~~ **secretary** is further authorized to promulgate such additional rules and regulations relating specifically to geothermal operations that are deemed by him to be needed in the interest of conservation if they are not inconsistent with the provisions of this Chapter. All geothermal operations shall be exempt from the provisions of R.S. 38:3091 et seq.

Any disposal of any kind or nature made pursuant to this Chapter into any navigable or nonnavigable streams or waters shall be done under the supervision of the Stream Control Commission of the state.

\* \* \*

§904. Definitions

\* \* \*

(2) "Approximate original contour" means that surface configuration achieved by backfilling and grading of the mined area so that the reclaimed area,

1 including any terracing or access roads, closely resembles the general surface  
2 configuration of the land prior to mining and blends into and complements the  
3 drainage pattern of the surrounding terrain, with all highwalls and spoil piles  
4 eliminated; water impoundments may be permitted where the ~~commissioner~~  
5 secretary determines that they are in compliance with R.S. 30:915(B)(8).

6 \* \* \*

7 (4) "Commissioner" means the ~~commissioner of conservation of the State of~~  
8 ~~Louisiana~~ secretary of the Department of Conservation and Energy, or such other  
9 person or persons who may from time to time be designated by the ~~commissioner~~  
10 secretary to administer and enforce the provisions of this Chapter.

11 \* \* \*

12 (7) "Development operations permit" means the certification by the  
13 ~~commissioner~~ secretary that the named person may conduct the development  
14 operations described in the certification during the term of the development  
15 operations permit and in the manner established in the certification.

16 \* \* \*

17 (9) "Exploration operations" means the drilling of test holes or core holes for  
18 the purpose of or related to the determining of the location, quantity or quality of a  
19 coal deposit under a permit to be issued by the ~~commissioner~~ secretary and any  
20 other coal exploration operations that will substantially disturb the surface and are  
21 not otherwise covered by this Act.

22 \* \* \*

23 (12) "Permit" means a permit to conduct surface coal mining and reclamation  
24 operations issued by the ~~commissioner~~ secretary, but does not include exploration  
25 and development permits.

26 \* \* \*

27 (20) "Secretary of natural resources" or "secretary" means the secretary of  
28 ~~natural resources of the Department of~~ Conservation and Energy ~~and Natural~~  
29 ~~Resources~~ of the state of Louisiana.

30 \* \* \*

§905. Jurisdiction and powers; rules and regulations

A. The Department of Conservation and Energy ~~and Natural Resources,~~  
~~office of conservation,~~ or such persons as may be designated by the ~~commissioner~~  
secretary, ~~is~~ are hereby designated as the official agency whose duty it is to  
administer the regulations and guidelines contained in this Chapter and to institute  
other reasonable regulations and guidelines, after notice and public hearing, as may  
become necessary pursuant to this Chapter to protect state and private lands from  
unreasonable degradation by any operator engaged in surface coal mining operations.  
Exclusive jurisdiction over all aspects of surface coal mining and reclamation shall  
be vested in the Department of Conservation and Energy ~~and Natural Resources,~~  
~~office of conservation.~~ The secretary of natural resources shall be responsible for the  
policies of the state relating to the development of the state's lignite reserves,  
including the transportation and utilization thereof, and shall formulate plans and  
shall advise the governor and the Legislature with respect to short and long term  
policies of the State concerning the development of the state's lignite reserves,  
including the transportation and utilization thereof, and the integration of the  
development of the state's lignite reserves into the development of the state's fuel  
sources. The secretary of the Department of Conservation and Energy ~~and Natural~~  
~~Resources in cooperation with the commissioner of conservation~~ shall establish, for  
the purpose of avoiding duplication, a process for coordinating the review and  
issuance of permits for surface coal mining and reclamation operations with any  
other federal or state permit process applicable to the proposed operations.

B. The authority shall be vested in the ~~commissioner~~ secretary, and such  
other persons as may be designated by the ~~commissioner~~ secretary, to administer  
and enforce the provisions of this Chapter, and the ~~commissioner~~ secretary shall  
seek the accomplishment of the purposes of this Chapter by all practicable and  
economically feasible methods and in so doing shall have the following duties and  
powers:

\* \* \*

(2) To adopt, amend, and issue rules and regulations in accordance with the

1 requirements of the Louisiana Administrative Procedure Act, except where the  
2 provisions of the Louisiana Administrative Procedure Act are in conflict with the  
3 provisions of this Chapter, in which case the provisions of this Chapter and the  
4 regulations issued by the ~~commissioner~~ secretary pursuant to this Chapter shall  
5 govern, pertaining to surface coal mining and reclamation operations consistent with  
6 the general intent and purposes of this Chapter, including regulations consistent with  
7 regulations issued by the secretary of the Interior pursuant to the Surface Mining  
8 Control and Reclamation Act, as amended as required for the state to assume and  
9 retain exclusive jurisdiction over the regulation of surface coal mining and  
10 reclamation operations pursuant to Section 503 of the Surface Mining Control and  
11 Reclamation Act, as amended. The ~~commissioner~~ secretary may issue regulations  
12 without public notice and hearing in the event regulations must be issued to ensure  
13 timely action by the state in the assumption or retention by the state of exclusive  
14 jurisdiction over the regulation of surface coal mining and reclamation operations  
15 pursuant to Section 503 of the Surface Mining Control and Reclamation Act, as  
16 amended.

17 \* \* \*

18 (8) To issue an order, ordering a cessation of surface coal mining and/or  
19 reclamation operations, or revoking the permit of an operator who has failed to  
20 comply with an order of the ~~commissioner~~ secretary to take any action required by  
21 this Chapter or rules and regulations issued pursuant to this Chapter. In the event the  
22 permit is revoked, the operator's performance bond or cash or collateral securities  
23 shall be forfeited if it is determined that this is necessary to reclaim the area of land  
24 affected by the operator's surface coal mining operation.

25 (9) To contract, upon terms as the ~~commissioner~~ secretary may agree upon,  
26 for legal, financial, engineering, and other professional services necessary to  
27 expedite the conduct of the affairs of the Department of **Conservation and** Energy  
28 ~~and Natural Resources, office of conservation,~~ under the provisions of this Act.

29 \* \* \*

30 C. A rule, regulation or order, or any amendment thereof, adopted by the

1           ~~commissioner~~ secretary may differ in its terms and provisions as between particular  
2           conditions, particular mining techniques, particular areas of the state or any other  
3           conditions that appear relevant and necessary so long as the action taken is consistent  
4           with the attainment of the general intent and purpose of this Chapter. In adopting  
5           rules, regulations and orders the ~~commissioner~~ secretary shall give due recognition  
6           to the fact that although certain surface coal mining and reclamation operations may  
7           cause a need for particular regulatory control in one area of the state, such control  
8           may not be necessary or desirable for another area of the state due to the unique  
9           characteristics of each type of surface mining and the various economic and  
10          environmental factors relating to same, and the ~~commissioner~~ secretary shall take  
11          into account, in this connection, all factors found by him to be proper and just,  
12          including the existing climatology, topography, vegetation and all other physical  
13          conditions, populations, mining and reclamation techniques, the economic and social  
14          impact of the proposed rule, regulation or order, and the fact that the rule, regulation  
15          or order and the degrees of conformance therewith which may be proper as to one  
16          area of the state may not be proper or practicable as to another area of the state.

17          §905.1. Abandoned mine reclamation; fund participation

18                 A. The ~~commissioner~~ secretary is authorized to take all action necessary to  
19          ensure Louisiana's participation to the fullest extent practicable in the abandoned  
20          mines reclamation fund established by the Surface Mining Control and Reclamation  
21          Act, 30 U.S.C. 1201 et seq., as amended, and ~~the office of conservation of the~~  
22          Department of **Conservation and** Energy and Natural Resources shall function as  
23          the state's agency for participation. Pursuant to the Surface Mining Control and  
24          Reclamation Act, 30 U.S.C. 1201 et seq., as amended, the ~~commissioner~~ secretary  
25          shall by rule establish priorities that meet the terms of the Surface Mining Control  
26          and Reclamation Act, 30 U.S.C. 1201 et seq., as amended, and applicable federal  
27          regulations for the expenditure of those funds; designate the land and water eligible  
28          for reclamation or abatement expenditures; submit reclamation plans, annual  
29          projects, and applications to the appropriate authorities; undertake emergency  
30          reclamation projects pursuant to the terms of the Surface Mining Control and

1 Reclamation Act, 30 U.S.C. 1201 et seq., as amended, and applicable federal  
2 regulations; and administer all money received for abandoned mine reclamation or  
3 related purposes.

4 B.(1)

5 \* \* \*

6 (2) After compliance with the requirements of Article VII, Section 9(B) of  
7 the Constitution of Louisiana relative to the Bond Security and Redemption Fund,  
8 and prior to monies being placed in the state general fund, an amount equal to that  
9 deposited as required by this Subsection shall be credited to the ~~office of~~  
10 ~~conservation~~ **department**.

11 \* \* \*

12 §905.3. Implementation of the plan

13 A.(1) If the ~~commissioner~~ **secretary**, after notice and hearing, makes a  
14 finding of fact that:

15 \* \* \*

16 B. The agents, employees, or contractors of the ~~office of conservation~~  
17 **department** shall have the right to enter upon any property for the purpose of  
18 conducting studies or exploratory work to determine the existence of adverse effects  
19 of past solid mineral development practices and to determine the feasibility of  
20 restoration, reclamation, abatement, control, or prevention of these adverse effects.  
21 This entry shall be construed as an exercise of the police power for the protection of  
22 public health, safety, and general welfare and shall not be construed as an act of  
23 condemnation of property nor trespass on it.

24 C. The state may acquire any land by purchase, donation, or condemnation  
25 which is adversely affected by past solid mineral development practices if the  
26 ~~commissioner~~ **secretary**, after notice and hearing, determines that acquisition of this  
27 land is necessary to successful reclamation and that:

28 \* \* \*

29 E.(1) Where land acquired under this Section is deemed to be suitable for  
30 industrial, commercial, residential, or recreational development the ~~office of~~

1       ~~conservation, in conjunction with the secretary of natural resources,~~ may sell this  
2       land by public sale under a system of competitive bidding, at not less than fair  
3       market value, and under such other regulations promulgated to insure that the land  
4       is put to proper use consistent with local and state land use plans.

5                               \*       \*       \*

6               F. The state through the ~~office of conservation~~ **Department of Conservation**  
7       **and Energy** and the secretary of natural resources may accept lands acquired and  
8       reclaimed by the secretary of the Interior pursuant to Section 407(h) of the Surface  
9       Mining Control and Reclamation Act as amended. In addition, the office may accept  
10      grants from the secretary to carry out the purposes of Section 407(h) of the Surface  
11      Mining Control and Reclamation Act as amended.

12                            \*       \*       \*

13      §906.1. Surface mining and reclamation fees

14              There is hereby imposed on all permittees under the supervision of the  
15      ~~assistant~~ secretary pursuant to Chapter 9 of this Subtitle, Surface Mining and  
16      Reclamation Act, an annual regulatory fee of eight cents per ton on all coal and  
17      lignite mined in this state and an annual reclamation fee of six dollars for each acre  
18      of land included within the approved mine permit area. The revenue received from  
19      these fees shall be used for the purpose of enforcing the Louisiana Surface Mining  
20      and Reclamation Act and regulations promulgated thereunder.

21                            \*       \*       \*

22      §907. Application requirements

23              A. Each application for a surface coal mining and reclamation permit  
24      pursuant to this Chapter shall be accompanied by a fee as determined by the  
25      ~~commissioner~~ **secretary**, with such fee not to exceed the actual or anticipated cost  
26      of reviewing, administering and enforcing such permit.

27              B. The permit application shall be submitted in a manner satisfactory to the  
28      ~~commissioner~~ **secretary** and shall contain, among other things:

29                            \*       \*       \*

30              (9) An accurate map or plan, to an appropriate scale, clearly showing the land

1 to be affected as of the date of the application, the area of land within the permit area  
2 upon which the applicant has the legal right to enter and commence surface mining  
3 operations and a statement of those documents upon which the applicant bases his  
4 legal right to enter and commence surface mining operations on the area affected,  
5 and whether that right is the subject of pending court litigation: Provided, that  
6 nothing in this Chapter shall be construed as vesting in the ~~commissioner~~ secretary  
7 the jurisdiction to adjudicate property title disputes.

8 \* \* \*

9 (11) A determination of the probable hydrologic consequences of the mining  
10 and reclamation operations both on and off the mine site with respect to the  
11 hydrologic regime, quantity and quality of water in surface and ground water  
12 systems including the dissolved and suspended solids under seasonal flow conditions  
13 and the collection of sufficient data for the mine site and surrounding areas so that  
14 an assessment can be made by the ~~commissioner~~ secretary of the probable  
15 cumulative impacts of all anticipated mining in the area upon the hydrology of the  
16 area and particularly upon water availability: Provided, however, that this  
17 determination shall not be required until such time as hydrologic information on the  
18 general area prior to mining is made available from an appropriate Federal or State  
19 agency: Provided further, that the permit shall not be approved until such  
20 information is available and is incorporated into the application.

21 (12) When requested by the ~~commissioner~~ secretary, the climatological  
22 factors that are peculiar to the locality of the land to be affected, including the  
23 average seasonal precipitation, the average direction and velocity of prevailing  
24 winds, and the seasonal temperature ranges.

25 (13) Accurate maps to an appropriate scale clearly showing:

26 \* \* \*

27 (b) All types of information set forth on topographical maps of the United  
28 States Geological Survey of a scale of 1:24,000 or 1:25,000 or larger, including all  
29 manmade features and significant known archeological sites existing on the date of  
30 application. Such a map or plan shall among other things specified by the

commissioner **secretary** show all boundaries of the land to be affected, the boundary lines and name of present owners of record of all surface areas abutting the permit areas, and the location of all buildings within one thousand feet of the permit area.

\* \* \*

(15) A statement of the result of test borings or core samplings from the permit area, including logs of the drill holes; the thickness of the coal seam found; an analysis of the chemical properties of such coal; the sulphur content of any coal seam; chemical analysis of potentially acid or toxic forming sections of the overburden; and chemical analysis of the stratum lying immediately underneath the coal to be mined, except that the provisions of this Paragraph (15) may be waived by the ~~commissioner~~ secretary with respect to the specific application by a written determination that such requirements are unnecessary.

\* \* \*

(17) A description of the nature of cultural, historical, and archaeological resources listed or eligible for listing on the National Register of Historic Places and known archaeological features within the proposed mine plan and adjacent areas. The description shall be based on all available information including but not limited to data of state and local archaeological, historical, and cultural preservation agencies. Each plan shall describe the measures to be used to prevent adverse impact to any publicly owned parks or any places listed on the National Register of Historic Places that may be adversely affected by the proposed operation. However, if joint agency approval is to be obtained or if there are valid existing rights in the public parks or historic places, the plan shall describe the measures to be used to minimize adverse impact to such public parks or historic places. ~~The office of conservation~~ **department** may require the applicant to protect historic or archaeological properties listed on or eligible for listing on the National Register of Historic Places through appropriate mitigation and treatment measures. At the time of its issuance, a surface mining permit may require that appropriate mitigation and treatment be required to be taken after permit issuance, provided that the required measures are completed before the properties are affected by any mining operation.

1 (18) A description of fish and wildlife resource information for the permit  
2 area and adjacent area. The scope and level of detail for such information shall be  
3 determined by the ~~office of conservation~~ **department** in consultation with state and  
4 federal agencies with responsibilities for fish and wildlife. Site specific resource  
5 information necessary to address the respective species or habitats shall be required  
6 when the permit area or adjacent area is likely to include listed or proposed  
7 endangered or threatened species of plants or animals or their critical habitats listed  
8 by the secretary of the Interior under the Endangered Species Act (16 U.S.C. 1531  
9 et seq.), or those species or habitats protected by state statutes, habitats of unusually  
10 high value for fish and wildlife such as important streams, wetlands, riparian areas,  
11 cliffs supporting raptors, areas offering special shelter or protection, migration  
12 routes, or reproduction and wintering areas, or other species or habitats identified  
13 through agency consultation as requiring special protection under state or federal  
14 law.

15 \* \* \*

16 C.(1) If the ~~commissioner~~ **secretary** finds that the probable total annual  
17 production at all locations of any coal surface mining operator will not exceed three  
18 hundred thousand tons, the determination of probable hydrologic consequences,  
19 including the engineering analyses and designs necessary for the determination,  
20 required by Paragraph (B)(11) of this Section, cross-section maps and plans required  
21 by Paragraph (B)(14) of this Section, the drilling and statement of the result of test  
22 borings or core samplings required by Paragraph (B)(15) of this Section, the  
23 collection of archaeological and historical information and related plans required by  
24 Paragraph (B)(17) of this Section, the collection of site-specific resources  
25 information required by Paragraph (B)(18) of this Section, the production of  
26 protection and enhancement plans for fish and wildlife habitats required by  
27 Paragraph (B)(19) of this Section, and information and plans for any other  
28 environmental values required by the ~~office of conservation~~ **department** and this  
29 Chapter, and pre-blast surveys required by R.S. 30:915(B)(15) shall, upon the written  
30 request of the operator, be performed by a qualified public or private laboratory

1 designated by the ~~commissioner~~ secretary and the cost of the preparation of such  
2 determination and statement shall be assumed by the ~~commissioner~~ secretary.

3 \* \* \*

4 D. Each applicant for a permit shall be required to submit to the  
5 ~~commissioner~~ secretary as part of the permit application a reclamation plan which  
6 shall meet the requirements of this Chapter and the regulations issued pursuant to  
7 this Chapter.

8 \* \* \*

9 F. Each applicant for a permit shall submit to the ~~commissioner~~ secretary as  
10 part of the permit application a certificate issued by an insurance company  
11 authorized to do business in Louisiana certifying that the applicant has a public  
12 liability insurance policy in force for the surface mining and reclamation operations  
13 for which such permit is sought, or evidence that the applicant has satisfied other  
14 state or federal self insurance requirements. Such policy shall provide for personal  
15 injury and property damage protection in an amount adequate to compensate any  
16 persons damaged as a result of surface coal mining and reclamation operations,  
17 including use of explosives, and entitled to compensation under the applicable  
18 provisions of State law. Such policy shall be maintained in full force and effect  
19 during the term of the permit, or any renewal, including the length of all reclamation  
20 operations.

21 G. Each applicant for a surface coal mining and reclamation permit shall  
22 submit to the ~~commissioner~~ secretary as part of the permit application a blasting  
23 plan which shall outline the procedures and standards by which the operator will  
24 meet the provisions of R.S. 30:915(B)(15).

25 §908. Reclamation plan requirements

26 A. Each reclamation plan submitted as part of a permit application under the  
27 provisions of this Chapter shall include, in the degree of detail necessary to  
28 demonstrate that reclamation required by this Chapter and the regulations issued  
29 pursuant to this Chapter can be accomplished, a statement of:

30 \* \* \*

(12) The results of test boring which the applicant has made at the area to be covered by the permit, or other equivalent information and data in a form satisfactory to the ~~commissioner~~ secretary, including the location of subsurface water, and an analysis of the chemical properties including acid forming properties of the minerals and overburden: Provided, that information which pertains only to the analysis of the chemical and physical properties of the coal (excepting information regarding such mineral or elemental contents which is potentially toxic in the environment) shall be kept confidential and not made a matter of public record.

\* \* \*

B. Any information required by this Section which is not on public file pursuant to state law shall be held in confidence by the ~~commissioner~~ secretary.

\* \* \*

§915. Environmental protection performance standards

\* \* \*

B. General performance standards shall be applicable to all surface coal mining and reclamation operations and shall require the operator as a minimum to:

\* \* \*

(7) For all prime farmlands as identified in R.S. 30:907(B)(16) to be mined and reclaimed, specifications for soil removal, storage, replacement, and reconstruction shall be established by the ~~commissioner~~ secretary, and the operator shall, as a minimum, be required to:

\* \* \*

(9) Conducting any augering operation associated with surface mining in a manner to maximize recoverability of mineral reserves remaining after the operation and reclamation are complete; and seal all auger holes with an impervious and noncombustible material in order to prevent drainage except where the ~~commissioner~~ secretary determines that the resulting impoundment of water in such auger holes may create a hazard to the environment or the public health or safety: Provided, that the ~~commissioner~~ secretary may prohibit augering if necessary to maximize the utilization, recoverability or conservation of the solid fuel resources or to protect

1 against adverse water quality impacts.

2 (10) Minimize the disturbances to the prevailing hydrologic balance at the  
3 mine-site and in associated offsite areas and to the quality and quantity of water in  
4 surface and ground water systems both during and after surface coal mining  
5 operations and during reclamation by:

6 \* \* \*

7 (f) Such other actions as the ~~commissioner~~ secretary may prescribe.

8 \* \* \*

9 (12) Refrain from surface coal mining within five hundred feet from active  
10 and abandoned underground mines in order to prevent breakthroughs and to protect  
11 health or safety of miners: Provided, that the ~~commissioner~~ secretary shall permit  
12 an operator to mine near, through or partially through an abandoned underground  
13 mine or closer to an active underground mine if (a) the nature, timing, and  
14 sequencing of the approximate coincidence of specific surface mine activities with  
15 specific underground mine activities are jointly approved by the regulatory  
16 authorities concerned with surface mine regulation and the health and safety of  
17 underground miners, and (b) such operations will result in improved resource  
18 recovery, abatement of water pollution, or elimination of hazards to the health and  
19 safety of the public.

20 \* \* \*

21 (15) Insure that explosives are used only in accordance with existing State  
22 and Federal law and the regulations issued by the ~~commissioner~~ secretary pursuant  
23 to this Chapter, which shall include provisions to:

24 \* \* \*

25 (e) Provide that upon the request of a resident or owner of a man-made  
26 dwelling or structure within one-half mile of any portion of the permitted area the  
27 applicant or permittee shall conduct a pre-blasting survey of such structures and  
28 submit the survey to the ~~commissioner~~ secretary and a copy to the resident or owner  
29 making the request. The area of the survey shall be decided by the ~~commissioner~~  
30 secretary and shall include such provisions as the ~~commissioner~~ secretary shall

1 promulgate.

2 \* \* \*

3 (20) Assume the responsibility for successful revegetation, as required by  
4 Paragraph (19) of this Subsection, for a period of five full years after the last year of  
5 augmented seeding, fertilizing, irrigation, or other work in order to assure  
6 compliance with Paragraph (19) of this Subsection: Provided, that when the  
7 ~~commissioner~~ **secretary** approves a long-term intensive agricultural postmining land  
8 use, the applicable five year period of responsibility for revegetation shall commence  
9 at the date of initial planting of such long-term intensive agricultural postmining land  
10 use: Provided further, that when the ~~commissioner~~ **secretary** issues a written finding  
11 approving a long-term, intensive, agricultural postmining land use as part of the  
12 mining and reclamation plan, the ~~commissioner~~ **secretary** may grant exception to  
13 the provisions of Paragraph (19) of this Subsection.

14 \* \* \*

15 (22) Place all excess spoil material resulting from coal surface mining and  
16 reclamation activities in such a manner that:

17 \* \* \*

18 (e) If placed on a slope, the spoil is placed upon the most moderate slope  
19 among those upon which, in the judgment of the ~~commissioner~~ **secretary**, the spoil  
20 could be placed in compliance with all the requirements of this Chapter, and shall be  
21 placed, where possible, upon, or above, a natural terrace, bench, or berm, if such  
22 placement provides additional stability and prevents mass movement.

23 \* \* \*

24 (25) Provide for an undisturbed natural barrier beginning at the elevation of  
25 the lowest coal seam to be mined and extending from the outslope for such distance  
26 as the ~~commissioner~~ **secretary** shall determine shall be retained in place as a barrier  
27 to slides and erosion.

28 C.(1) \* \* \*

29 (2) In cases where an industrial, commercial, agricultural, residential or  
30 public facility, including recreational facilities, use is proposed for the postmining

1 use of the affected land, the ~~commissioner~~ secretary may grant a permit for a surface  
2 mining operation of the nature described in Paragraph (1) of this Subsection where:

3 \* \* \*

4 (d) The ~~commissioner~~ secretary provides the police jury of the Parish in  
5 which the land is located and any state or Federal agency which the ~~commissioner~~  
6 secretary, in his discretion, determines to have an interest in the proposed use, an  
7 opportunity of not more than sixty days to review and comment on the proposed use.

8 \* \* \*

9 (3) In granting any permit pursuant to this subsection the ~~commissioner~~  
10 secretary shall require that:

11 \* \* \*

12 (4) The ~~commissioner~~ secretary shall promulgate specific regulations to  
13 govern the granting of permits in accord with the provisions of this subsection, and  
14 may impose such additional requirements as he deems to be necessary.

15 \* \* \*

16 D. The following performance standards shall be applicable to steep-slope  
17 surface coal mining and shall be in addition to those general performance standards  
18 required by this Section: Provided, however, that the provisions of this Subsection  
19 shall not apply to those situations in which an operator is mining on flat or gently  
20 rolling terrain, on which an occasional steep slope is encountered through which the  
21 mining operation is to proceed, leaving a plain or predominantly flat area or where  
22 an operator is in compliance with provisions of Subsection C of this Section:

23 \* \* \*

24 (3) The operator may not disturb land above the top of the highwall unless  
25 the ~~commissioner~~ secretary finds that such disturbances will facilitate compliance  
26 with the environmental protection standards of this section: Provided, that the land  
27 disturbed above the highwall shall be limited to that amount necessary to facilitate  
28 said compliance.

29 (4) For the purposes of this Subsection, the term "steep slope" is any slope  
30 above twenty degrees or such lesser slope as may be defined by the ~~commissioner~~

secretary after consideration of soil, climate, and other characteristics of a region.

E.(1) The ~~commissioner~~ secretary may permit variances for the purposes set forth in Paragraph (3) of this Subsection, provided that the watershed control of the area is improved; and further provided complete backfilling with spoil material shall be required to cover completely the highwall which material will maintain stability following mining and reclamation.

\* \* \*

(4) In granting a variance pursuant to this subsection the ~~commissioner~~ **secretary** shall require that only such amount of spoil will be placed off the mine bench as is necessary to achieve the planned postmining land use, insure stability of the spoil retained on the bench, meet all other requirements of this Chapter, and all spoil placement off the mine bench must comply with Paragraph (B)(22) of this Section.

(5) The ~~commissioner~~ secretary shall promulgate specific regulations to govern the granting of variances in accord with the provisions of this subsection, and may impose such additional requirements as he deems to be necessary.

\* \* \*

## §917. Inspections and monitoring

A. For the purpose of the administration and enforcement of any permit under this Chapter, or of determining whether any person is in violation of any requirement of this Chapter:

(1) The ~~commissioner~~ secretary shall require any permittee to (a) establish and maintain appropriate records, (b) make monthly reports to the ~~commissioner~~ secretary, (c) install, use, and maintain any necessary monitoring equipment or methods, (d) evaluate results in accordance with such methods, at such locations, intervals, and in such manner as the ~~commissioner~~ secretary shall prescribe, and (e) provide such other information relative to surface coal mining and reclamation operations as the ~~commissioner~~ secretary deems reasonable and necessary.

(2) For those surface coal mining and reclamation operations which remove or disturb strata that serve as aquifers which significantly insure the hydrologic

1 balance of water use either on or off the mining site, the ~~commissioner~~ secretary  
2 shall specify those:

3 \* \* \*

4 (d) Monitoring sites to record precipitation.

5 The monitoring data collection and analysis required by this section shall be  
6 conducted according to standards and procedures set forth by the ~~commissioner~~  
7 secretary in order to assure their reliability and validity, and

8 (3) The authorized representatives of the ~~commissioner~~ secretary without  
9 advance notice and upon presentation of appropriate credentials (a) shall have the  
10 right of entry to, upon, or through any surface coal mining and reclamation  
11 operations or any premises in which any records required to be maintained under  
12 paragraph (1) of this subsection are located; and (b) may at reasonable times, and  
13 without delay, have access to and copy any records, inspect any monitoring  
14 equipment or method of operation required under this Chapter.

15 B. The inspections by the ~~commissioner~~ secretary shall (1) occur on an  
16 irregular basis averaging not less than one partial inspection per month and one  
17 complete inspection per calendar quarter for the surface coal mining and reclamation  
18 operation covered by each permit; (2) occur without prior notice to the permittee or  
19 his agents or employees except for necessary onsite meetings with the permittee; and  
20 (3) include the filing of inspection reports adequate to enforce the requirements of  
21 and to carry out the terms and purposes of this Chapter.

22 \* \* \*

23 D. Each inspector, upon detection of each violation of any requirement of this  
24 Chapter or the regulations issued pursuant to this Chapter, shall forthwith inform the  
25 operator in writing, and shall report in writing any such violation to the  
26 ~~commissioner~~ secretary.

27 E. Copies of any records, reports, inspection materials, or information  
28 obtained under this Chapter by the ~~commissioner~~ secretary shall be made  
29 immediately available to the public at central and sufficient locations in the parish  
30 of the area of mining so that they are conveniently available to residents in the areas

1 of mining.

2 F. After the State has assumed exclusive jurisdiction of surface coal mining  
3 operations as provided in section 503 of Public Law 95-87,1 and as long as the State  
4 retains such jurisdiction, then no employee of the ~~office of conservation~~ **department**  
5 performing any function or duty under this Chapter shall have a direct or indirect  
6 financial interest in any surface coal mining operation. Whoever knowingly violates  
7 the provisions of this Subsection shall, upon conviction, be punished by a fine of not  
8 more than \$2,500.00, or by imprisonment of not more than one year, or by both. The  
9 ~~commissioner~~ **secretary** shall by regulation establish methods by which the  
10 provisions of this Subsection will be monitored and enforced by the ~~commissioner~~  
11 **secretary**, including appropriate provisions for the filing by such employees in the  
12 review of statements and supplements thereto concerning any financial interest  
13 which may be effected by this subsection. This Subsection shall not be given effect  
14 (1) if the Secretary of the Interior does not require the inclusion of similar provisions  
15 in state laws as a condition for approval by the Secretary of the Interior of state  
16 programs of regulation of surface coal mining and reclamation operations pursuant  
17 to Section 503 of Public Law 95-87 or (2) if any such requirement of the Secretary  
18 of the Interior is declared invalid by final decree of a court of competent jurisdiction:  
19 Provided, that if similar provisions are required by the Secretary of the Interior to be  
20 included in state laws, the Secretary of Natural Resources and the ~~commissioner~~  
21 **secretary** may commence and prosecute an action in the appropriate federal court  
22 to have the regulation requiring inclusion declared invalid.

23 G.(1) Any person who is or may be adversely affected by a surface coal  
24 mining operation may notify the ~~commissioner~~ **secretary** or any representative of  
25 the ~~commissioner~~ **secretary** responsible for conducting the inspection, in writing,  
26 of any violation of this Chapter which he has reason to believe exists at the surface  
27 mining site. The ~~commissioner~~ **secretary** shall, by regulation, establish procedures  
28 for informal review of any refusal by a representative of the ~~commissioner~~ **secretary**  
29 to issue a citation with respect to any such alleged violation. The ~~commissioner~~  
30 **secretary** shall furnish such persons requesting the review a written statement of the

1 reasons for the ~~commissioner~~ secretary's final disposition of the case.

2 (2) The ~~commissioner~~ secretary shall also, by regulation, establish  
3 procedures to insure that adequate and complete inspections are made. Any such  
4 person may notify the ~~commissioner~~ secretary of any failure to make such  
5 inspections, after which the ~~commissioner~~ secretary shall determine whether  
6 adequate and complete inspections have been made. The ~~commissioner~~ secretary  
7 shall furnish such persons a written statement of the reasons for the ~~commissioner~~  
8 secretary's determination that adequate and complete inspections have or have not  
9 been conducted.

10 \* \* \*

11 §921. Enforcement

12 A.(1) Whenever, on the basis of any information available to him, including  
13 receipt of information from any person, the ~~commissioner~~ secretary has reason to  
14 believe that any person is in violation of any requirement of this Chapter or any  
15 permit condition required by this Chapter, the ~~commissioner~~ secretary shall  
16 immediately order inspection of the surface coal mining operation at which the  
17 alleged violation is occurring unless the information available to the ~~commissioner~~  
18 secretary is a result of a previous inspection of such surface coal mining operation.  
19 When the inspection results from information provided to the ~~commissioner~~  
20 secretary by any person, the ~~commissioner~~ secretary shall notify such person when  
21 the inspection is proposed to be carried out and such person shall be allowed to  
22 accompany the inspector during the inspection.

23 (2) When, on the basis of any inspection, the ~~commissioner~~ secretary or his  
24 authorized representative determines that any condition or practices exist, or that any  
25 permittee is in violation of any requirement of this Chapter or any permit condition  
26 required by this Chapter, which condition, practice, or violation also creates an  
27 imminent danger to the health or safety of the public, or is causing, or can reasonably  
28 be expected to cause significant, imminent environmental harm to land, air, or water  
29 resources, the ~~commissioner~~ secretary or his authorized representative shall  
30 immediately order a cessation of surface coal mining and reclamation operations or

1 the portion thereof relevant to the condition, practice or violation. Such cessation  
2 order shall remain in effect until the ~~commissioner~~ secretary or his authorized  
3 representative determines that the condition, practice, or violation has been abated,  
4 or until modified, vacated, or terminated by the ~~commissioner~~ secretary or his  
5 authorized representative pursuant to Paragraph (5) of this Subsection. Where the  
6 ~~commissioner~~ secretary finds that the ordered cessation of surface coal mining and  
7 reclamation operations, or any portion thereof, will not completely abate the  
8 imminent danger to health or safety of the public or the significant imminent  
9 environmental harm to land, air, or water resources, the ~~commissioner~~ secretary  
10 shall, in addition to the cessation order, impose affirmative obligations on the  
11 operator requiring him to take whatever steps the ~~commissioner~~ secretary deems  
12 necessary to abate the imminent danger or the significant environmental harm.

13 (3)(a) When, on the basis of an inspection, the ~~commissioner~~ secretary or his  
14 authorized representative determines that any permittee is in violation of any  
15 requirement of this Chapter or any permit condition required by this Chapter, but  
16 such violation does not create an imminent danger to the health or safety of the  
17 public, or cannot be reasonably expected to cause significant, imminent  
18 environmental harm to land, air, or water resources, the ~~commissioner~~ secretary or  
19 authorized representative shall issue a notice to the permittee or his agent fixing a  
20 reasonable time but not more than ninety days for the abatement of the violation and  
21 providing opportunity for public hearing.

22 (b) If, upon expiration of the period of time as originally fixed or  
23 subsequently extended, for good cause shown and upon the written finding of the  
24 ~~commissioner~~ secretary or his authorized representative, the ~~commissioner~~  
25 secretary or his authorized representative finds that the violation has not been  
26 abated, he shall immediately order a cessation of surface coal mining and  
27 reclamation operations or the portion thereof relevant to the violation. Such cessation  
28 order shall remain in effect until the ~~commissioner~~ secretary or his authorized  
29 representative determines that the violation has been abated, or until modified,  
30 vacated, or terminated by the ~~commissioner~~ secretary or his authorized

1 representative pursuant to Paragraph (5) of this Subsection. In the order of cessation  
2 issued by the ~~commissioner~~ secretary under this Subsection, the ~~commissioner~~  
3 secretary shall determine the steps necessary to abate the violation in the most  
4 expeditious manner possible, and shall include the necessary measures in the order.

5 (4) When, on the basis of an inspection, the ~~commissioner~~ secretary or his  
6 authorized representative determines that a pattern of violations of any requirements  
7 of this Chapter or any permit conditions required by this Chapter exists or has  
8 existed, and if the ~~commissioner~~ secretary or his authorized representative also finds  
9 that such violations are caused by the unwarranted failure of the permittee to comply  
10 with any requirements of this Chapter or any permit conditions, or that such  
11 violations are willfully caused by the permittee, the ~~commissioner~~ secretary or his  
12 authorized representative shall forthwith issue an order to the permittee to show  
13 cause as to why the permit should not be suspended or revoked and shall provide  
14 opportunity for a public hearing. If a hearing is requested the ~~commissioner~~  
15 secretary shall inform all interested parties of the time and place of the hearing.  
16 Upon the permittee's failure to show cause as to why the permit should not be  
17 suspended or revoked, the ~~commissioner~~ secretary or his authorized representative  
18 shall forthwith suspend or revoke the permit.

19 (5) Notices and orders issued pursuant to this Section shall set forth with  
20 reasonable specificity the nature of the violation and the remedial action required,  
21 the period of time established for abatement, and a reasonable description of the  
22 portion of the surface coal mining and reclamation operation to which the notice or  
23 order applies. Each notice or order issued under this section shall be given promptly  
24 to the permittee or his agent by the ~~commissioner~~ secretary or his authorized  
25 representative who issues such notice or order, and all such notices and orders shall  
26 be in writing and shall be signed by such authorized representatives. Any notice or  
27 order issued pursuant to this section may be modified, vacated, or terminated by the  
28 ~~commissioner~~ secretary or his authorized representative. Provided, that any notice  
29 or order issued pursuant to this Section which requires cessation of mining by the  
30 operator shall expire within thirty days of actual notice to the operator unless a

1 public hearing is held at the site or within such reasonable proximity to the site that  
2 any viewings of the site can be conducted during the course of public hearing.

3 B. The ~~commissioner~~ secretary may institute a civil action for relief,  
4 including a permanent or temporary injunction, restraining order, or any other  
5 appropriate order in the district court for the parish in which the surface coal mining  
6 and reclamation operation is located or in which the permittee thereof has his  
7 principal office, whenever such permittee or his agent (a) violates or fails or refuses  
8 to comply with any order or decision issued by the ~~commissioner~~ secretary under  
9 this Chapter, or (b) interferes with, hinders, or delays the ~~commissioner~~ secretary  
10 or his authorized representatives in carrying out the provisions of this Chapter, or (c)  
11 refuses to admit such authorized representative to the mine, or (d) refuses to permit  
12 inspection of the mine by such authorized representative, or (e) refuses to furnish any  
13 information or report requested by the ~~commissioner~~ secretary in furtherance of the  
14 provisions of this Chapter, or (f) refuses to permit access to, and copying of, such  
15 records as the ~~commissioner~~ secretary determines necessary in carrying out the  
16 provisions of this Chapter. Such court shall have jurisdiction to provide such relief  
17 as may be appropriate. Temporary restraining orders may be issued in accordance  
18 with the Louisiana Rules of Civil Procedure. Any relief granted by the court to  
19 enforce an order under clause (a) of this Section shall continue in effect until the  
20 completion or final termination of all proceedings for review of such order under this  
21 title, unless, prior thereto, the district court granting such relief sets it aside or  
22 modifies it.

23 C. Any person who shall, except as permitted by law, willfully resist, prevent,  
24 impede, or interfere with the ~~commissioner of conservation~~ secretary or any of his  
25 agents in the performance of duties required by this Chapter or regulations  
26 thereunder shall be punished by a fine of not more than five thousand dollars or by  
27 imprisonment for not more than one year, or both.

28 \* \* \*

29 §1102. Policy; jurisdiction

30 A. It is declared to be in the public interest for a public purpose and the

policy of Louisiana that:

(1) ~~The geologic storage of carbon dioxide will benefit the citizens of the state and the state's environment by reducing greenhouse gas emissions.~~

~~(2)~~ Carbon dioxide is a valuable commodity to the citizens of the state.

~~(3) Geologic storage of carbon dioxide may allow for the orderly withdrawal as appropriate or necessary, thereby allowing carbon dioxide to be available for commercial, industrial, or other uses, including the use of carbon dioxide for enhanced recovery of oil and gas.~~

~~(4)~~(2) It is the public policy of Louisiana and the purpose of this Chapter to provide for a coordinated statewide program related to the storage of carbon dioxide and to also fulfill the state's primary responsibility for assuring compliance with the federal Safe Drinking Water Act, including any amendments thereto related to the underground injection of carbon dioxide.

B. The ~~commissioner of conservation~~ secretary shall have jurisdiction and authority over all persons and property necessary to enforce effectively the provisions of this Chapter relating to the geologic storage of carbon dioxide and subsequent withdrawal of stored carbon dioxide.

#### §1103. Definitions

Unless the context otherwise requires, the words defined in this Section have the following meaning when found in this Chapter:

\* \* \*

(3) ~~"Commissioner" has the same meaning as provided in R.S. 30:3~~  
**"Common carrier" means a transporter of carbon dioxide by pipeline for storage where there exists a reasonable probability that the pipeline will serve the public by transporting carbon dioxide for storage for one or more third parties.**

\* \* \*

(14) "Storage facility" means the underground reservoir, carbon dioxide injection wells, monitoring wells, underground equipment, and surface buildings and equipment utilized in the storage operation. The underground reservoir component

1 of the storage facility includes any necessary and reasonable aerial buffer and  
2 subsurface monitoring zones designated by the ~~commissioner~~ secretary for the  
3 purpose of ensuring the safe and efficient operation of the storage facility for the  
4 storage of carbon dioxide and shall be chosen to protect against pollution, and escape  
5 or migration of carbon dioxide.

6 (15) "Storage operator" means the person recognized by the ~~commissioner~~  
7 secretary as the operator of a proposed or existing storage facility. A storage  
8 operator can, but need not be, the owner of carbon dioxide injected into a storage  
9 facility. Ownership of carbon dioxide and use of geologic storage is a matter of  
10 private contract between the storage operator and owner, shipper, or generator of  
11 carbon dioxide, as applicable.

12 \* \* \*

13 §1104. Duties and powers of the ~~commissioner~~ secretary; rules and regulations;  
14 permits

15 A. The ~~office of conservation's~~ department's actions under this Chapter shall  
16 be directed and controlled by the ~~commissioner~~ secretary. The ~~commissioner~~  
17 secretary shall have authority to:

18 \* \* \*

19 (3) Make such inquiries as he deems proper to determine whether or not  
20 waste, over which he has jurisdiction, exists or is imminent. In the exercise of this  
21 power the ~~commissioner~~ secretary has the authority to collect data; to make  
22 investigations and inspections; to examine properties, papers, books, and records; to  
23 examine, survey, check, test, and gauge injection, withdrawal and other wells used  
24 in connection with carbon storage; to examine, survey, check, test, and gauge tanks,  
25 and modes of transportation; to hold hearings; to provide for the keeping of records  
26 and the making of reports; to require the submission of an emergency phone number  
27 by which the operator may be contacted in case of an emergency; and to take any  
28 action as reasonably appears to him to be necessary to enforce this Chapter.

29 \* \* \*

30 (9) Approve conversion to geologic storage facilities of hydrocarbon-bearing

1 formations, including depleted oil formations as well as existing or pre-existing  
2 enhanced oil or gas recovery operations, if necessary, taking into consideration prior  
3 approvals of the ~~commissioner~~ secretary regarding such enhanced oil recovery  
4 operations.

5 (10) Promulgate rules and regulations requiring storage operators to place  
6 monitoring equipment of a type approved by the ~~commissioner~~ secretary on all  
7 storage facilities, and ancillary equipment necessary and proper to monitor, verify  
8 carbon dioxide injections, and to prevent waste. It shall be a violation of this Chapter  
9 for any operator to refuse to attach or install a monitor within a reasonable period of  
10 time when ordered to do so by the ~~commissioner~~ secretary, or in any way to tamper  
11 with the monitors so as to produce a false or inaccurate reading.

12 \* \* \*

13 B. Unless that person is also the owner or operator of the facility or activity  
14 regulated under the provisions of this Chapter, the owner, shipper, or generator of  
15 carbon dioxide shall not be deemed responsible for the performance of any actions  
16 required by the ~~commissioner~~ secretary under this Chapter.

17 C. Prior to the use of any reservoir for the storage of carbon dioxide and prior  
18 to the exercise of eminent domain pursuant to the provisions of R.S. 19:2(11) and  
19 R.S. 30:1108 by any person, firm, or corporation having such right under laws of the  
20 state of Louisiana, and as a condition precedent to such use or to the exercise of such  
21 rights of eminent domain pursuant to the provisions of R.S. 19:2(11) and R.S.  
22 30:1108, the ~~commissioner~~ secretary, after public hearing pursuant to the provisions  
23 of R.S. 30:6, held in the parish where the storage facility is to be located, shall have  
24 found at least one of the following:

25 \* \* \*

26 D. The ~~commissioner~~ secretary shall determine with respect to any such  
27 reservoir proposed to be used as a storage reservoir, whether or not such reservoir  
28 is fully depleted of the original commercially recoverable natural gas, condensate,  
29 or other commercial mineral therein. If the ~~commissioner~~ secretary finds that such  
30 reservoir has not been fully depleted, the ~~commissioner~~ secretary shall determine

1 the amount of the remaining commercially recoverable natural gas, condensate, or  
2 other commercial mineral of such reservoir.

3 E. The ~~commissioner~~ secretary may issue any necessary order providing that  
4 all carbon dioxide which has previously been reduced to possession and which is  
5 subsequently injected into a storage reservoir shall at all times be deemed the  
6 property of the party that owns such carbon dioxide, whether at the time of injection  
7 or pursuant to a change of ownership by agreement while the carbon dioxide is  
8 located in the storage facility, his successors and assigns; and in no event shall such  
9 carbon dioxide be subject to the right of the owner of the surface of the lands or of  
10 any mineral interest therein under which such storage reservoir shall lie or be  
11 adjacent to or of any person other than the owner, his successors, and assigns to  
12 produce, take, reduce to possession, waste, or otherwise interfere with or exercise  
13 any control there over, provided that the owner, his successors, and assigns shall  
14 have no right to gas, liquid hydrocarbons, salt, or other commercially recoverable  
15 minerals in any stratum or portion thereof not determined by the ~~commissioner~~  
16 secretary to constitute an approved storage reservoir. The ~~commissioner~~ secretary  
17 shall issue such orders, rules, and regulations as may be necessary for the purpose  
18 of protecting any such storage reservoir, strata, or formations against pollution or  
19 against the escape of carbon dioxide therefrom, including such necessary rules and  
20 regulations as may pertain to the drilling into or through such storage reservoir.

21 \* \* \*

22 §1107. Certificates of public convenience and necessity; certificate of completion of  
23 injection operations

24 A.(1) The ~~commissioner~~ secretary shall issue a certificate of public  
25 convenience and necessity or a certificate of completion of injection operations to  
26 each person applying therefor if, after a public hearing pursuant to the provisions of  
27 R.S. 30:6 held in the parish where the storage facility is to be located, the  
28 ~~commissioner~~ secretary determines that it is required by the present or future public  
29 convenience and necessity, and such decision is based upon the following criteria:

30 \* \* \*

(2) However, if any person has previously been issued a certificate of public convenience and necessity or a certificate of completion of injection operations by the ~~commissioner~~ secretary, that certificate continues to remain valid and in force.

B. The ~~commissioner shall~~ secretary may issue a certificate of public convenience and necessity to ~~each~~ a transporter of carbon dioxide applying therefor, whether or not such transporter is also the storage operator, for the laying, maintaining, and operating of a pipeline for the transportation of carbon dioxide to a storage facility, and such rights necessary and incidental thereto if, after a public hearing pursuant to the provisions of R.S. 30:6, the ~~commissioner~~ secretary determines that it is or will be in the present or future public interest to do so: **and finds one of the following:**

**(1) The applicant requires the use of expropriation due solely to the presence of absentee owners that cannot be located after a reasonable attempt to do so.**

**(2) The applicant is or intends to operate as a common carrier.**

C. The ~~commissioner~~ secretary shall issue a certificate of completion of injection operations to the operator applying therefor if, after a public hearing pursuant to R.S. 30:6, it is determined that such operator has met all of the conditions required for such certificate, including the requirements of R.S. 30:1109.

D. Notwithstanding any provision of this Chapter or any rule, regulation, or order issued by the commissioner under this Chapter to the contrary, accepting or acting pursuant to a certificate of public convenience and necessity or a certificate of completion of injection operations issued under this Chapter; compliance with the provisions of this Chapter or with rules, regulations, or orders issued by the ~~commissioner~~ secretary under this Chapter; or voluntarily performing any act which could be required by the ~~commissioner~~ secretary pursuant to this Chapter or rules, regulations, or orders issued by the ~~commissioner~~ secretary under this Chapter shall not have the following consequences:

\* \* \*

§1108. Eminent domain; expropriation

A.(1) Any storage operator is hereby authorized, after obtaining any permit and any certificate of public convenience and necessity from the ~~commissioner~~ secretary required by this Chapter, to exercise the power of eminent domain and expropriate needed property to acquire surface and subsurface rights and property interests necessary or useful for the purpose of constructing, operating, or modifying a storage facility and the necessary infrastructure including the laying, maintaining, and operating of pipelines for the transportation of carbon dioxide to a storage facility, together with utility, telegraph, and telephone lines necessary and incidental to the operation of these storage facilities and pipelines, over private property thus expropriated; and have the further right to construct and develop storage facilities and the necessary infrastructure, including the laying, maintaining, and operating of pipelines along, across, over, and under any navigable stream or public highway, street, bridge, or other public place; and also have the authority, under the right of expropriation herein conferred, to cross railroads, street railways, and other pipelines, by expropriating property necessary for the crossing under the general expropriation laws of this state. The right to run along, across, over, or under any public road, bridge, or highway, as before provided for, may be exercised only upon condition that the traffic thereon is not interfered with, and that such road or highway is promptly restored to its former condition of usefulness, at the expense of the storage facility and the pipeline owner if different from the storage operator, the restoration to be subject also to the supervision and approval of the proper local authorities.

\* \* \*

B.(1) Except as provided in Paragraph (2) of this Subsection, the exercise of the right of eminent domain granted in this Chapter shall not prevent persons having the right to do so from drilling through the storage facility in such manner as shall comply with the rules of the ~~commissioner~~ secretary issued for the purpose of protecting the storage facility against pollution or invasion and against the escape or migration of carbon dioxide. Furthermore, the right of eminent domain set out in this Section shall not prejudice the rights of the owners of the lands or minerals as to all

1 other uses not acquired for the storage facility and not reasonably necessary for the  
2 use of the acquired property.

3 (2) The exercise of the right of eminent domain granted in this Section may  
4 prohibit persons having the right to do so from drilling through the storage facility  
5 located in Caldwell Parish only when the following requirements are satisfied:

6 (a) A period of five years has elapsed from the actual drilling or operation of  
7 any oil or gas well within the boundaries of the storage facility to depths below the  
8 base of the underground reservoir component of the storage facility as determined  
9 by the ~~commissioner of conservation~~ **secretary**.

10 (b) All reservoirs below the underground reservoir component of the storage  
11 facility that were drilled to and produced in any oil or gas well located within the  
12 boundaries of the storage facility are no longer capable of producing minerals in  
13 paying quantities as determined by the ~~commissioner of conservation~~ **secretary**.

14 (3) If a party who has the right to explore for and produce minerals from  
15 depths below the base of the underground reservoir component of the storage facility  
16 is prohibited from drilling through the storage facility under Paragraph (2) of this  
17 Subsection by the exercise of the right of eminent domain granted in this Section,  
18 that prohibition shall terminate upon a finding by the ~~commissioner~~ **secretary**, after  
19 notice and hearing conducted in accordance with R.S. 30:1105(C), that the storage  
20 facility operator abandoned all reasonable efforts to use, or cause others to use, the  
21 storage facility prior to any use of the underground reservoir component of the  
22 storage facility for the storage of carbon dioxide.

23 \* \* \*

24 D. The ~~commissioner~~ **secretary** is neither a necessary nor indispensable party  
25 to an eminent domain proceeding, and if named as a party or third party has an  
26 absolute right to be dismissed from said action at the expense of the party who names  
27 the ~~commissioner~~ **secretary**. The ~~commissioner~~ **secretary** shall recover all costs  
28 reasonably incurred to be dismissed from the action, including attorney fees.

29 §1109. Cessation of storage operations; limited liability release

30 A.(1) Fifty years after cessation of injection into a storage facility, or any

1 other time frame established on a site-specific basis by application of the rules  
2 regarding the time frame for a storage operator's post-injection site care and site  
3 closure plan, the ~~commissioner~~ secretary shall issue a certificate of completion of  
4 injection operations, upon a showing by the current storage operator of all of the  
5 following:

6 \* \* \*

7 C. Nothing in this Chapter shall establish or create any liability or  
8 responsibility on the part of the ~~commissioner~~ secretary or the state to pay any costs  
9 associated with site restoration from any source other than the funds or trusts created  
10 by this Chapter, nor shall the ~~commissioner~~ secretary or the state of Louisiana have  
11 any liability or responsibility to make any payments for costs associated with site  
12 restoration if the trusts created herein are insufficient to do so.

13 D. The ~~commissioner~~ secretary or his agents, on proper identification, may  
14 enter the land of another for purposes of site assessment or restoration.

15 E. The ~~commissioner~~ secretary and his agents are not liable for any damages  
16 arising from an act or omission if the act or omission is part of a good faith effort to  
17 carry out the purpose of this Chapter.

18 F. No party contracting with the Department of Conservation and Energy  
19 ~~and Natural Resources, office of conservation,~~ or the ~~commissioner~~ secretary under  
20 the provisions of this Chapter shall be deemed to be a public employee or an  
21 employee otherwise subject to the provisions of Parts I through IV of Chapter 15 of  
22 Title 42 of the Louisiana Revised Statutes of 1950.

23 G. The ~~commissioner~~ secretary shall implement this Section in a manner  
24 consistent with and as the ~~commissioner~~ secretary deems necessary to carry out the  
25 purposes and requirements of the federal Safe Drinking Water Act, as amended,  
26 relating to the state's participation in the underground injection control program  
27 established under that Act with respect to the storage and sequestration of carbon  
28 dioxide, including but not limited to the state's authority to restrain any person from  
29 engaging in any unauthorized activity which is endangering or causing damage to  
30 public health or the environment.

\* \* \*

## §1110. Carbon Dioxide Geologic Storage Trust Fund

A.(1) There is hereby established a fund in the custody of the state treasurer to be known as the Carbon Dioxide Geologic Storage Trust Fund, hereinafter referred to as the "fund", which shall constitute a special custodial trust fund which shall be administered by the ~~commissioner~~ secretary, who shall make disbursements from the fund solely in accordance with the purposes and uses authorized by this Chapter.

(2) After compliance with the requirements of Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond Security and Redemption Fund, and after a sufficient amount is allocated from that fund to pay all of the obligations secured by the full faith and credit of the state which become due and payable within any fiscal year, the treasurer shall pay into the fund, an amount equal to the monies received by the state treasury pursuant to this Chapter. The monies in this fund shall be used solely as provided in this Section and only in the amount appropriated by the legislature. All unexpended and unencumbered monies remaining in this fund at the end of the fiscal year shall remain in the fund. The monies in the fund shall be invested by the state treasurer in the same manner as monies in the state general fund and all returns of such investment shall be deposited to the fund. **At the request of the Natural Resources Trust Authority, the state treasurer may invest monies in the fund, or any portion thereof, in accordance with the provisions of R.S. 33:2955, including the use of the Louisiana Asset Management Pool, and any interest earned on such investments shall be credited to the fund.** The funds received shall be placed in the special trust fund in the custody of the state treasurer to be used only in accordance with this Chapter and shall not be placed in the general fund. The funds provided to the ~~commissioner~~ secretary pursuant to this Section shall at all times be and remain the property of the ~~commissioner~~ secretary. The funds shall be used only for the purposes set forth in this Chapter and for no other governmental purposes, nor shall any branch of government be allowed to borrow any portion of the funds. It is the intent of the legislature that this fund and its

1 increments shall remain intact and inviolate.

2 B. The following monies shall be placed into the fund:

3 (1) The fees, penalties, and bond forfeitures collected pursuant to this  
 4 Chapter. All fees and self-generated revenue remaining on deposit for the ~~office of~~  
 5 ~~conservation~~ **department** at the end of any fiscal year shall be deposited into the  
 6 fund.

7 \* \* \*

8 C. The ~~commissioner~~ **secretary** is hereby authorized to levy on each storage  
 9 facility the following fees or costs for the purpose of funding the fund:

10 (1) A fee payable to the ~~office of conservation~~ **department**, in a form and  
 11 schedule prescribed by the ~~office of conservation~~ **department**, for each ton of  
 12 carbon dioxide injected for storage into that storage facility. This fee is to be  
 13 determined based upon the following formula:

14 \* \* \*

15 (b) "F" is a per unit fee in dollars per ton set by the ~~office of conservation~~  
 16 **department**.

17 \* \* \*

18 (f) Once five million dollars has been contributed to the fund for a storage  
 19 facility, the fee assessments to that storage facility under this Section shall cease  
 20 until such time as funds begin to be expended for that storage facility. The secretary  
 21 of the Department of **Conservation and** Energy ~~and Natural Resources~~ shall certify  
 22 to the ~~commissioner~~ **secretary** the date on which the balance in the fund for a  
 23 storage facility equals or exceeds five million dollars. The fund fees shall not be  
 24 collected or required to be paid on or after the first day of the second month  
 25 following the certification, except that the ~~commissioner~~ **secretary** shall resume  
 26 collecting the fees on receipt of a certification from the secretary of the Department  
 27 of **Conservation and** Energy ~~and Natural Resources~~ that, based on the expenditures  
 28 or commitments to expend monies, the fund has fallen below four million dollars for  
 29 that storage facility.

30 (g) Notwithstanding the total number of storage facilities owned or operated

1 by a storage operator, once ten million dollars has been contributed to the fund by  
2 a storage operator, the fee assessment to that storage operator under this Section shall  
3 cease until such time as funds begin to be expended for any storage facility owned  
4 or operated by that storage operator. The secretary of the Department of  
5 Conservation and Energy ~~and Natural Resources~~ shall certify to the ~~commissioner~~  
6 secretary the date on which the balance in the fund for a storage operator equals or  
7 exceeds ten million dollars. The fund fees shall not be collected or required to be  
8 paid on or after the first day of the second month following the certification, except  
9 that the ~~commissioner~~ secretary shall resume collecting the fees upon receipt of a  
10 certification from the secretary of the Department of Conservation and Energy ~~and~~  
11 ~~Natural Resources~~ that, based on the expenditures or commitments to expend  
12 monies, the fund has fallen below eight million dollars for that storage operator.

13 (h) At the end of each fiscal year, the fee may be redetermined by the  
14 ~~commissioner~~ secretary based upon the estimated cost of administering and  
15 enforcing this Chapter for the upcoming year divided by the tonnage of carbon  
16 dioxide expected to be injected during the upcoming year. The total fee assessed  
17 shall be sufficient to assure a balance in the fund not to exceed five million dollars  
18 for any active storage facility within the state at the beginning of each fiscal year.  
19 Any amount received that exceeds the annual balance required shall be deposited in  
20 the fund, but appropriate credits shall be given against future fees or fees associated  
21 with other storage facilities operated by the same storage operator.

22 (2) An annual regulatory fee for storage facilities that have not received a  
23 certificate of completion of injection operations payable to the ~~office of conservation~~  
24 department, in a form and schedule prescribed by the ~~office of conservation~~  
25 department, on the carbon dioxide storage facility in an amount not to exceed fifty  
26 thousand dollars for Fiscal Year 2010-2011 and thereafter. Such fee shall be based  
27 upon the annual projected costs to the ~~office of conservation~~ department for  
28 oversight and regulation of such storage facilities.

29 (3) An application fee payable to the ~~office of conservation~~ department, in  
30 a form and schedule prescribed by the ~~office of conservation~~ department, by

1 industries under the jurisdiction of the ~~office of conservation~~ **department**. The  
2 ~~commissioner~~ **secretary** may, by rule in accordance with the Administrative  
3 Procedure Act, charge a fee that shall not exceed the actual or anticipated cost to the  
4 state for the review of the permit or application.

5 \* \* \*

6 G. The ~~commissioner~~ **secretary** is authorized to enter into agreements and  
7 contracts and to expend money in the fund for the following purposes:

8 \* \* \*

9 H. The ~~commissioner~~ **secretary** shall keep accurate accounts of all receipts  
10 and disbursements related to the administration of the fund and site-specific trust  
11 funds and shall make a specific annual report addressing the administration of the  
12 funds to the Senate Committee on Natural Resources, the House Committee on  
13 Natural Resources and Environment, and the Senate Committee on Environmental  
14 Quality before March first.

15 I. Every five years the ~~commissioner~~ **secretary** shall submit a report to the  
16 Senate Committee on Natural Resources, the House Committee on Natural  
17 Resources and Environment, and the Senate Committee on Environmental Quality  
18 before March first that assesses the effectiveness of the fund and other related  
19 provisions in this Chapter and provides other information as may be requested by the  
20 legislature to allow the legislature to assess the effectiveness of this Chapter.

21 \* \* \*

22 §1115. Notifications regarding applications

23 **A. Every applicant for a Class VI permit or a Class V permit related to**  
24 **a geologic sequestration project shall comply with the following:**

25 ~~A.(1) Within thirty days of receiving notice of an application for a Class VI~~  
26 ~~injection well being~~ **In order for an application for a Class VI permit to be**  
27 **deemed administratively complete, the owner or operator shall make a reasonable**  
28 **search and a** good faith effort to provide notice of the submission of the application  
29 via United States **certified** mail to all of the following **located within the surface**  
30 **or subsurface extent of the area of review delineated in the permit application:**

1                   ~~(1)(a)~~ The last operator of record for any oil or gas well located within the  
2                   area of review delineated in the application.

3                   ~~(2)(b)~~ Any person known to the applicant after reasonable search that,  
4                   including owners and operators, acting on behalf of the person, that presently has the  
5                   right to drill into and produce from a pool and to appropriate production either for  
6                   himself or others within the predicted or modeled carbon dioxide plume, as that term  
7                   is defined in administrative rules and regulations providing for Class VI injection  
8                   wells. **All mineral servitude owners, mineral lessees, and operators acting on**  
9                   **behalf of such mineral interest owners.**

10                   **(c) All surface owners.**

11                   ~~B.(2)~~ Within ten days of filing an application with the commissioner for a  
12                   Class V stratigraphic test well **In order for an application for a Class V**  
13                   **stratigraphic test well permit to be considered complete,** the owner or operator  
14                   shall make a **reasonable search and a** good faith effort to provide notice of the  
15                   submission of the application via United States **certified** mail to all of the following  
16                   **located within five hundred feet of the proposed well:**

17                   ~~(1)(a)~~ The last operator of record for any oil or gas well located within five  
18                   hundred feet of the proposed Class V stratigraphic test well location.

19                   ~~(2)(b)~~ Any person known to the applicant after reasonable search, including  
20                   owners and operators, acting on behalf of the person, that presently has the right to  
21                   drill into and produce from a pool and to appropriate production either for himself  
22                   or others within five hundred feet of the proposed Class V stratigraphic test well  
23                   location **All mineral servitude owners, mineral lessees, and operators acting on**  
24                   **behalf of such mineral interest owners.**

25                   **(c) All surface owners.**

26                   **(3) Notice to all surface owners as required by this Section may be**  
27                   **satisfied by notifying all persons shown on the parish assessor's rolls as the**  
28                   **current owner of the surface rights for the land included within the applicable**  
29                   **area of required notice.**

30                   **B. The department shall also publish on its website a notice of each**

application for a Class VI permit or Class V permit related to a geologic sequestration project.

\* \* \*

§2200. Subsurface injection

Nothing herein shall limit the power of the ~~assistant secretary of the office of conservation~~ to issue permits and make regulations relative to the subsurface injection of waste products and oil and gas field salt water in compliance with Chapter 1 of Title 30 of the Louisiana Revised Statutes of 1950 and the subsurface injection of hazardous wastes in compliance with the Safe Drinking Water Act, 42 USC §300(F) et seq., and the Resource Conservation and Recovery Act of 1976, 42 USC §6901 et seq.

\* \* \*

§2454. Definitions

In this Chapter:

\* \* \*

**(33) "Secretary" means the secretary of the Department of Conservation and Energy.**

§2455. Office of the Louisiana oil spill coordinator

The office of the Louisiana oil spill coordinator is hereby created within the Department of ~~Public Safety and Corrections, public safety services~~ **Conservation and Energy**, and shall exercise the powers and duties set forth in this Chapter or otherwise provided by law. The office shall be administered by the coordinator who shall be ~~appointed by the governor, subject to Senate confirmation~~ **a director pursuant to R.S. 36:357**. The initial coordinator shall not perform any official duties prior to confirmation.

§2456. General powers and duties of the coordinator

A. The coordinator, under the direction and control of the deputy secretary ~~for public safety services~~, shall:

\* \* \*

Section 2. R.S. 30:29(A), (B)(1), (C)(1) and (3)(a) and (5) and (6)(b) and (c), (D)(1)

1 through (3), (E)(1), (F), (H)(1), (I)(2) and (4), and the introductory paragraph of (M)(1) and  
2 (c) and 87(A), introductory paragraph of (F)(1)(a), and introductory paragraph of (b) as  
3 enacted by Section 1 of Act 16 of the 2024 Third Extraordinary Session of the Legislature  
4 of Louisiana are hereby amended and reenacted and R.S. 30:29(C)(6)(d) is hereby enacted  
5 to read as follows:

6 §29. Remediation of oilfield sites and exploration and production sites

7 A. The legislature hereby finds and declares that Article IX, Section 1 of the  
8 Constitution of Louisiana mandates that the natural resources and the environment  
9 of the state, including ground water, are to be protected, conserved, and replenished  
10 insofar as possible and consistent with the health, safety, and welfare of the people  
11 and further mandates that the legislature enact laws to implement this policy. It is the  
12 duty of the legislature to set forth procedures to ensure that damage to the  
13 environment is **evaluated and if necessary** remediated to a standard that protects the  
14 public interest. To this end, this Section provides the procedure for judicial  
15 resolution of claims for environmental damage to property arising from activities  
16 subject to the jurisdiction of the Department of Energy and Natural Resources, office  
17 of conservation. The provisions of this Section shall be implemented upon receipt  
18 of timely notice as required by Paragraph (B)(1) of this Section. The provisions of  
19 this Section shall not be construed to impede or limit provisions under private  
20 contracts imposing remediation obligations in excess of the requirements of the  
21 department or limit the right of a party to a private contract to enforce any contract  
22 provision in a court of proper jurisdiction.

23 B.(1) Notwithstanding any law to the contrary, immediately upon the filing  
24 or amendment of any litigation or pleading making a judicial demand arising from  
25 or alleging environmental damage, **including actions based in whole or in part on**  
26 **R.S. 30:16 or 26**, the provisions of this Section shall apply, and the party filing same  
27 shall provide timely notice to the state of Louisiana through the Department of  
28 Energy and Natural Resources, commissioner of conservation and the attorney  
29 general. The litigation shall be stayed with respect to any judicial demand until thirty  
30 days after notice is issued and return receipt is filed with the court.

\* \* \*

C.(1) If at any time ~~during the proceeding~~ a party admits liability for environmental damage or the finder of fact determines that environmental damage exists and determines the party or parties who caused the damage or who are otherwise legally responsible therefor, the court shall order the party or parties who admit responsibility or whom the court finds legally responsible for the damage to develop a plan or submittal for the evaluation or remediation to applicable regulatory standards of the contamination that resulted in the environmental damage. The court shall order that the plan be developed and submitted to the department ~~and the court~~ within a time that the court determines is reasonable and shall allow **one hundred eighty days from the first date a party admits responsibility or one hundred eighty days of the date the court finds a party legally responsible, whichever occurs later.** ~~the~~ **The** plaintiff or any other party ~~at least~~ **shall have** thirty days from the date each plan or submittal was ~~made~~ **submitted** to the department ~~and the court~~ to review the plan or submittal and ~~to provide to the department and the court a~~ **with an alternate plan, comment comments,** or input in response ~~thereto~~ **to the plan or plans submitted.** **The court may extend the time for filing any plan or comments for good cause shown.** The department shall consider any plan, comment, or response provided timely by any party. The department shall submit to the court a schedule of estimated costs for review of the plans or submittals of the parties by the department and ~~the court~~ shall require the party admitting responsibility or the party found legally responsible by the court to deposit in the registry of the court sufficient funds to pay the cost of the department's review of the plans or submittals. Any plan or submittal shall include an estimation of cost to implement the plan.

\* \* \*

(3)(a) The department shall use and apply ~~the~~ applicable regulatory standards **including but not limited to the Risk Evaluation and Corrective Action Program (RECAP) and may use other exceptions to LAC 43:XIX.1 et seq., otherwise identified as Statewide Order No. 29-B,** in approving or structuring a plan that the department determines to be the most feasible plan to evaluate or remediate the

1 environmental damage. In any action governed by the provisions of this Section,  
2 the department shall consult with the landowner to consider exceptions,  
3 including RECAP, but shall not be required to obtain landowner consent.

4 \* \* \*

5 (5) The court shall adopt the plan approved by the department as the most  
6 feasible plan, unless a party proves by a preponderance of the clear and convincing  
7 evidence that another timely submitted plan was provided to the department  
8 pursuant to this Subsection is a more feasible plan to adequately protect the  
9 environment and the public health, safety, and welfare. The court shall enter a  
10 judgment adopting a the most feasible plan with written reasons assigned. Upon  
11 adoption of a plan, the court shall order the party or parties admitting responsibility  
12 or the party or parties found legally responsible by the court to fund the  
13 implementation of the plan. The trial on the merits shall be stayed from the filing  
14 of a limited admission until the court adopts the most feasible plan.

15 (6)

16 \* \* \*

17 (b) Any appeal under this Section of a judgment adopting the most feasible  
18 plan shall be taken to the Court of Appeals for the First Circuit. The appeal of  
19 a judgment adopting the most feasible plan ~~a de novo review~~ and shall be heard  
20 with preference and on an expedited basis.

21 (c) The appellate court may affirm the trial court's adoption of a the most  
22 feasible plan or may adopt a most feasible plan in conformity with this Section and  
23 shall issue written reasons for its decision.

24 (d) In the absence of an express contractual provision providing for  
25 remediation to original condition or some other specific remediation standard,  
26 a party's legal responsibility is satisfied by meeting the standards set forth in  
27 applicable regulatory standards.

28 D.(1) Whether or not the department or the attorney general intervenes, and  
29 except as provided in Subsection H of this Section, all damages or payments in any  
30 civil action, including interest thereon, awarded for the evaluation or remediation of

1 environmental damage shall be paid exclusively into the registry of the court in an  
2 interest-bearing account with the interest accruing to the account for ~~clean-up~~  
3 evaluation or remediation.

4 (2) The court may allow any funds to be paid into the registry of the court to  
5 be paid in increments as necessary to fund the evaluation or remediation and  
6 implementation of ~~any~~ the most feasible plan or submittal adopted by the court  
7 under Paragraph (C)(5) of this Section. In any instance in which the court allows  
8 the funds to be paid in increments, whether or not an appeal is taken, the court shall  
9 require the posting of a bond for the implementation of the most feasible plan in  
10 such amount as provided by and in accordance with the procedures set forth for the  
11 posting of suspensive appeal bonds. Any such bond shall be valid through  
12 completion of the remediation. In lieu of paying funds into the registry of the  
13 court, the responsible party may at its option pay directly the cost of  
14 implementing the most feasible plan and post bond in an amount equal to the  
15 total cost of the most feasible plan as provided by and in accordance with the  
16 procedures set forth for the posting of suspensive appeal bonds. If a responsible  
17 party directly pays the cost of implementing the most feasible plan, then the  
18 responsible party shall provide to the district court a summary of costs paid  
19 each quarter until the earlier of when the most feasible plan is fully  
20 implemented or the district court orders that no further summaries are  
21 required.

22 (3) The court shall issue such orders as may be necessary to ensure that any  
23 such funds are actually expended in a manner consistent with the adopted and most  
24 feasible plan for the evaluation or remediation of the environmental damage for  
25 which the award or payment is made.

26 \* \* \*

27 E.(1) In any civil action in which a party is responsible for ~~damages or~~  
28 ~~payments for the evaluation or remediation of~~ environmental damage, a party  
29 providing evidence, in whole or in part, upon which the judgment is based shall be  
30 entitled to recover from the party or parties ~~admitting responsibility or the party or~~

1 parties found legally responsible by the court, ~~in addition to any other amounts to~~  
2 ~~which the party may be entitled~~, all costs attributable to producing that portion of the  
3 evidence that directly relates to the establishment of environmental damage,  
4 including, but not limited to, expert witness fees, environmental evaluation,  
5 investigation, and testing, the cost of developing a plan of **evaluation or**  
6 remediation, and reasonable attorney fees incurred in the trial court and the  
7 department. **Upon adoption of the most feasible plan by the trial court, a party**  
8 **admitting responsibility or a party found to be legally responsible for**  
9 **environmental damage shall not be responsible for any further attorney fees or**  
10 **costs including but not limited to expert witness fees, environmental evaluation,**  
11 **monitoring, investigation, and testing. Upon a finding by the court that a**  
12 **defendant did not cause or is otherwise not legally responsible for the alleged**  
13 **environmental damage, that defendant shall be entitled to recover from the**  
14 **plaintiff reasonable attorney fees and all costs including expert witness fees,**  
15 **environmental evaluation, monitoring, investigation, and testing if that**  
16 **defendant is found at trial not to have caused or is otherwise not legally**  
17 **responsible for the alleged environmental damage.**

18 \* \* \*

19 F. The court and the department shall retain oversight to ensure compliance  
20 with the plan. The party or parties admitting responsibility or the party or parties  
21 found legally responsible ~~by the court~~ shall file progress reports periodically as the  
22 court or the department may require.

23 \* \* \*

24 H.(1) This Section shall not preclude an owner of land from pursuing a  
25 judicial remedy or receiving a judicial award for private claims suffered as a result  
26 of environmental damage, except as otherwise provided in this Section. Any award  
27 granted in connection with the judgment for additional remediation in excess of the  
28 requirements of the feasible plan adopted by the court ~~is not required to~~ **shall not** be  
29 paid into the registry of the court. **Any award granted in connection with the**  
30 **judgment for damages awarded to fund the most feasible plan shall be paid into**

1        the registry of the court.

2                                \*           \*           \*

3                                I. For the purposes of this Section, the following terms shall have the  
4        following meanings:

5                                \*           \*           \*

6                                (2) "Environmental damage" shall mean any actual or potential impact,  
7        damage, or injury to environmental media caused by actual or potential  
8        contamination resulting from activities associated with oilfield sites or exploration  
9        and production sites. Environmental media shall ~~include but not be limited to~~ mean  
10       soil, surface water, ground water, or sediment.

11                               \*           \*           \*

12                               (4) "~~Feasible Plan~~ Most feasible plan" means the most reasonable plan  
13       which addresses environmental damage in conformity with the requirements of  
14       Article IX, Section 1 of the Constitution of Louisiana to protect the environment,  
15       public health, safety and welfare, and is in compliance with the specific relevant and  
16       applicable standards and regulations promulgated by a state agency in accordance  
17       with the Administrative Procedure Act in effect at the time of ~~clean-up~~ the most  
18       feasible plan to evaluate or if necessary remediate ~~contamination~~ environmental  
19       damage resulting from oilfield or exploration and production operations or waste.

20                               \*           \*           \*

21                               M.(1) In an action governed by the provisions of this Section, and  
22       notwithstanding any provision contained in this Section to the contrary,  
23       damages, including without limitation, remediation and nonremediation  
24       damages, may be awarded only for the following:

25                               \*           \*           \*

26                               (c) ~~The cost of evaluating, correcting or repairing environmental damage~~  
27       ~~upon a showing that such damage was caused by unreasonable or excessive~~  
28       ~~operations based on rules, regulations, lease terms and implied lease obligations~~  
29       ~~arising by operation of law, or standards applicable at the time of the activity~~  
30       ~~complained of, provided that such damage is not duplicative of damages awarded~~

under Subparagraph (a) or (b) of this Paragraph. Economic loss damages may be recovered if proven by a preponderance of the evidence. All other nonremediation damages shall be limited to no more than three hundred percent of the fair market value. The fair market value of the property shall be based on the value of the surface of the property as if it had no environmental damage.

\* \* \*

\* \* \*

§87. Oilfield site restoration fees

A. There is hereby imposed on crude petroleum produced from producing wells in this state a fee on each barrel of oil and condensate as provided in this Section, payable upon the initial disposition of each barrel of oil and condensate. The fee is in addition to any tax imposed pursuant to Title 47 of the Louisiana Revised Statutes of 1950. The provisions of Chapters 17 and 18 of Subtitle II of Title 47 of the Louisiana Revised Statutes of 1950 shall apply to the administration, collection, and enforcement of the fee imposed in this Section, and the penalties provided by that code shall apply to any person who fails to pay or report the fee. Proceeds from the fee, including any penalties collected in connection with the fee, shall be deposited into the Oilfield Site Restoration Fund.

\* \* \*

F. The site restoration fee shall be the following:

(1) Full rate production shall include all production from oil or gas wells except for production from reduced rate production wells as set forth in R.S. 47:633(7).

(a) For crude oil and condensate, the fee shall be based on the oil price on July first of each year for the ensuing twelve months based upon the average New York Mercantile Exchange Price per barrel of crude oil per month on the close of business on June thirtieth for the prior twelve months. The amount of the fee for a well that produces crude oil and condensate shall be as follows:

\* \* \*

(b) For natural gas and casing head gas, the fee shall be based on the natural gas price on July first of each year for the ensuing twelve months based upon the Henry Hub Natural Gas Spot Price average monthly price in dollars per million BTU published by the United States Energy Information Administration for the preceding January first through December thirty-first available as of April first. For natural gas and casing head gas, the fee shall be as follows:

\* \* \*

Section 3. R.S. 31:115(C)(1)(b) is hereby amended and reenacted to read as follows:

§115. Requirement of term; limitation of continuation without drilling or mining operations or production

\* \* \*

C.(1) Any lease, granting the right to explore for and produce lignite or another form of coal, which is included within a mining plan and upon which no actual operations have begun, may provide for an extension beyond the initial ten year term for a period of thirty years by the payment of rent, an advance royalty payment or any other form of periodic payment to the lessor, provided the following requirements are satisfied:

\* \* \*

(b) A mining plan for the ultimate production of lignite or other forms of coal, together with a permit issued by the ~~commissioner of conservation~~ secretary, is filed in the conveyance records of the parish or parishes in which the leased land is located.

\* \* \*

Section 4. R.S. 36:351, 352, 353, 354(A)(7), (10), (13), and (15), (B)(1)(b), (2), (4), (6), (8), (10), and (12), 355, 356, 357, 358, the introductory paragraphs of R.S. 36:359(A) and (B), 359(B)(1) and (2), and (C) are hereby amended and reenacted and R.S. 36:351.1, 354(B)(13) and (14), 354.1, 356.1(B)(6) and (7) and (D), and 359(D), and 600 are hereby enacted to read as follows:

CHAPTER 8. DEPARTMENT OF CONSERVATION AND

## ENERGY AND NATURAL RESOURCES

§351. Department of **Conservation and** Energy and Natural Resources; creation; domicile; composition; purposes and functions

A. The Department of **Conservation and** Energy and Natural Resources is created and shall be a body corporate with the power to sue and be sued. The domicile of the department shall be in Baton Rouge.

B. The Department of **Conservation and** Energy and Natural Resources, through its offices and officers, shall be responsible for the conservation, management, and development of water, minerals, and other such natural resources of the state, including coastal management, state water bottom management and permitting, the issuance of energy-related rights of way on state water bottoms and state lands, and energy-related leasing of state water bottoms and state lands as further set forth in law, but not including timber or fish and wildlife and their habitats.

C.(1) The Department of **Conservation and** Energy and Natural Resources shall be composed of the executive office of the secretary, the office of management and finance, the office of conservation, the office of mineral resources, the office of coastal management **administration**, the office of enforcement, the office of energy, the office of land and water, the Oilfield Site Restoration Commission **permitting and compliance, the office of state resources**, and other offices as shall be created by law.

(2) Whenever the secretary determines that the administration of the functions of the department may be more efficiently performed by eliminating, merging, or consolidating existing offices or establishing new offices, the secretary shall present a plan therefor to the legislature for its approval by statute. In addition, beginning January 15, 2026, and thereafter in the same year as the sunset of the Department of Energy and Natural Resources, the secretary shall recommend to the Senate Committee on Natural Resources and the House Committee on Natural Resources and Environment to either terminate or continue the boards and commissions provided for in this Chapter. Any recommendation to terminate a board

~~or commission shall include a plan to eliminate, merge, or consolidate the functions and responsibilities of that board or commission.~~

**§351.1. Natural Resources Commission; creation composition; purposes and functions**

**A. The Natural Resources Commission is hereby reconstituted within the Department of Conservation and Energy. The commission shall not have authority to grant or deny permits, to take enforcement action, or to take other action which has traditionally been within the sole jurisdiction of the department.**

**B. The Natural Resources Commission shall be composed of the following individuals, who shall not have the ability to serve by proxy or designee:**

**(1)The secretary of the Department of Conservation and Energy.**

**(2) The secretary of Louisiana Economic Development.**

**(3)The secretary of the Department of Environmental Quality.**

**(4)The secretary of the Department of Revenue.**

**(5) The secretary of the Department of Wildlife and Fisheries.**

**(6) The executive secretary of the Louisiana Public Service Commission.**

**(7) One individual, appointed by the governor, who shall represent**  
**statewide flood control interests. This individual shall be one of the following:**

**(a) The secretary of the Department of Transportation and Development.**

**(b) The executive director of the Coordinated Use of Resources for Recreation, Economy, Navigation, and Transportation Authority.**

**(c) The executive director of the Coastal Protection and Restoration**

**Authority.**

**(d) The chief resilience officer.**

**C. The department shall staff the commission and may engage the legislative auditor for reports requested by legislature or commission. The commission shall meet four times per year, preferably quarterly. The commission will facilitate strategic alignment and coordination amongst**

1 members. The commission shall coordinate with the legislative auditor to  
2 provide investigative oversight to the commission.

3 D. The commission shall:

4 (1) Serve as primary coordination body for water management planning,  
5 statewide flood protection, and develop a process for its centralization striving  
6 for uniformity.

7 (2) Develop a process in which agencies coordinate intergovernmental  
8 responses.

9 (3) Develop a process in responding to legislative study requests,  
10 including their prioritization.

11 (4) Engage legislative auditor for staffing on matters related to  
12 investigation, reporting, and review of the executive branch.

13 (5) Develop a process to identify, review, receive, clarify and act on  
14 matters of agency overlap, including independent agencies and political  
15 subdivisions.

16 E. The commission shall meet on the first Wednesday of March, June,  
17 September, and December of each year. In the event of a state declared  
18 emergency or holiday, the meeting shall be held on the next working day. The  
19 date may be changed by unanimous agreement of the members in writing.

20 F. The legislature may establish advisory committees to advise the  
21 Natural Resources Commission on any matter within the jurisdiction of the  
22 commission. Advisory committees shall be established by resolution which, at  
23 a minimum, provides for the purpose of the advisory committee, either the  
24 membership of the committee or how the members will be appointed, and such  
25 other matters as the legislature deems appropriate. An advisory committee  
26 established pursuant to this Subsection shall terminate one year after the  
27 effective date of the resolution creating it unless a different term is expressly  
28 provided in the resolution or the advisory committee is reauthorized by  
29 subsequent resolution.

30 §352. Officers of the department; compensation for one office only

1           A. The officers of the department shall be the secretary, the undersecretary,  
2           the deputy secretary if a deputy secretary is appointed, and ~~assistant secretaries~~  
3           **directors**, each of whom shall be selected and shall perform functions as provided  
4           in this Title.

5           B. No person serving as a secretary, deputy secretary, undersecretary, or  
6           ~~assistant secretary~~ **director** shall receive any additional salary from the state other  
7           than that salary which he receives by virtue of serving in any one of such offices.  
8           Any statewide elected official appointed to serve as a secretary, deputy secretary,  
9           undersecretary, or ~~assistant secretary~~ **director** shall not receive any additional salary  
10          from the state other than that salary which he receives as a statewide elected official.

11          C. Notwithstanding any provision herein to the contrary, subject to approval  
12          of the governor, any person, including any statewide elected official, serving or  
13          appointed to serve as a secretary, undersecretary, deputy secretary, or ~~assistant~~  
14          ~~secretary~~ **director** may receive additional compensation for part-time services  
15          rendered as an instructor in post-secondary educational institutions, or as a member  
16          of the National Guard.

17          §353. Secretary of ~~natural resources~~ **conservation and energy**

18                 There shall be a secretary of ~~natural resources~~ **conservation and energy**,  
19                 who shall be appointed by the governor with consent of the Senate and who shall  
20                 serve at the pleasure of the governor at a salary fixed by the governor, which salary  
21                 shall not exceed the amount approved for the position by the legislature while in  
22                 session. The secretary shall serve as the executive head and chief administrative  
23                 officer of the Department of **Conservation and** Energy and ~~Natural Resources~~ and  
24                 shall have the responsibility for the policies of the department except as otherwise  
25                 provided by this Title and for the administration, control, and operation of the  
26                 functions, programs, and affairs of the department, provided that the secretary shall  
27                 perform his functions under the general control and supervision of the governor. ~~The~~  
28                 ~~secretary shall be an ex officio member of the State Mineral and Energy Board~~ **The**  
29                 **secretary shall also assume all duties and functions of the commissioner of**  
30                 **conservation as set forth in law.**

§354. Powers and duties of secretary of **conservation and** energy ~~and natural~~  
~~resources~~

A. In addition to the functions, powers, and duties otherwise vested in the secretary by law, the secretary shall:

\* \* \*

(7) Undertake, or in necessary cases, designate one of the offices within the department or its ~~assistant secretary~~ **directors** to prepare all necessary studies regarding alternate fuel sources for the state of Louisiana.

\* \* \*

(10) Act as the sole agent of the state or, in necessary cases, designate one of the offices within the department or its ~~assistant secretary~~ **directors** to cooperate with the federal government and with other state and local agencies in matters of mutual concern and in the administration of federal funds granted to the state or directly to the department or an office thereof to aid in the furtherance of any function of the department and its offices. For this purpose he may take such actions, in accordance with applicable state law, necessary to meet such federal standards as are established for the administration and use of such federal funds, except as otherwise specifically provided in this Title or by the constitution and laws of this state.

\* \* \*

(13) Contract, if the secretary so desires, or, if the secretary deems necessary, designate one of the offices within the department or its ~~assistant secretary~~ **director**, under the secretary's supervision, to do so, with private or public research organizations for the purchase, out of funds available to the Department of **Conservation and** Energy ~~and Natural Resources~~, of services in scientific, economic, and technological research, including but not limited to surveys, studies, and experiments with a view toward protecting and replenishing the natural resources of the state under the jurisdiction of the Department of **Conservation and** Energy ~~and Natural Resources~~, toward preventing the waste, wasteful use, and wasteful utilization thereof, except as defined in R.S. 30:3, toward preventing the use

of the natural resources in such a manner and in such quantities as will threaten with premature exhaustion, extinction, and destruction of the supply of these resources in the state, and toward the energy policy of this state, and to prepare and implement plans and programs in relation thereto.

\* \* \*

(15) Set priorities for program funds as provided in R.S. 30:2483 **and declare emergencies pursuant to R.S. 30:6.1.**

\* \* \*

B. The secretary shall have authority to:

(1)(a) \* \* \*

(b) All of the above are to be accomplished in accordance with applicable civil service laws, rules, and regulations, and with policies and rules of the Department of **Conservation and** Energy ~~and Natural Resources~~, and all are subject to budgetary control and applicable laws.

(2) Appoint, subject to gubernatorial ~~approval~~ **disapproval**, advisory councils, boards, and commissions necessary in the administration of the department or for providing expertise within the department's jurisdiction, except as otherwise provided by law or by executive order.

\* \* \*

(4) Contract upon terms as the secretary may agree upon, for legal, financial, engineering, and other professional services necessary or expedient in the conduct of the affairs of the Department of **Conservation and** Energy ~~and Natural Resources~~ under the provisions of this Chapter.

\* \* \*

(6) Represent, or designate ~~an assistant secretary~~ **a director** to represent, the state in all matters involving or affecting the interest of the state and its residents relative to energy and natural resources within the jurisdiction of the Department of **Conservation and** Energy ~~and Natural Resources~~ before all federal agencies, offices, and officials, and congressional committees, and in all judicial actions arising out of the proceedings of the agencies, offices, and committees or in relation

1           thereto. Those employed or contracted with as provided by this Section shall be  
2           entitled to represent the state and the secretary and to appear in the courts and before  
3           agencies of this state or the agencies, officials, and courts of the United States and  
4           of other states to carry out the purposes of this Chapter.

5                               \*           \*           \*

6                       (8) Obtain from the federal government and its agencies, the offices of the  
7           Department of Conservation and Energy ~~and Natural Resources~~, and other state  
8           agencies any information and data collected by the entities relating to energy, natural  
9           resources, or the environment, upon mutually agreeable terms and conditions or as  
10          required by law; however, information and data subject to nondisclosure under R.S.  
11          44:4 shall maintain that status while in the custody of the secretary.

12                           \*           \*           \*

13                   (10) Establish in ~~his office~~ the department a capacity for policy analysis,  
14          development of information and statistics, and generation of economic information  
15          relating to the natural resources and environmental affairs of the state.

16                           \*           \*           \*

17                   (12) Delegate his duties and responsibilities to other personnel within the  
18          department as necessary for the efficient administration of the department and  
19          its programs.

20                   (13) Do such other things not inconsistent with law, as are necessary to  
21          perform properly the functions vested in him.

22                   (14) Issue directives, acting through an initiative of the deputy secretary  
23          and upon certification by the undersecretary, that establish immediate agency  
24          policy effective upon issuance. Such orders shall remain in effect unless and  
25          until they are superseded by subsequent directive or subjected to additional  
26          administrative rulemaking through the Louisiana Administrative Procedure  
27          Act, including but not limited to the processes for emergency rulemaking or  
28          potpourri notices, if and when the secretary deems further formal rulemaking  
29          necessary. These directives, which do not constitute "adjudications" within the  
30          meaning of federal or state administrative law, shall serve as statements of

1 policy that the department may apply to its programs and operations forthwith.

2 (15) Establish a formal certification process to recognize academic and  
3 research institutions within the state who possess specialized expertise in areas  
4 such as energy technologies, natural resources management, environmental  
5 stewardship, resource economics, and other strategically significant fields of  
6 research and development related to the mission of the department, which may  
7 be accomplished through entering into agreements with certified institutions to  
8 govern ownership of intellectual property developed through or in conjunction  
9 with this program. The secretary shall coordinate with the Natural Resources  
10 Commission in developing this process. The secretary may promulgate rules  
11 and regulations to implement this program. Unless otherwise specified by the  
12 secretary, primary management of this program shall be placed in the office of  
13 energy.

14 \* \* \*

15 §354.1. Authorization for Administrative Reorganization and Delegation of  
16 Functions, Authority of Secretary

17 A. The purpose of this Section is to streamline and modernize the  
18 operations of the department, provide flexibility to the department to respond  
19 to changing conditions, and ensure the continuity of effective administration.

20 B. Where consistent with this Title and other applicable laws, the  
21 secretary is hereby authorized to:

22 (1) Reorganize, consolidate, create, merge or abolish divisions, offices,  
23 bureaus, sections, or other administrative units within the department as  
24 deemed necessary for the efficient, economical, and effective performance of its  
25 functions.

26 (2) Delegate any function or duty vested in the secretary by law to any  
27 subordinate officer or employee within the department. Delegation may be  
28 rescinded by the secretary at any time.

29 C. The secretary shall follow the following procedures for reorganization  
30 under this Section:

1           (1) Where contemplated reorganization materially affects the procedural  
2           rights of the public or substantively changes the department's administrative  
3           processes, the secretary shall follow the provisions of the Administrative  
4           Procedure Act to implement such changes, but for any provision of this Title.

5           (2) Where contemplated reorganization is internal, ministerial, or  
6           otherwise a minor reorganization that does not materially affect the procedural  
7           rights of the public or substantively change the department's administrative  
8           processes, the reorganization shall be effective upon a written order by the  
9           secretary. Such order shall be filed with the secretary of state and shall also be  
10          transmitted to the governor, the House Committee on Natural Resources and  
11          Environment and the Senate Natural Resources Committee for informational  
12          purposes.

13          D. No provision of this Section shall be construed to limit or circumvent  
14          any rights of protections afforded to employees of the department under  
15          applicable state civil service rules or any other provisions of law. Any workforce  
16          adjustments made pursuant to any reorganization under this Section shall  
17          comply with the due process requirements set forth in applicable state civil  
18          service rules and law.

19          E. The secretary shall submit an annual report to the House Committee  
20          on Natural Resources and Environment and the Senate Natural Resources  
21          Committee detailing the nature, purpose, and results of any major  
22          reorganization undertaken in the preceding year, including any administrative  
23          consolidations, transfers of authority, or delegation changes that materially  
24          affect the public's procedural rights or the department's administrative  
25          processes.

26          F. If any provision or item of this Section, or the application thereof, is  
27          held invalid, such invalidity shall not affect other provisions, items, or  
28          applications which can be given effect without the invalid provision or item, and  
29          to this end, the provisions of this Section are hereby declared severable.

30          §355. Deputy secretary

1           A. There ~~may~~ **shall** be a deputy secretary of the department, who shall be  
2 appointed by the secretary with consent of the Senate and who shall serve at the  
3 pleasure of the secretary at a salary fixed by the secretary, which salary shall not  
4 exceed the amount approved for such position by the legislature while in session.  
5 ~~The duties and functions of the deputy secretary shall be determined and assigned~~  
6 ~~by the secretary. If appointed, he~~ **He** shall serve as acting secretary in the absence of  
7 the secretary.

8           **B. The deputy secretary shall, in addition to any authorities established**  
9 **elsewhere in law:**

10           **(1) Oversee the office of natural resources commission, performing all**  
11 **functions, including the authority to employ, appoint, remove, assign, and**  
12 **promote such personnel as is necessary for the efficient administration of this**  
13 **office and its programs and the performance of its powers, duties, functions,**  
14 **and responsibilities, in accordance with applicable civil service laws, rules, and**  
15 **regulations, and with policies and rules of the department, all subject to**  
16 **budgetary control and applicable laws.**

17           **(2) Perform other duties as requested or delegated by the secretary.**

18 §356. Undersecretary; functions; office of ~~management and finance~~ **administration**

19           A.**(1)** There shall be an undersecretary of the Department of **Conservation**  
20 **and** Energy ~~and Natural Resources~~, who shall be appointed by the governor with  
21 consent of the Senate and who shall serve at the pleasure of the governor at a salary  
22 fixed by the governor, which salary shall not exceed the amount approved for the  
23 position by the legislature while in session.

24           **(2)** The undersecretary shall be directly responsible to and shall perform his  
25 functions under the supervision and control of the secretary **but for this Subsection,**  
26 **and shall otherwise be vested with the authority provided in the Section.**

27           B. The **Subject to R.S. 39:1, et seq., the** undersecretary shall direct and be  
28 responsible for the functions of the office of ~~management and finance~~  
29 **administration** and the Louisiana Natural Resources Trust Authority within the  
30 Department of **Conservation and** Energy ~~and Natural Resources~~. In this capacity,

1 the undersecretary shall be responsible for accounting and ~~budget~~ **budgetary**  
2 **oversight, systems of internal** control; **and financial compliance**, procurement and  
3 contract management, **information technology and** data processing, management  
4 and program analysis, personnel management, and grants management for the  
5 department and all of its offices, including all agencies transferred to the Department  
6 of **Conservation and** Energy and ~~Natural Resources~~, except as otherwise  
7 specifically provided in this Title. The undersecretary shall employ, appoint, remove,  
8 assign, and promote personnel as is necessary for the efficient administration of the  
9 office of ~~management and finance~~ **administration** and the Louisiana Natural  
10 Resources Trust Authority and the performance of their powers, duties, functions,  
11 and responsibilities, in accordance with applicable civil service laws, rules, and  
12 regulations, and with policies and rules of the department, all subject to budgetary  
13 control and applicable laws. The undersecretary shall exercise all powers and  
14 authority granted to him in this Title subject to the overall direction and control of  
15 the secretary.

16 C.(1) The duties and functions of the office of ~~management and finance~~  
17 **administration** and of the undersecretary shall be as provided in this Section, and  
18 these duties and functions shall not be subject to change by the secretary, except that  
19 the undersecretary shall perform such additional duties and functions as are assigned  
20 by the secretary. **The undersecretary shall:**

21 **(a) Ensure internal-control mechanisms to safeguard departmental**  
22 **assets and promote compliance with financial, administrative, and regulatory**  
23 **requirements. This responsibility shall include developing and enforcing written**  
24 **policies and procedures for the prevention and detection of fraud, waste, and**  
25 **abuse, as well as for proper budgeting, accounting, and reporting practices.**

26 **(b) Coordinate and oversee auditing, both internal and external, to**  
27 **evaluate the department's fiscal integrity and operational compliance. This shall**  
28 **include the authority to:**

29 **(i) Initiate or recommend financial, performance, and compliance audits**  
30 **of divisions, programs, or processes within the department.**

1           (ii) Collaborate with the legislative auditor or any external auditor  
2           authorized by law, ensuring prompt access to records and cooperation by  
3           departmental staff.

4           (iii) Review and respond to audit findings, develop corrective-action  
5           plans, and monitor their implementation to resolve deficiencies.

6           (c) Regularly report to the secretary on the department's financial status,  
7           the results of any internal or external audits, and identified risks or potential  
8           areas of concern. In connection therewith, the undersecretary shall recommend  
9           policies, practices, or remedial actions necessary to enhance accountability and  
10          protect the department's resources.

11          (d) Have the authority to investigate personnel matters within the  
12          department, including allegations of misconduct, inefficiency, or violations of  
13          department policies, and to recommend to the secretary appropriate  
14          disciplinary action, consistent with civil service laws, rules, and regulations.

15          (e) Have the authority to utilize the services of contracted third-party  
16          firms to assist in the administration and management of the department.

17          (2) With express permission from the commissioner of administration,  
18          this Subsection may be exempt from R.S. 39:1551 et seq.

19          §356.1. Louisiana Natural Resources Trust Authority; establishment; powers

20                               \*           \*           \*

21               B. The authority's powers shall also include the following:

22                               \*           \*           \*

23          (6) Bonding, financing, or otherwise acting as a State Energy Financing  
24          Institution pursuant to federal law, to fund or assist in funding a plant or  
25          facility demonstrating technological advances of new methods and procedures  
26          and prototype application for the exploration, development, production,  
27          transportation, conversion, and use of energy resources, or other programs  
28          which may become available under the Loan Programs Office of the U.S.  
29          Department of Energy, or any successor office or agency.

30          (7) Establishing and administering mechanisms to satisfy financial

**security requirements in lieu of traditional instruments, including but not limited to the collection and management of cash payments and fees from participating operators.**

\* \* \*

**D. The authority may request that the state treasurer invest funds, or any portion thereof, under the control of the authority in accordance with the provisions of R.S. 33:2955, including the use of the Louisiana Asset Management Pool.**

**§357. ~~Assistant secretaries~~ Leadership**

~~A. Each office within the Department Energy and Natural Resources, except the office of management and finance, shall be under the immediate supervision and direction of an assistant secretary. The assistant secretary of each office shall be appointed by the governor with the consent of the Senate and shall serve at the pleasure of the governor. Each assistant secretary shall be paid a salary which shall be fixed by the governor, which salary shall not exceed the salary approved for the position by the legislature while in session. The commissioner of conservation shall serve as the assistant secretary for the office of conservation and shall be selected in accordance with law.~~

~~B. The duties and functions of each office and its assistant secretary shall be determined by the secretary, and all of such duties and functions shall be exercised under the direct supervision and control of the secretary.~~

**C. Each assistant of Conservation and Energy, except the executive office of the secretary and the office of administration shall be under the immediate supervision and direction of a director who shall be appointed by the secretary and shall be an unclassified employee. The secretary may issue a directive clearly identifying each director and specifically delegating the authority of such director.**

**B. The** secretary shall employ, appoint, remove, assign, and promote **from any funding sources authorizing administrative costs** such personnel as is necessary for the efficient administration of his office and its programs and the

1 performance of its powers, duties, functions, and responsibilities, in accordance with  
2 applicable civil service laws, rules, and regulations, and with policies and rules of  
3 the department, all subject to budgetary control and applicable laws.

4 ~~D. Each assistant secretary shall exercise all powers and authority granted to~~  
5 ~~him in this Title subject to the overall direction and control of the secretary~~ **this**  
6 **Chapter. In addition to any other powers, duties, functions, and responsibilities**  
7 **defined by the secretary.**

8 §358. Offices; purposes and functions

9 A. The purposes for which the offices of the Department of **Conservation**  
10 **and** Energy and Natural Resources are created shall be as set forth in this Section.

11 B. The office of coastal management shall perform the functions of the state  
12 relative to the coastal zone management program **the executive office of the**  
13 **secretary shall be responsible for assisting the secretary in the exercise of the**  
14 **functions and duties established in law of the secretary. Among the divisions**  
15 **included within the executive office of the secretary shall be the office of natural**  
16 **resources commission to be headed by the deputy secretary and the office of**  
17 **legal services to be headed by an attorney designated by the secretary.**

18 **(1) The office of the natural resources commission may provide any**  
19 **necessary direct support to the natural resources commission. In addition, the**  
20 **office of the natural resources commission shall provide intergovernmental**  
21 **affairs and communications support to the commission and the department.**

22 **(2) The office of legal services shall provide general legal support for the**  
23 **department and its offices, including specialized support for state lands,**  
24 **minerals, and water resources, and shall oversee and administer the Saltwater**  
25 **and Oil Assessment Process as set forth in law.**

26 C. The office of conservation, in accordance with law, shall exercise the  
27 functions of the state with respect to the regulation, conservation, permitting,  
28 compliance, and use of the natural resources of the state which are not specifically  
29 within the jurisdiction of other state departments or agencies. Its functions shall  
30 include but not be limited to the conservation of the oil and gas resources of the state

1 and matters pertaining thereto; the promotion and encouragement of exploration,  
2 production, and refining efforts for oil, intrastate gas, and other hydrocarbons; the  
3 control and allocation of energy supplies and distribution; the lease or construction  
4 and operation of intrastate pipeline systems; the implementation and enforcement of  
5 any emergency gas shortage allocation plan and the setting of priorities; the  
6 regulation of the minimum sale price of intrastate natural gas; and the management  
7 of ground water resources, all in accordance with applicable laws. administration  
8 shall be responsible for accounting and budget control, procurement and  
9 contract management, data processing, management and program analysis,  
10 information technology and geographic information systems, strategic planning,  
11 and personnel management for the department and all of its offices, including  
12 the Natural Resources Trust Authority, subject to R.S. 39:1, et seq.

13 D.(+) The office of permitting and compliance shall perform all  
14 permitting and compliance functions within the jurisdiction of the department  
15 consistent with law, including Act No. 548 of the 2006 Regular Session of the  
16 Legislature.

17 E. The office of ~~mineral~~ state resources shall ~~perform:~~

18 (1) Perform the functions of the state relating to the lease of or other  
19 contracts for the use of lands and water bottoms of the state for the development  
20 and production of minerals, oil, and gas, storage, and other energy related  
21 activities and supervision of such mineral leases and other agreements, in  
22 accordance with the law, including but not restricted to the exercise of the option of  
23 the state to receive in kind the portion due to the state as royalty of any minerals  
24 produced and severed from leased premises, and shall receive, administer, and  
25 control royalties and other storage and energy related payments due ~~in kind~~ to the  
26 state in accordance with state law.

27 (2) Work in cooperation with the Center for Energy Studies to maintain  
28 current surface and subsurface geological surveys of the state, or otherwise at the  
29 discretion of the ~~assistant secretary of the office of mineral resources~~ or his designee;  
30 conduct geological mapping; prepare geological hazards assessments and resource

inventories; and conduct process investigations and related studies.

**(3) Provide for the administration of state water bottom management, the issuance of mineral, storage, and energy-related rights of way on state water bottoms and state lands, and energy-related leasing of state water bottoms and state lands as further set forth in law, including agreements related to the subsurface and above-ground storage of minerals, gasses, and products on state water bottoms or lands and receipt, administration, and control of payments due to the state under these agreements in accordance with state law. The secretary and the commissioner of administration shall enter into and maintain a memorandum of understanding regarding receipt, administration, and control of these payments to memorialize necessary arrangements associated with funding their respective departments.**

**(4) Provide for the administration of groundwater, surface water, and other water resources for quantity purposes, unless otherwise designated by the secretary following adequate review set forth by rule.**

~~E.F.~~ The office of enforcement shall be responsible for the inspection of the regulated community and the enforcement of laws and regulations within the jurisdiction of the department consistent with Act No. 548 of the 2006 Regular Session of the Legislature.

~~F.G.~~ The office of energy shall organize, plan, supervise, direct, administer, execute, and be responsible for the functions and programs relating to the deployment and operation of alternative energy infrastructure in this state in a manner that results in affordable and reliable energy. The office of energy shall also work in cooperation with the Center for Energy Studies to create and carry out a central, comprehensive, and unified energy data and information program which will collect, evaluate, assemble, analyze, and disseminate data and information which is relevant to energy resource reserves, energy production, demand, and technology, and related economic and statistical information, or which is relevant to the adequacy of energy resources to meet demands in the near and longer term future of the state.

**The office of energy shall work to provide the department and the Natural**

1        Resources Commission with technical assistance and expertise in matters  
2        related to energy and natural resources and shall also work to identify policy  
3        options relative to energy related matters upon request. Finally, the office of  
4        energy shall coordinate with academic and research institutions who possess  
5        specialized expertise in areas related to energy and natural resources on behalf  
6        of the department.

7                G. ~~The office of land and water shall be responsible for the following:~~

8                (1) ~~The administration of state water bottom management, the issuance of~~  
9        ~~energy-related rights of way on state water bottoms and state lands, and energy-~~  
10       ~~related leasing of state water bottoms and state lands as further set forth in law.~~

11               (2) ~~The administration of groundwater, surface water, and other water~~  
12       ~~resources for quantity purposes, unless otherwise designated by the secretary~~  
13       ~~following adequate review set forth by rule.~~

14                                \*           \*           \*

15        §359. Transfer of agencies and functions to Department of Conservation and  
16                                Energy and ~~Natural Resources~~

17                A. The following agencies are transferred to the Department of Conservation  
18        and Energy and ~~Natural Resources~~ and shall exercise and perform their powers,  
19        duties, functions, and responsibilities as provided by law:

20                                \*           \*           \*

21                B. The following agencies are transferred to the Department of Conservation  
22        and Energy and ~~Natural Resources~~ and shall exercise and perform their powers,  
23        duties, functions, and responsibilities in accordance with the provisions of R.S.  
24        36:802:

25                (1) State Department of Conservation (Article V, Section 18 and Article VI,  
26        Section 1(C) of the 1921 Constitution of Louisiana made statutory by Article XIV,  
27        Section 16(A)(2) and (3) of the 1974 Constitution of Louisiana; Part I of Chapter 1  
28        of Subtitle I of Title 30 of the Louisiana Revised Statutes of 1950 and other  
29        provisions of Title 30 that directly apply to the department). The ~~assistant~~ secretary  
30        shall be authorized to employ, appoint, remove, assign, and promote personnel as is

1 necessary for the efficient administration required in making these decisions in  
2 accordance with applicable civil service laws, rules, and regulations, and with  
3 policies and rules, subject to budgetary control of the Department of **Conservation**  
4 **and** Energy ~~and Natural Resources~~ and applicable laws.

5 (2) State Mineral and Energy Board (R.S. 30:121 et seq.), except the  
6 ~~secretary~~ **undersecretary** of the Department of **Conservation and** Energy ~~and~~  
7 ~~Natural Resources~~ or his designee shall be an ex officio member of the State Mineral  
8 and Energy Board. The State Mineral and Energy Board shall retain the authority to  
9 lease for development and production of minerals, oil, and gas any lands belonging  
10 to the state, or the title to which is in the public, including road beds, water bottoms,  
11 and land adjudicated to the state at tax sale. The State Mineral and Energy Board  
12 shall retain supervision of all mineral leases granted by the state, and it shall retain  
13 general authority to take action for and on behalf of and to protect the interests of the  
14 state in accordance with the provisions of Title 30 of the Louisiana Revised Statutes  
15 of 1950, as amended, and applicable laws.

16 \* \* \*

17 C. The Oilfield Site Restoration Commission (R.S. 30:80 et seq.) is placed  
18 within the Department of **Conservation and** Energy ~~and Natural Resources~~ and shall  
19 perform its powers, duties, functions, and responsibilities in accordance with the  
20 provisions of R.S. 36:901 et seq.

21 **D. The Capital Area Groundwater Conservation District (R.S. 38:3071**  
22 **et seq.) is transferred to the Department of Conservation and Energy and shall**  
23 **perform its powers, duties, functions, and responsibilities in accordance with**  
24 **the provisions of R.S. 36:851, et seq.**

25 \* \* \*

26 **§600. Administrative process for resolution of disputes**

27 **A. It is the intent of the legislature to establish a voluntary**  
28 **administrative process to provide an alternative means of resolving disputes**  
29 **arising from activities under the jurisdiction of the Department of Conservation**  
30 **and Energy. This process may be utilized upon mutual agreement of all parties**

1 involved as an alternative to any other administrative or judicial processes  
2 provided by law.

3 B. Procedural requirements.

4 (1) The administrative process shall initiate upon the submission of  
5 written requests by all involved parties to the secretary of the Department of  
6 Conservation and Energy. The secretary may deny the request at his discretion,  
7 but notice of such denial shall be sent to all parties at the addresses provided in  
8 the written requests. If the secretary does not deny the request to utilize the  
9 administrative process, then the secretary shall forward to all parties an  
10 agreement setting forth the details of the process, how the hearing master's  
11 costs shall be paid, and other details of the process along with the retired judges  
12 list provided for in Paragraph (2) of this Subsection. The administrative process  
13 shall not proceed until all parties have signed the agreement and the secretary  
14 appoints a hearing officer as set forth in Paragraph (2) of this Subsection.

15 (2) Upon receipt of the agreement signed by the parties, the secretary  
16 shall appoint a hearing master as follows:

17 (a) Qualified hearing masters shall be retired judges included in the  
18 retired judges list maintained by the Louisiana Supreme Court, licensed to  
19 practice law in the state, and in good standing with the Louisiana State Bar  
20 Association. They shall not have conflicts or relationships that could  
21 compromise impartiality, and they shall disclose any potential conflicts upon  
22 discovery.

23 (b) Preference shall be given to retired judges with expertise in  
24 administrative law, regulatory compliance, environmental matters, or relevant  
25 industry practices. The department may maintain and update a list of preferred  
26 candidates meeting these criteria.

27 (c) The parties shall jointly select a hearing master from the provided list  
28 within ten days. If agreement on selecting the hearing officer is not reached  
29 within fifteen days, the parties shall alternately strike names from the list until  
30 only one candidate remains, who shall be appointed by the secretary, subject to

1 their availability. If unavailable, the process shall be repeated until an  
2 appointment is finalized.

3 C. Scope. The parties may mutually define the scope of matters subject  
4 to resolution through this administrative process, provided those matters  
5 involve activities that are within the jurisdiction and authority of the  
6 department as provided by law.

7 D. Recordation. The signed agreement to utilize this administrative  
8 process shall be recorded in the conveyance records of the parish where the  
9 regulated activity or disputed issue occurred. If the activity or issue is located  
10 in more than one parish, then the agreement shall be recorded in the  
11 conveyance records of all parishes where it is located.

12 E. Decision and remedies.

13 (1) The hearing master may grant any appropriate remedy or  
14 combination of remedies permissible under applicable law, including but not  
15 limited to monetary damages, injunctive relief, or specific performance.

16 (2) The hearing master shall issue a draft decision and provide copies via  
17 certified mail to the parties, the department, the Department of Environmental  
18 Quality, and the Department of Wildlife and Fisheries for their review and  
19 comments, which shall be provided to the hearing master, other parties, and the  
20 department within thirty days. If no comments are submitted, the hearing  
21 officer shall issue his decision within fifteen days following the end of the  
22 thirty-day comment period. If comments are submitted, the hearing officer shall  
23 have thirty days from receipt of the last comment or from the end of the  
24 thirty-day comment period, whichever is later, to issue his decision. If a  
25 comment is submitted by one of the three departments in which a department  
26 states that the draft decision must be revised in order to meet compliance with  
27 one of its applicable laws, rules, or regulations, then the hearing officer shall  
28 revise the draft decision accordingly prior to issuing his decision.

29 (3) Any decision issued by the hearing master is final unless a review is  
30 requested by any party within thirty days of the issuance of his decision. A

1 review, if requested, shall be conducted en banc by a panel of three hearing  
2 masters selected pursuant to the procedure provided pursuant to Paragraph  
3 (B)(2) of this Section.

4 (4) If conducted, the panel shall issue a draft decision and provide copies  
5 via certified mail to the parties, the department, the Department of  
6 Environmental Quality, and the Department of Wildlife and Fisheries for their  
7 review and comments, which shall be provided to the panel, other parties, and  
8 all three departments within thirty days of receipt of the draft decision. If no  
9 comments are submitted, then the panel shall issue its decision within fifteen  
10 days following the end of the thirty-day comment period. If comments are  
11 submitted, the panel has thirty days from receipt of the last comment or from  
12 the end of the thirty-day comment period, whichever is later, to issue its  
13 decision. If a comment is submitted by one of the three departments in which  
14 a department states that the draft decision must be revised in order to meet  
15 compliance with one of its applicable laws, rules, or regulations, then the panel  
16 shall revise the draft decision accordingly prior to issuing its decision. The  
17 decision of the panel is final.

18 F. Publication. All final decisions and the rationale therefor shall be  
19 published on the department's website within thirty days of issuance.

20 G. Preemption. Unless all parties agree otherwise at the time they  
21 request the administrative process, any pre-existing and duly recorded  
22 contractual agreements or leases governing the relationship between the parties  
23 shall supersede this administrative process. A settlement agreed to by the  
24 parties after initiation of the administrative process but prior to the final  
25 decision of the hearing master shall supersede the administrative process as to  
26 the parties to the settlement.

27 H. Rulemaking authority. The department shall promulgate rules as  
28 necessary to implement the provisions of this Section.

29 Section 5. R.S. 38:3072, 3073(8), the introductory paragraph of 3076(A), (A)(3), (4),  
30 (7), (8), (9), (14)(b), and (24), (C), (D), (E), the introductory paragraph of (F)(1), (F)(1)(b),

and (2), 3077, 3078, 3079, 3081, 3083, 3087.136(4), 3087.138, 3092(2) and (4), 3093, 3094(A)(1) through (4), the introductory paragraph of 3094(B), 3094(B)(7), the introductory paragraph of R.S. 38:3094(C), and 3094(C)(1), 3097.1(C), 3097.2(1), (4), (7), and (9), 3097.3(A) and (B), the introductory paragraphs of 3097.3(C) and (C)(4)(a), 3097.3(C)(4)(a)(v) and (b), and (8), (D), (E), (F)(1), the introductory paragraphs of 3097.3(F)(2), (d), and (f), and 3097.3(G), 3097.6(A), the introductory paragraphs of 3097.6(B) and (B)(3), 3097.8(A) and (C), the introductory paragraph of 3098(A), 3098(B) and (E), and 3098.1(4) are hereby amended and reenacted and R.S. 38:3098(G) is enacted to read as follows:

§3072. District ~~and board~~; creation

~~A.~~ There is hereby created the Capital Area Groundwater Conservation District, hereinafter called "district," which shall be a ~~body politic and corporate and a political subdivision of the state of Louisiana and shall be~~ composed of the parishes of Ascension, East Baton Rouge, East Feliciana, Pointe Coupee, West Baton Rouge, and West Feliciana.

~~B. There is hereby created a board of commissioners for the Capital Area Groundwater Conservation District who shall administer the affairs of the district. The membership of the board shall be as provided by R.S. 38:3074.~~

§3073. Definitions

Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this Part:

\* \* \*

(8) "Just and equitable share" of the groundwater underlying a tract within an area subject to an order limiting pumping rates means that portion of the recoverable groundwater within an aquifer which is to be apportioned to such tract on the basis of demonstrable geologic and hydrologic data taking into consideration the volume of groundwater in storage, the maximum perennial recharge potential, and any groundwater use priorities established by the ~~board~~ **district**.

\* \* \*

§3076. Powers of the ~~board~~ **district**

A. The board district shall work with the ~~commissioner of conservation~~ **secretary of the Department of Conservation and Energy** in his responsibilities to do all things necessary to prevent waste of groundwater resources, and to prevent or alleviate damaging or potentially damaging subsidence of the land surface caused by withdrawal of groundwater within the district. In conjunction with the ~~commissioner of conservation~~ **secretary**, the board district shall have authority to do, as required, the following:

\* \* \*

(3) To require registration with the ~~board~~ **district** of all wells showing the date drilled, the name of the driller, if available, and the current ownership together with such other information as the ~~board~~ **district** may reasonably require to permit it to accomplish the purposes of this legislation. No charge shall be assessed for such registration.

(4) To require that all users of groundwater within the district register with the ~~board~~ **district** showing the number, location, and capacity of wells owned or operated by them or solely for their benefit and designating the beneficial use or uses of that groundwater. The ~~board~~ **district** shall classify each user as an industrial user or as a commercial, rural or municipal user of groundwater upon the basis of such information. The ~~board~~ **district** shall have authority in its discretion to require periodical renewals of registrations to determine alterations in uses of water within the district. Such registrations may be required on an annual basis or such greater periods of time as the ~~board~~ **district** may deem appropriate.

\* \* \*

(7) To require well owners who are users, well owners providing water to other users, and users of groundwater who are not well owners to keep and furnish, on request, information necessary to carry out the provisions of this part pertinent to wells, drawdowns, grouting, casing sizes, property descriptions and other pertinent information reasonably required by the ~~board~~ **district**, provided that as to wells in existence on the effective date of this part such information is available.

(8) To collect data; to make investigations and inspections; to examine

properties, papers, books, and records relevant to groundwater use or conservation; to examine, survey, check test, and gauge all water wells within the district; to require well owners who are users or well owners providing water to other users, at their own expense, to meter wells to permit accurate determination of rates of use. Metering may be required on a continuous or periodic basis, and the ~~board~~ **district** may require approval by it of metering devices; to provide for the keeping of records and making of reports by owners of water wells providing water to users, and users of groundwater within the district.

(9) To require that authorized representative of the ~~board~~ **district** be enabled to enter property at reasonable times and under reasonable conditions to inspect wells, perform tests and examine records.

\* \* \*

(14) To assess the following:

\* \* \*

(b) Costs for capital expenditures assessed to users based on either annual flows or specific costs for wells to individual users based on capital, debt service, and operation and maintenance costs. Costs may include specific systems and technologies to allow for remote monitoring of flows, water levels, water quality, and other parameters considered necessary by the ~~board~~ **district** to conserve and protect groundwater resources and may include but are not limited to monitoring wells, scavenger wells, reclaimed water systems, pressure differential systems, water treatment systems, and other subsurface systems related to the protection of the aquifers.

\* \* \*

(24) To advise and consult with the ~~commissioner of conservation and the Water~~ **secretary of the Department of Conservation and Energy and the Natural Resources Commission** on matters that impact water resources within the ~~board's~~ **district's** jurisdiction.

\* \* \*

C. Anything herein to the contrary notwithstanding, the ~~board~~ **district** formed

1 hereunder shall have no authority to regulate water produced from formations  
2 producing oil or gas or both for commercial purposes or to issue any rule, regulation,  
3 or order conflicting with regulation of drilling to and production from or disposition  
4 of water from such formations by the ~~commissioner of conservation~~ secretary of the  
5 Department of Conservation and Energy. Nor shall the ~~board~~ district formed  
6 hereunder have authority to regulate the production of salt water used for pressure  
7 maintenance, secondary recovery operations, or other operations for the production  
8 of oil or gas.

9 D. Anything herein to the contrary notwithstanding, the ~~board~~ district shall  
10 have no regulatory power over and no authority to assess pumping charges for a well  
11 or wells with a total depth of less than four hundred feet or wells in the Mississippi  
12 River alluvial aquifer; or wells from which the production is used exclusively for  
13 bona fide agricultural or horticultural purposes or for domestic use of persons  
14 resident upon the same premises and capable of producing not more than fifty  
15 thousand gallons per day in the aggregate.

16 E. The ~~board~~ district shall have authority to make, after notice and hearing  
17 and to enforce reasonable rules, regulations, or orders necessary from time to time  
18 to achieve the purposes and powers as outlined in this Part, and such rules,  
19 regulations and orders shall be effective and enforceable immediately upon  
20 promulgation in the official journal of each parish affected.

21 F.(1) The ~~board~~ district shall not require users to undertake the installation  
22 of additional metering devices or prescribe new requirements thereof if the user's  
23 installation of metering devices meets all of the following criteria:

24 \* \* \*

25 (b) Measures flow data at least hourly for each well, for each stratum from  
26 which the well draws, and reports the data to the ~~board~~ district monthly.

27 \* \* \*

28 (2) The ~~board~~ district shall have authority to audit the performance of flow  
29 measurement devices installed and maintained by users. Audits of the flow  
30 measurement devices of all users other than nuclear electric generating stations may

1 include temporary installation of a flow measurement device and other necessary  
2 equipment by the ~~board~~ **district**, at the ~~board's~~ **district's** expense, in order to verify  
3 performance of a user-installed flow measurement device. Each user-installed flow  
4 measurement device may be audited once per calendar year.

5 §3077. Suits and failure to bring suit

6 A. Whenever it appears that a person is violating or is threatening to violate  
7 any provision of this part or a rule, regulation, or order made hereunder, the ~~board~~  
8 **district** shall bring suit to restrain that person from continuing the violation or from  
9 carrying out the threat.

10 B. Venue shall be in the district court in the parish in which the ~~board~~ **district**  
11 is domiciled.

12 C. In any such suit, the ~~board~~ **district** may obtain injunctions, prohibitory and  
13 mandatory, including temporary restraining orders and preliminary injunctions as the  
14 facts warrant.

15 D. If the ~~board~~ **district** fails to bring suit within ten days to restrain a  
16 violation of this part or any rule, regulation, or order issued hereunder, any person  
17 in interest adversely affected by the violation who has notified the ~~board~~ **district** in  
18 writing of the violation or threat thereof and has requested the ~~board~~ **district** to sue,  
19 may bring suit to prevent any or further violations, in the district court of the parish  
20 in which the ~~board~~ **district** is domiciled. If the court holds that injunctive relief  
21 should be granted, the ~~board~~ **district** shall be made a party and shall be substituted  
22 for the person who brought the suit, and the injunction shall be issued as if the ~~board~~  
23 **district** has at all times been the complaining party.

24 §3078. Limiting rate of production; notice

25 Any order limiting rates of production of groundwater, except emergency  
26 orders issued as hereinafter provided, shall be issued only after sixty days notice and  
27 a public hearing. The ~~board~~ **district** shall give notice by registered mail to all users  
28 of groundwater reasonably known to it within the district within which pumping is  
29 to be limited. In addition, the ~~board~~ **district** may give notice to such other individual  
30 landowners and well owners as it deems appropriate. However, the ~~board~~ **district**

1 shall also give notice by publication as hereinafter provided of the hearing on the  
2 prospective order.

3 §3079. Pumping charges

4 A. The pumping charge assessed against each user of groundwater within the  
5 district shall be fixed annually upon at least thirty days notice to each user within the  
6 district known to the ~~board~~ **district** and general notice by publication; however, the  
7 charges assessed against users of groundwater shall not be increased without a public  
8 hearing held for the purpose of fixing the pumping charges and opportunity for the  
9 submission of all pertinent data concerning total rates of consumption of  
10 groundwater within the district, estimated rates of consumption by users within the  
11 district, the costs and expenses which must be met during the coming year, costs and  
12 expenses which must be met by the pumping charge, and the manner in which the  
13 computation of the pumping charge is made. Any user within the district shall have  
14 the right to make a presentation by testimony and adduction of evidence and exhibits,  
15 and any other interested person shall have the right to be heard by making a personal  
16 statement of reasonable length. Any user intending to make a presentation at the  
17 hearing resulting in the assessment of pumping charges shall so advise the ~~board~~  
18 **district** at least five days in advance of the hearing and shall indicate the estimated  
19 time to be consumed by his presentation. When necessary, in its discretion, the ~~board~~  
20 **district** may limit the time allotted users for their presentations. Further, no pumping  
21 charge shall be made against the quantity of water pumped from wells screened in  
22 the Mississippi River alluvial aquifer, wells with a total depth of less than four  
23 hundred feet, wells used exclusively for bona fide agricultural or horticultural  
24 purposes, or wells not capable of producing fifty thousand gallons or more per day.

25 B. Pumping charges may be made payable by users monthly or on any other  
26 reasonable basis set by the ~~board~~ **district**.

27 \* \* \*

28 §3081. Court review and injunctive relief

29 A. Any aggrieved person of the district may, within thirty days after the  
30 adoption of any rule, regulation, order or taking of other action by the ~~board~~ **district**,

1 file suit in the district court in which the ~~board~~ **district** is domiciled, to contest the  
2 said rule, regulation, order or other action taken. The court may affirm the decision  
3 of the ~~board~~ **district** or remand the case for further proceedings. The court may  
4 reverse or modify the decision if substantial rights of the appellant have been  
5 prejudiced because the administrative findings, inferences, conclusions, or decisions  
6 are **any of the following**:

7 (1) In violation of constitutional or statutory provisions;<sub>2</sub>

8 (2) In excess of the statutory authority of the ~~board;~~ **district.**

9 (3) Made upon lawful procedure;<sub>2</sub>

10 (4) Affected by other error of law;<sub>2</sub>

11 (5) Arbitrary or capricious or characterized by abuse of discretion or clearly  
12 unwarranted exercise of discretion;~~or.~~

13 (6) Manifestly erroneous in view of the reliable, probative, and substantial  
14 evidence on the whole record. In the application of the rule, where the ~~board~~ **district**  
15 has the opportunity to judge of the credibility of witnesses by firsthand observation  
16 of demeanor on the witness stand and the reviewing court does not, due regard shall  
17 be given to the ~~board's~~ **district's** determination of credibility issues.

18 **B.** On institution of any such suit, the court shall issue an order setting the  
19 matter for trial, as by summary process, and such suit shall be tried in term time, or  
20 in vacation, with the greatest possible dispatch. Pending a hearing, the court may  
21 grant a temporary restraining order suspending the action of the ~~board~~ **district** upon  
22 a showing of immediate and irreparable injury in accordance with the provisions of  
23 Louisiana Code of Civil Procedure Article 3603.

24 \* \* \*

25 §3083. Violations; penalty; jurisdiction; attorney general to conduct suit; complicity

26 A. Whoever knowingly and willfully violates a provision of this part or a  
27 rule, regulation, or order of the ~~board~~ **district** made hereunder, shall be subject to a  
28 civil penalty of not more than one thousand dollars a day for each day of violation  
29 and for each act of violation, if a penalty for the violation is not otherwise provided  
30 in this part.

(1) The place of suit to recover this penalty shall be selected by the ~~board~~ **district**, as may be appropriate, in the district court of the parish of the residence of any one of the defendants, or in the district court of the parish where the violation took place.

(2) Suit shall be at the direction of the ~~board~~ **district**, and shall be instituted and conducted in its name by the attorney general or by the district attorney of the district under the direction of the attorney general.

\* \* \*

§3087.136. Powers of the board

The board shall conduct a study and survey of the groundwater resources in the district, including but not limited to consideration of what is necessary or advisable to conserve groundwater resources and where appropriate, prevent or alleviate damaging or potentially damaging drawdowns, land surface subsidence, and groundwater quality degradation. For this purpose, the board shall hold hearings and may:

\* \* \*

(4) Advise and consult with the ~~commissioner of conservation and the Water Resources Commission~~ **secretary of the Department of Conservation and Energy** on matters that impact water resources within the board's jurisdiction.

\* \* \*

§3087.138. Reports regarding groundwater resources

The commission shall report, on or before April first annually, the district's groundwater resources to the ~~commissioner of conservation, the Water Resources Commission, the Water Management Advisory Task Force~~ **secretary**, the Senate Committee on Natural Resources, and the House Committee on Natural Resources and Environment. The report shall include but not be limited to the amount of water used for public supply, industrial, or agricultural purposes, respectively; actual and projected saltwater intrusion or encroachment; and any current or projected sale of water for use outside of the state, including the amount of water so sold and the price paid by each out-of-state user. For the purposes of this report, the amount of water

used for agricultural or industrial purposes may be estimated.

\* \* \*

§3092. Definitions

Unless the context otherwise requires, the following terms shall have the following meanings for purposes of this Chapter:

\* \* \*

(2) "~~commissioner~~" means the ~~commissioner of conservation~~ "secretary"  
means the secretary of the Department of Conservation and Energy.

\* \* \*

(4) "Office" means the ~~office of conservation~~, Department of Conservation  
and Energy and Natural Resources.

\* \* \*

§3093. Administration; authority

This Chapter shall be administered by the ~~commissioner of conservation~~  
secretary, who shall have authority to enforce the provisions of this Chapter.

§3094. Rules and regulations; powers of ~~commissioner~~ secretary

A. The ~~commissioner~~ secretary shall make reasonable rules and regulations for the following purposes:

(1) To require registration of all wells producing in excess of fifty thousand gallons per day with the ~~commissioner~~ secretary showing the date drilled, the name of the driller, if available, and the current ownership together with such other information as the ~~commissioner~~ secretary may reasonably require. The ~~commissioner~~ secretary may, at his discretion, require registration of smaller wells.

(2) To require that all users of ground water within the state register with the ~~commissioner~~ secretary showing the number, location, and capacity of wells owned or operated by them or solely for their benefit and designating the beneficial use or uses of ground water by them. The ~~commissioner~~ secretary shall classify each user as a domestic, municipal, industrial, agricultural, or recreational or therapeutic user of ground water upon the basis of such information. The ~~commissioner~~ secretary shall have authority in his discretion to require periodic renewals of registrations to

1 determine alterations in uses of water within the state; such registrations may be  
2 required on an annual basis or such greater periods of time as the ~~commissioner~~  
3 secretary may deem appropriate.

4 (3) To establish regulations governing standards for the construction of all  
5 wells drilled after July 26, 1972, except that where authority is exercised by the  
6 Louisiana Department of Health, the ~~commissioner~~ secretary shall work  
7 cooperatively with that department in the establishment of standards for construction.

8 (4) To require well owners to furnish, on request, information pertinent to  
9 wells, such as well logs, chemical analyses, strata samples, water levels, water uses,  
10 drawdowns, grouting, casing sizes, property descriptions, and other pertinent  
11 information reasonably required by the ~~commissioner~~ secretary, provided that as to  
12 wells in existence on July 26, 1972, such information is available.

13 \* \* \*

14 B. In addition to the specific regulatory matters set forth in Subsection A of  
15 this Section, the ~~commissioner~~ secretary shall have authority to do, as required, the  
16 following:

17 \* \* \*

18 (7) To require records to be kept and reports to be made of the drilling,  
19 equipping, and completion of wells into any aquifer or aquifers and the taking and  
20 use of ground water therefrom and to require accurate drillers' logs to be kept of such  
21 wells and a copy thereof and of any electric logs made of such wells to be filed with  
22 the ~~commissioner~~ secretary.

23 C. To provide for uniform protection of public water supply users in the state,  
24 the ~~commissioner~~ secretary with the concurrence and approval of the Louisiana  
25 Department of Health shall be authorized as follows:

26 (1) To assure that all community public water supply systems within the state  
27 are developed so as to provide for the proper utilization of the ground water aquifers  
28 and are organized to provide proper operation and maintenance of the system. It shall  
29 be the responsibility of the ~~commissioner~~ secretary, with assistance from the  
30 Louisiana Department of Health, to promulgate rules and regulations in accordance

1 with the Administrative Procedure Act, so as to ensure the safety and welfare of the  
2 general public utilizing such systems.

3 \* \* \*

4 §3097.1. Legislative findings; purpose; effect

5 \* \* \*

6 C. In accordance with the legislative intent provided herein, the statewide  
7 ground water resource management program and any rule, regulation, or order of the  
8 ~~commissioner~~ **secretary** shall recognize historic use of ground water resources in the  
9 state and may incorporate the use of appropriate incentives to encourage  
10 conservation of ground water resources and the appropriate utilization of alternate  
11 water supplies where appropriate. Consistent with the provisions of this Chapter and  
12 in consultation with the ~~commissioner~~ **secretary**, the incentives and provisions of  
13 alternate water resources may be provided by the state, or any local subdivision  
14 thereof, by virtue of tax incentives, tax credits, and physical projects transporting or  
15 providing alternate water resources to existing ground water users and by any private  
16 person with an interest in conserving such ground water resources for public use.

17 §3097.2. Definitions

18 Unless the context otherwise requires, the following terms shall have the  
19 following meanings for purposes of this Chapter:

20 (1) "Area of ground water concern" shall mean an area in which, under  
21 current usage and normal environmental conditions, sustainability of an aquifer is  
22 not being maintained due to either movement of a salt water front, water level  
23 decline, or subsidence, resulting in unacceptable environmental, economic, social,  
24 or health impact, or causing serious adverse impact to an aquifer, considering the  
25 areal and temporal extent of all such impacts. An area of ground water concern,  
26 declared pursuant to R.S. 38:3097.6, shall be designated a critical area of ground  
27 water concern when the ~~commissioner~~ **secretary** finds that sustainability cannot be  
28 maintained without withdrawal restrictions.

29 \* \* \*

30 (4) ~~"Commissioner" shall mean the commissioner of conservation~~

1        "Secretary" shall mean the secretary of the Department of Conservation and  
2        Energy.

3                                \*           \*           \*

4                (7) "Ground water emergency" shall mean an unanticipated occurrence as a  
5                result of a natural force or a man-made act which causes a ground water source to  
6                become immediately unavailable for beneficial use for the foreseeable future or  
7                drought conditions determined by the ~~commissioner~~ secretary to warrant the  
8                temporary use of drought relief wells to assure the sustained production of  
9                agricultural products in the state.

10                               \*           \*           \*

11                (9) "Large volume well" means a well with an exterior casing size of eight  
12                inches or greater in diameter, or as defined by rules and regulations promulgated by  
13                the ~~commissioner~~ secretary pursuant to the Administrative Procedure Act.

14                               \*           \*           \*

15        §3097.3. ~~Commissioner of conservation~~ Secretary of Conservation and Energy;  
16                powers and duties

17                A. The ~~commissioner~~ secretary, through the ~~office of conservation~~  
18                Department of Conservation and Energy, is empowered and responsible for the  
19                administration of all matters related to the management of the state's groundwater  
20                resources by providing for the most advantageous use of the resource consistent with  
21                the protection, conservation, and replenishment thereof. The ~~commissioner~~ secretary  
22                shall perform these functions to the extent such functions are not specifically within  
23                the jurisdiction of other state departments or agencies. The ~~commissioner~~ secretary  
24                shall seek the advice and consultation of local governmental entities on any actions  
25                or decisions which may have an impact upon those entities or residents within the  
26                entities' respective jurisdictions.

27                B. The ~~commissioner~~ secretary is authorized to employ, assign, and remove  
28                personnel, including a deputy, within the Department of Conservation and Energy  
29                ~~and Natural Resources, office of conservation,~~ to provide administrative and  
30                technical staff functions that the ~~commissioner~~ secretary deems necessary to carry

1 out the powers, functions, and duties under this Chapter. Personnel actions shall be  
2 in accordance with applicable civil service laws, rules, and regulations, and with the  
3 policies and rules of the department, all subject to budgetary control and applicable  
4 laws.

5 C. The ~~commissioner~~ secretary has authority to make, after notice and public  
6 hearings in accordance with the Administrative Procedure Act, any reasonable rules,  
7 regulations, and orders that are necessary from time to time in the proper  
8 administration and enforcement of this Chapter, including rules, regulations, or  
9 orders for the following purposes:

10 \* \* \*

11 (4)(a) Require registration of all new wells by the owners. Such registration  
12 shall at a minimum require the date drilled or the estimated date to be drilled, the  
13 name of the driller, the current ownership, and the projected location of the well in  
14 latitude, longitude, and depth, and casing size together with such other information  
15 as the ~~commissioner~~ secretary may reasonably require. Registration shall be in the  
16 form of a notice of intent to drill submitted to the ~~commissioner~~ secretary at least  
17 sixty days prior to drilling the well, except for the following types of wells which  
18 shall be registered no later than sixty days after completing the well:

19 \* \* \*

20 (v) All other wells the ~~commissioner~~ secretary exempts for just cause.

21 (b) Within thirty days of receiving the well registration, the ~~commissioner~~  
22 secretary shall review the submitted information. During the thirty-day review  
23 period, the ~~commissioner~~ secretary may either issue an order to the owner placing  
24 restrictions on the well or requesting further reasonable information on the well or  
25 may take no action. Prior to any order placing a restriction on a well, the  
26 ~~commissioner~~ secretary shall determine, on the basis of good management practices  
27 and sound science, that such action is necessary to prevent adverse impacts to the  
28 sustainability of the aquifer from which the proposed well is to produce. An order  
29 placing restrictions on spacing may also be issued to avoid direct adverse impacts to  
30 existing wells. Restrictions and requests for information shall be subject to the

1 following:

2 (i) For large volume wells or wells within a critical area of groundwater  
3 concern, the ~~commissioner~~ secretary may issue to the owner of such well an order  
4 fixing allowable production, spacing, and metering necessary to properly manage the  
5 state's groundwater resources consistent with R.S. 38:3097.6(B)(3). Before issuing  
6 any order placing restrictions on a well outside a critical area of groundwater  
7 concern, the ~~commissioner~~ secretary shall consider a well owner's efforts to develop  
8 alternate water sources.

9 (ii) For all other wells located outside a critical area of groundwater concern,  
10 an order issued by the ~~commissioner~~ secretary may only fix spacing of the well.

11 (iii) If more information is requested, the ~~commissioner~~ secretary shall have  
12 an additional thirty days after receiving the additional information for review. ~~The~~  
13 ~~commissioner's request for further information may be appealed to the commission~~  
14 ~~to determine the reasonableness of the request. Such determination shall be made~~  
15 ~~within forty-five days from the date of the appeal.~~

16 \* \* \*

17 (8) Develop a contingency plan to respond to a groundwater emergency. Such  
18 a plan shall provide that groundwater needed for human consumption shall have the  
19 highest priority. If the ~~commissioner~~ secretary declares a groundwater emergency,  
20 he shall define the geographical extent of the area included in the emergency by rule  
21 or order, may retain personnel or let contracts as necessary with persons who shall  
22 operate under his direction to abate the emergency conditions, and may fix the  
23 allowable production, spacing, and depth for wells within the area in such a way that  
24 the combined production of groundwater will not have long-term adverse effects on  
25 the aquifer.

26 \* \* \*

27 D. Any rule or regulation promulgated or any critical groundwater area  
28 declared by the Ground Water Management Commission pursuant to authority  
29 granted by Act No. 446 of the 2001 Regular Session shall remain in effect until July  
30 1, 2004, or until such time as the ~~commissioner~~ secretary promulgates rules pursuant

1 to this Section or reviews any previously declared critical area.

2 E. The ~~commissioner~~ secretary shall not authorize or issue any permit which  
3 allows the use or withdrawal of three million gallons or more of groundwater per day  
4 from the Chicot aquifer that shall be injected into the subsurface in a parish whose  
5 population is more than seventy thousand and less than seventy-five thousand.

6 F.(1) The ~~commissioner~~ secretary, upon determining that a violation of  
7 Chapters 13-A, 13-A-1, or 13-B of this Title or the regulations adopted thereunder  
8 has occurred, may impose a civil penalty as provided in this Chapter. Additionally,  
9 upon determining that a violation of Chapters 13-A, 13-A-1, or 13-B of this Title or  
10 the rules and regulations made pursuant to Chapters 13-A, 13-A-1, or 13-B of this  
11 Title has occurred, the ~~commissioner~~ secretary may issue an order requiring  
12 compliance. Any such order shall state, with reasonable specificity, the nature of the  
13 violation, any cessation of activities or affirmative operations required to achieve  
14 compliance, and a time limit within which compliance with the order must be  
15 achieved. Noncompliance with any such order to comply shall constitute a violation  
16 of Chapters 13-A, 13-A-1, or 13-B of this Title, and the ~~commissioner~~ secretary  
17 may impose a civil penalty for such violation. Any person subjected to a civil penalty  
18 shall have the right to a public hearing if requested in writing, which written request  
19 shall suspend the imposition of penalty until final action is taken by the  
20 ~~commissioner~~ secretary.

21 (2) The ~~commissioner~~ secretary is hereby authorized to assess civil penalties  
22 for each day of violation of the provisions of Chapters 13-A, 13-A-1, or 13-B of this  
23 Title as follows:

24 \* \* \*

25 (d) For violations of rules and regulations promulgated pursuant to  
26 Subparagraph (C)(4)(b) of this Section - failure to comply with restrictions, terms,  
27 or conditions set forth by order of the ~~commissioner~~ secretary:

28 \* \* \*

29 (f) For violations of rules and regulations promulgated pursuant to Paragraph  
30 (C)(8) of this Section - failure to comply with any restrictions, terms, or conditions

1 set forth by the ~~commissioner~~ secretary in response to a groundwater emergency:

2 \* \* \*

3 G. The ~~commissioner~~ secretary shall ensure submission of the semiannual  
4 reports required of the ground water conservation districts by R.S. 38:3097.8. If the  
5 reports are not submitted timely or do not include the pertinent information required,  
6 the ~~commissioner~~ secretary is authorized to require monthly submissions of the  
7 reports until he is satisfied with the adequacy and informative nature of the reports.

8 \* \* \*

9 §3097.6. Determination of area of groundwater concern

10 A. Any owner of a well that is significantly and adversely affected as a result  
11 of the movement of a saltwater front, water level decline, or subsidence in or from  
12 the aquifer drawn on by such well shall have the right to file an application to request  
13 the ~~commissioner~~ secretary to declare that an area underlain by such aquifer is an  
14 area of groundwater concern. Such application shall contain a statement of facts, and  
15 supporting evidence substantiating the area may be an area of groundwater concern  
16 as defined in R.S. 38:3097.2. On the basis of the application, good management  
17 practices, and sound science, the ~~commissioner~~ secretary shall either deny the  
18 request, in writing, or issue a draft order which describes the proposed boundaries  
19 of the area of groundwater concern. If the ~~commissioner~~ secretary issues a draft  
20 order describing the proposed boundaries of the area, the ~~commissioner~~ secretary  
21 shall hold at least one public hearing in the locality of the proposed boundaries. At  
22 least thirty days prior to holding the public hearing, the ~~commissioner~~ secretary  
23 shall provide copies of the draft order to the House Committee on Natural Resources  
24 and Environment and to the Senate Committee on Natural Resources.

25 B. After holding hearings, the ~~commissioner~~ secretary shall issue a written  
26 decision based on good management practices and scientifically sound data gathered  
27 from the application, the participants in the public hearing, and any other relevant  
28 information. If the ~~commissioner~~ secretary has determined that an area of ground  
29 water concern exists, his decision shall be in the form of an order that shall describe  
30 the boundaries of the area which is determined to be an area of ground water

1 concern. The order shall also contain a plan to preserve and manage the ground water  
2 resources in that area which may include but is not limited to the following:

3 \* \* \*

4 (3) If the ~~commissioner~~ secretary designates an area a critical area of ground  
5 water concern, the order may restrict the amount of withdrawals by any or all users  
6 in the area. In determining restrictions on withdrawals, the ~~commissioner~~ secretary  
7 shall consider the following:

8 \* \* \*

9 §3097.8. Semiannual reports regarding groundwater quality and saltwater intrusion

10 A. On or before May first and November first every year, each ground water  
11 conservation district created by law or designated as a regional body, pursuant to  
12 R.S. 38:3097.4(D)(6), shall submit to the ~~commissioner of conservation, the Water~~  
13 ~~Resources Commission,~~ secretary, the Senate Committee on Environmental Quality,  
14 and the House Committee on Natural Resources and Environment a written report  
15 detailing the district's ground water resources and the activities and actions taken  
16 with respect to each of the district's powers delineated by laws creating the district.  
17 The report shall also include but not be limited to the amount of water used for  
18 residential, commercial or industrial, or agricultural purposes, respectively; actual  
19 and projected saltwater intrusion or encroachment; and any current or projected sale  
20 of water for use outside of the state, including the amount of water so sold and the  
21 price paid by each out-of-state user.

22 \* \* \*

23 C. The ~~commissioner~~ secretary shall promulgate a form with a checklist of  
24 the pertinent information required to be included in the semi-annual report.

25 \* \* \*

26 §3098. Licensing of water well and other drillers

27 A. Every person, firm, or corporation engaged or desiring to engage in the  
28 business of drilling water wells for underground water, drilling monitoring wells,  
29 geotechnical bore holes, heat pump wells, cathodic protection holes, and/or seismic  
30 shot holes, as well as reworking water wells, or plugging and abandoning wells or

bore holes, excluding oil and gas wells, in the state of Louisiana shall file an application with the office **Louisiana State Licensing Board for Contractors** for a drilling license, using forms prepared by the office **board**, setting out qualifications therefor and such other information including any examination, oral or written, as may be required by the office **board**. The fees for such license and renewal shall be as follows:

\* \* \*

B. All licenses shall expire on June thirtieth of each year, and shall not be transferable, and shall be renewable annually, upon completion of six hours of continuing education as approved by the office **board** and upon payment of the required fee.

\* \* \*

E. A license may be renewed and shall be renewable without examination for the ensuing year by making an application not later than the expiration date and paying the applicable fee. Such application shall have the effect of extending the validity of the current license until the new license is received or the applicant is notified by the ~~department~~ **board** that the license has been refused. On application made after June thirtieth of each year, the license will be renewed only upon payment of the applicable fee, plus a penalty of five dollars for each month the application is delinquent. Delinquency in excess of one year may, in the discretion of the advisory committee, be deemed as a waiver of the driller's right for renewal; and if he should apply thereafter, the ~~department~~ **board** may require that he be considered as a new applicant, including the requirement for examination.

\* \* \*

**G. Except in the case of revocation, any license previously issued by the Department of Conservation and Energy, or any successor agency, shall remain valid until expiration.**

§3098.1. Qualifications for license

In order to be licensed as a drilling contractor, as provided in R.S. 38:3098, in the state of Louisiana, the applicant must possess the following qualifications:

\* \* \*

(4) Demonstrate to the satisfaction of the office Louisiana State Licensing Board for Contractors a reasonable knowledge of this Chapter and the rules and regulations adopted by the office board and the Department of Conservation and Energy under the provisions of this Chapter.

Section 6. R.S. 39:1367(E)(2)(b)(xi) is hereby enacted to read as follows:

## §1367. State debt; limitations

\* \* \*

E. As used in this Section, the following terms shall have the following meanings ascribed to them unless the context clearly indicates otherwise:

\* \* \*

(2)(a)

\* \* \*

(b) "Net state tax supported debt" shall not mean:

\* \* \*

(xi) Any bond, note, or other evidence of indebtedness issued pursuant to R.S. 30:83.1 et seq. or any bonds issued to refund such bonds, notes, or evidence of indebtedness.

Section 7. R.S. 44:4.1(B)(19) is hereby amended and reenacted to read as follows:

## §4.1 Exceptions

\* \* \*

B. The legislature further recognizes that there exist exceptions, exemptions, and limitations to the laws pertaining to public records throughout the revised statutes and codes of this state. Therefore, the following exceptions, exemptions, and limitations are hereby continued in effect by incorporation into this Chapter by citation:

\* \* \*

(19) R.S. 30:10.1, **124.1**, 209.1, 213, 215, 907, 908, 916, 2030, 2074, 2351,  
2351.54, 2564

\* \* \*

Section 8. R.S. 45:251(3), 252, and 255 are hereby amended and reenacted and R.S. 45:251(4) is hereby enacted to read as follows:

§251. Common carrier, petroleum, pipe line defined

As used in this Chapter, the following terms have the meaning ascribed to them in this Section, unless the context clearly indicates otherwise:

\* \* \*

(3)(a) "Pipe line" includes the following:

(i) ~~the~~ The real estate, rights or way, pipe in line, telephone and telegraph lines or other communications systems, tank facilities as herein designated, necessary or integral to the pipe line transportation function and necessary for the proper conduct of it's the subject common carrier's business as a common carrier;

(ii) ~~all~~ All fixtures, equipment and personal property of every kind owned, controlled, operated, used or managed, in connection with, or to facilitate the transportation, distribution and delivery of petroleum through lines constructed of pipe.

(b) "Pipe line" does not include the following:

(i) Pipes designed and used solely within a terminal facility for terminaling services, including pipes delivering petroleum into or extracting petroleum from tanks used for terminaling services, intra-terminal transfer lines, metering facilities associated with such terminaling services, tanks designed and used for terminaling services, and truck unloading facilities.

(ii) Any property of an entity that does not otherwise meet the definition of common carrier.

(4) "Secretarial review" means a review by the secretary of the Department of Conservation and Energy pursuant to R.S. 45:252. The secretary shall simultaneously consider all of the following:

(a) Connectivity.

(b) Necessity.

(c) Physical placement.

1                   (d) Past and present ownership, including changes in corporate  
2                   structure.

3                   (e) Regulatory history, including prior determinations or orders by any  
4                   relevant agency.

5                   (f) Operational characteristics, including but not limited to product type  
6                   or alternative routes.

7                   (g) Whether the property is truly necessary or integral to the pipeline  
8                   transportation function and necessary for the proper conduct of the business.

9                   (h) Any indication that the property or its owner does not meet the  
10                  statutory definition of a common carrier.

11                  §252. Pipe lines declared common carriers; control by public service commission

12                  A. All pipe lines through which petroleum is conveyed from one point in this  
13                  state to another point in the state are declared to be common carriers as defined in  
14                  R.S. 45:251 and are placed under the control of and subject to regulation by the  
15                  Louisiana Public Service Commission.

16                  B. When a complaint, application or other filing concerning the  
17                  classification of a pipe line as a common carrier or the federal equivalent is filed  
18                  with the Public Service Commission, the Public Service Commission or a party  
19                  to the matter may request a secretarial review as defined in R.S. 45:251 and  
20                  pursuant to this Section. The secretary may accept or decline such request, in  
21                  writing, to all parties and the Public Service Commission within five business  
22                  days, excluding weekends and state holidays, of receiving such request. If the  
23                  secretary does not accept the request within the five business days, then the  
24                  request shall be deemed declined. If the request is declined then the matter may  
25                  proceed before the Public Service Commission. If the request is accepted the  
26                  matter shall be stayed before the Public Service Commission for thirty days  
27                  from the date the secretary accepts the matter in writing. Once a request is  
28                  accepted, the secretary or his designee shall establish a schedule for discovery,  
29                  filings, and, where necessary, a hearing. The secretary or his designee shall issue  
30                  his finding to the parties and the Public Service Commission following the

hearing or the last filings submitted in accordance with the schedule approved  
by the secretary or his designee.

\* \* \*

§255. Regulations of commission; petition, notice and hearing; reparations

The Louisiana Public Service Commission shall establish and enforce reasonable rates and regulations for gathering, transporting, loading and delivering petroleum, by any common carrier as defined in R.S. 45:251, and for the furnishing and use of reasonable tank facilities necessary ~~and incident to such~~ or integral to the transportation function and that may be necessary, in its capacity as a common carrier only, to take care, for a reasonable time, of all petroleum transported by it, excluding pipes designed and used solely within a terminal facility for terminaling services, including pipes delivering petroleum into or extracting petroleum from tanks used for terminaling services, intra-terminal transfer lines, metering facilities associated with such terminaling services, tanks designed and used for terminaling services, and truck unloading facilities, and to prescribe and enforce regulations for control of these common carriers in respect to their pipe lines and receiving, tanking, delivering, transferring and loading facilities. It shall exercise this power upon petition by any person showing a substantial interest in the subject. No order requiring the furnishing of such facilities or establishing or prescribing rates, rules and regulations shall be made, except after hearing after at least ten days and not more than thirty days notice to the person owning, controlling, managing or operating the pipe lines affected. If any rate shall be filed by any pipe line and a complaint or petition to reduce the rate is filed by any shipper or owner of petroleum, and such complaint is sustained in whole or in part, all owners and shippers of petroleum, who shall have paid rates so filed by the pipe line have the right to reparation or reimbursement of all excess in transportation charges above the proper rate as finally determined, on all shipments made within six months prior to the date of the filing of the complaint.

\* \* \*

Section 9. R.S. 49:214.29(B) and 922(D)(7) are hereby amended and reenacted to

read as follows:

§214.29. Special areas, projects, and programs

\* \* \*

B. The secretary ~~shall~~ may adopt, after notice and public hearing, rules for the identification, designation, and utilization of special areas and for the establishing of guidelines or priorities of uses in each area.

\* \* \*

§992. Applicability; exemptions; attorney fees; court costs

\* \* \*

D.

\* \* \*

(7) All adjudications by the ~~assistant secretary of the office of conservation~~ **Department of Conservation and Energy** pursuant to Chapters 1 and 7 of Subtitle I of Title 30 of the Louisiana Revised Statutes of 1950, except determinations of violations of laws, rules, regulations, and orders, and determinations of penalties for such violations, shall be exempt from the provisions of this Chapter.

\* \* \*

Section 10. R.S. 56:432.1(C)(2), 700.13(B), and 700.14(B) are hereby amended and reenacted to read as follows:

§432.1. Oyster Lease Acquisition and Compensation Program

\* \* \*

C. A leaseholder whose lease is acquired in whole or in part may seek an administrative hearing through the Coastal Protection and Restoration Authority as to whether the acquisition due to the impact of dredging, direct placement of dredged or other materials, or other work or activities necessary for the construction or maintenance of a project for integrated coastal protection is proper or whether the compensation issued by the Coastal Protection and Restoration Authority satisfies the rules or regulations of that department. A leaseholder whose lease is not acquired but which was impacted by dredging, direct placement of dredged or other materials, or other work or activities necessary for the construction or maintenance of a project

1 for integrated coastal protection has occurred, may also seek an administrative  
2 hearing through the Coastal Protection and Restoration Authority to determine if  
3 acquisition of the acreage would be proper. Adjudication under this Section shall be  
4 conducted in accordance with the following:

5 \* \* \*

6 (2) Adjudication under this Section shall be conducted in accordance with  
7 Chapter 13-B of Title 49 of the Louisiana Revised Statutes of 1950 and pursuant to  
8 the rules and regulations promulgated by the Department of **Conservation and**  
9 ~~Energy and Natural Resources~~ after consideration of recommendations by the  
10 Louisiana Oyster Task Force. The administrative law judge shall consider any  
11 reasonably confirmable data or information provided to that department by the  
12 leaseholder or any other person on or before the date of the administrative review.

13 \* \* \*

14 §700.13. Establishment of the board

15 \* \* \*

16 B. The board shall include five members consisting of one member  
17 nominated by the Louisiana Oyster Dealers and Growers Association, one member  
18 nominated by the Louisiana Oyster Task Force, two members nominated jointly by  
19 the Louisiana Independent Oil and Gas Association, Louisiana Mid-Continent Oil  
20 and Gas Association and the Louisiana Landowners Association, and one member,  
21 selected by the other four members of the board, who is a practicing administrative  
22 law judge. **A quorum of the board shall consist of at least three members. To**  
23 **maintain concordance with the purposes of this Part as articulated in R.S.**  
24 **56:700.10, at least one member nominated by each of the two industries**  
25 **referenced therein shall be necessary for a quorum.**

26 \* \* \*

27 §700.14. Rules and regulations

28 \* \* \*

29 B. In the formulation of regulations pursuant to this Part, the secretary, in  
30 conjunction with the board, shall establish a procedure whereby an oyster fisherman

**leaseholder** may recover for actual damages to his oyster beds or grounds caused by oil and gas activities.

\* \* \*

Section 11. R.S. 17:200 through 220, R.S. 30:4(N), 29(M)(1)(d), 85(D)(11), 86(F), 136.3(E), Part III of Chapter 2 of Subtitle I of Title 30 of the Revised Statutes of Louisiana, comprised of R.S. 30:186 through 188, 1103(10), 1104(F), 2458, 2469, and 2470 through 2474, and R.S. 38:3073(2), 3074, 3075, 3080, 3097.4, 3097.7, and 3098.6(A)(1) are hereby repealed.

Section 12. The Louisiana Law Institute is hereby directed to replace all references to "Department of Energy and Natural Resources" in state law with "Department of Conservation and Energy".

Section 13. The Louisiana Law Institute is hereby directed to renumber the paragraphs in R.S. 38:3092 and 3097.2 and to redesignate R.S. 30:101.1 through 101.15 as Part IX of Chapter 1 of Subtitle I of Title 30 of the Louisiana Revised Statutes of 1950.

Section 14. In the event the Act which originated as House Bill No. 605 of the 2025 Regular Session becomes law, the Louisiana State Law Institute shall redesignate R.S. 30:21.1 as enacted by Section 1 of that Act as R.S. 30:4(Q)(1)(b), which shall supersede R.S. 30:4(Q)(1)(b) as enacted by Section 1 of this Act.

Section 15.(A) The provisions of R.S. 30:29 as amended by this Act shall not apply to any lawsuit for damages that arises out of activity conducted prior to the effective date of Section 2 of this Act and which is filed prior to September 1, 2027.

(B) The provisions of R.S. 30:29 as amended by this Act shall apply to any lawsuit for damages that arises out of activity conducted prior to the effective date of Section 2 of this Act and which is filed on or after September 1, 2027.

(C) The provisions of R.S. 30:29 as amended by this Act shall apply to any lawsuit for damages that arises out of activity conducted after the effective date of Section 2 of this Act.

Section 16.(A) Sections 2, 15, and 16 of this Act shall become effective upon signature of the governor or, if not signed by the governor, upon expiration of the time for bills to become law without signature by the governor, as provided by Article III, Section

1 18 of the Constitution of Louisiana. If vetoed by the governor and subsequently approved  
2 by the legislature, this Act shall become effective on the day following such approval.  
3 (B) All remaining Sections of this Act shall become effective on October 1, 2025.

\_\_\_\_\_  
PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_