

Regular Session, 2014

HOUSE CONCURRENT RESOLUTION NO. 102

BY REPRESENTATIVE JOHNSON

A CONCURRENT RESOLUTION

To urge and request the office of conservation, Department of Natural Resources, to study and review the statutes and the department's rules, regulations, and orders providing for the plugging and abandonment of wells.

WHEREAS, orphan wells are abandoned oil and gas wells for which no viable responsible party can be located, or the responsible party has failed to maintain the wellsite in accordance with rules and regulations and it is for such wells the Department of Natural Resources created the Louisiana Oilfield Site Restoration Program to address unrestored orphaned oilfield sites; and

WHEREAS, while the vast majority of the original three thousand wells placed on the orphan well list have been addressed since 1993, the department currently lists just under an additional three thousand sites as orphan wells; and

WHEREAS, R.S. 30:4 authorizes the commissioner of conservation to ". . . require the plugging of each dry and abandoned well and the closure of associated pits, the removal of equipment, structures, and trash, and to otherwise require a general site cleanup. . ." along with the authority to require a reasonable bond for the performance of such requirements; and

WHEREAS, reducing the number of wells placed on the orphan well list is desirable and a benefit to the department, the regulated community, the citizens, and the environment; and

WHEREAS, increasing the number of wells properly plugged and abandoned while a responsible party for the site still exists or has the means to maintain the site may be accomplished through changes in the regulatory structure; and

WHEREAS, areas of the regulatory structure that are appropriate for review include the circumstances for exemptions from financial security requirements and for allowing wells to remain unplugged on the basis of the future utility of the well.

THEREFORE, BE IT RESOLVED that the Legislature of Louisiana does hereby urge and request the office of conservation, Department of Natural Resources, to study and review the statutes and department's rules, regulations, and orders providing for the plugging and abandonment of wells in an effort to identify improvements and efficiencies in the regulatory structure, particularly exemptions from financial security requirements and determining the status of future utility wells, to ensure the proper closure of wellsites and ultimately reduce the number of orphan wellsites.

BE IT FURTHER RESOLVED that the commissioner of conservation, on the basis of the study and review, is hereby requested to initiate rule making or issue any orders necessary to implement such improvements or efficiencies pursuant to current statutory authority and to make recommendations for any necessary statutory changes to the House Committee on Natural Resources and Environment and to the Senate Committee on Natural Resources on or before March 1, 2015.

BE IT FURTHER RESOLVED that a suitable copy of this Resolution be transmitted the commissioner of conservation.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE