

STATE OF LOUISIANA
OFFICE OF CONSERVATION
BATON ROUGE, LOUISIANA

November 20, 2018

STATEWIDE ORDER NO. 29-R-18/19

Pursuant to power delegated under the laws of the State of Louisiana, and particularly Title 30 of the Louisiana Revised Statutes of 1950, as amended, and the Louisiana Administrative Procedure Act, Title 49, Sections 951 through 968 of the Louisiana Revised Statutes of 1950, as amended the following rules and regulations are promulgated by the Commissioner of Conservation as being reasonably necessary to conserve the natural resources of the State, to prevent waste as defined by law, to avoid the drilling of unnecessary wells, and to otherwise carry out the laws of this State.

Title 43
NATURAL RESOURCES
Part XIX. Office of Conservation--General Operations
Subpart 2. Statewide Order No. 29-R-18/19

Chapter 7. Fees

§701. Definitions

Application Fee-an amount payable to the Office of Conservation, in a form and schedule prescribed by the Office of Conservation, by industries under the jurisdiction of the Office of Conservation.

Application for Alternate Unit Well-an administrative application for authority to drill one or more wells within a commissioner's unit to efficiently and economically drain a portion of the oil and gas within the pool underlying the unit which cannot be efficiently and economically drained by any existing well as authorized by Commissioner R.S. 30:9 and 10. LAC 43.XIX.103.

Application for Automatic Custody Transfer-an application for authority to measure and transfer custody of liquid hydrocarbons by the use of methods other than customary gauge tanks, as authorized by Statewide Order No. 29-G-1 (LAC 43:XIX.2301 et seq), or successor regulations.

Application for Commercial Class I Injection Well-an application to construct and/or operate a commercial Class I injection well, as authorized by Statewide Order No. 29-N-1 (LAC 43:XVII.101 et seq), Statewide Order No. 29-N-2 (LAC 43:XVII.201 et seq), or successor regulations.

Application for Commercial Class I Injection Well (Additional Wells)-an application to construct and/or operate additional Class I injection wells within the same filing, as authorized by Statewide Order No. 29-N-1 (LAC 43:XVII.101 et seq), Statewide Order No. 29-N-2 (LAC 43:XVII.201 et seq), or successor regulations.

Application for Commercial Class II Injection Well-an application to construct and/or operate a commercial Class II injection well, as authorized by Statewide Order No. 29-B (LAC 43:XIX.401 et seq), Statewide Order No. 29-M-2 (LAC 43:XVII.3101 et seq), or successor regulations.

Application for Commercial Class II Injection Well (Additional Wells)-an application to construct and/or operate additional commercial Class II injection wells within the same filing, as authorized by Statewide Order 29-B (LAC 43:XIX.401 et seq), Statewide Order No. 29-M-2 (LAC 43:XVII.3101 et seq), or successor regulations.

Application for Commercial Facility Exclusive of an Associated Well-a permit application to construct and operate a commercial treatment or disposal facility exclusive of utilizing a UIC permitted well as defined by LAC 43 XIX.523 & 525.

Application for Critical Date Order- an application to request an expedited Commissioner's Order due to specific circumstances, such as lease expirations or rig standby rates that present a significant financial burden on the operator or other interested parties, if a Commissioner's Order is not issued by the requested date.

Application for Downhole Combinations-an application for authority to complete a well so as to permit simultaneous production from two or more pools through a single wellbore or tubing string R.S. 30:4, LAC 43.XIX.1301 et seq.

Application for Exception to 29-B (Engineering Divisions)-any application or request to waive or suspend the provisions of Statewide Order 29-B.

Application for Exception to 29-B (Injection & Mining Division)-any application or request for an exception to the rules and regulations for disposal of E&P waste or enhanced oil recovery by Class II injection as authorized by Statewide Order 29-B (LAC 43.XIX.319.A et seq.), or successor regulations.

Application for Exception to 29-E-any application or request to waive or suspend the provisions of Statewide Order 29-E.

Application for Multiple Completion-an application to multiply complete a new or existing well in separate common sources of supply, as authorized by Statewide Order No. 29-C-4 (LAC 43:XIX.1301 et seq), or successor regulations.

Application for Noncommercial Injection Well-an application to construct and/or operate a Class I, II, III or V noncommercial injection well, as authorized by Statewide Order Nos. 29-B (LAC 43:XIX.401 et seq), 29-M (LAC 43:XVII.301 et seq), 29-N-1 (LAC 43:XVII.101 et seq), 29-N-2 (LAC 43:XVII.201 et seq), 29-M-2 (LAC 43:XVII.3101 et seq), or successor regulations.

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Application for Permit to Drill (Minerals)-an application to drill in search of minerals (six- months or one-year), as authorized by R.S. 30:28.

Application for Pilot Projects-an application for authority to conduct a six (6) month enhanced recovery project for the purpose of testing the method. R.S. 30:4, 5, 6. LAC 43.XIX.407

Application for Public Hearing-an application for a public hearing as authorized by R.S. 30:1, et. seq.

Application for Selective Completion-an application for authority to allow the completion of any well utilizing downhole equipment so as to permit production to be changed from one separate pool to another without the necessity of a workover or additional perforating as authorized by Statewide Order No. 29-C-4 (LAC 43:XIX.1301)

Application for Severance Tax Relief-Well Status Determination-an application to determine if a well qualifies as a Deep Well or Horizontal Well for purposes of R.S. 47:633 et seq, and/or successor statutes.

Application for Site Clearance-an application to approve a procedural plan for site clearance verification of platform, well or structure abandonment developed by an operator/lessee and submitted to the Commissioner of Conservation, as authorized by LAC 43:XI.311 et seq, or successor regulations.

Application for Substitute Unit Well-application for a substitute unit well as authorized by Statewide Order No. 29-K-1 (LAC 43:XIX.2901 et seq), or successor regulations.

Application for Surface Mining Development Operations Permit-an application to remove coal, lignite, or overburden for the purpose of determining coal or lignite quality or quantity or coal or lignite mining feasibility, as authorized by Statewide Order No. 29-O-1 (LAC 43:XV.101 et seq), or successor regulations.

Application for Surface Mining Exploration Permit-an application to drill test holes or core holes for the purpose of determining the location, quantity, or quality of a coal or lignite deposit, as authorized by Statewide Order No. 29-O-1 (LAC 43:XV.101 et seq), or successor regulations.

Application for Surface Mining Permit-an application for a permit to conduct surface coal or lignite mining and reclamation operations, as authorized by Statewide Order No. 29-O-1 (LAC 43:XV.101 et seq), or successor regulations.

Application for Unit Termination-an application for unit termination as authorized by Statewide Order No. 29-L-3 (LAC 43:XIX.3100 et seq), or successor regulations.

Application for Waiver of Production Test-an application to request a waiver of the Office of Conservation Policy of requiring a production test on a well in the subject field prior to approving a predrilled unit in that field.

Application for Well Product Reclassification-an application for authority to change the primary product of a unit based on administrative authority granted by Commissioner's Order and evidence of change in producing characteristics of said unit R.S. 30:4.

Application for Work Permit – Injection or Other-an application to perform work activities as outlined on Injection Well Work Permit Form UIC-17 on a well under the jurisdiction of the Underground Injection Control program of the Injection & Mining Division/Office of Conservation as authorized by Statewide Order 29-N-1 (LAC 43:XVII.109 et seq.), 29-N-2 (LAC 43:XVII.209 et seq.), 29-M (LAC 43:XVII.309 & 319 et seq.), 29-M-2 (LAC 43:XVII.3121 et seq.), 29-M-3 (LAC 43:XVII.3309 et seq.), 29-B (LAC 43:XIX.Chapter 4) or successor regulations.

Application for Work Permit-Minerals-an application to perform certain operations on an existing well, as required in LAC 43:XIX.105.

Application to Amend Permit to Drill (Injection or Other)-an application to alter, amend, or change a permit to drill, construct and/or operate an injection, or other well after its initial issuance, as authorized by R.S. 30:28.

Application to Amend Permit to Drill-Minerals (\$126 amount)-an application to alter, amend, or change a permit to drill for minerals after its initial issuance as authorized by R.S. 30:28, excluding the amendments described in Application to Amend Permit to Drill – Minerals (lease to unit, unit to lease, unit to unit, Stripper, Incapable, other). Additionally, application to amend operator (transfer of ownership, including any other amendment action requested at that time) for any orphaned well or any multiply-completed well which has reverted to a single completion shall not be subject to the application fees provided herein.

Application to Amend Permit to Drill – Minerals (lease to unit, unit to lease, unit to unit, Stripper, Incapable, other) (\$50 amount)-an application to alter, amend, or change a permit to drill for minerals after its initial issuance as authorized by R.S. 30:28 for any lease to unit, unit to unit, and unit to lease changes; and, application to amend operator (transfer of ownership, including any other amendment action requested at that time) for any stripper crude oil well or incapable gas well so certified by the Department of Revenue.

Application to Commingle-an application for authority to commingle production of gas and/or liquid hydrocarbons and to use methods other than gauge tanks for allocation, as authorized by Statewide Order No. 29-D-1 (LAC 43:XIX.1500 et seq), or successor regulations.

Application to Process Form R-4-application for authorization to transport oil from a lease as authorized by Statewide Order No. 25 (LAC 43:XIX.900 et seq), or successor regulations.

Application/Request for Commercial Facility Reuse-Application/Request to determine if E & P Material which has been treated physically, chemically, or biologically so that the material is physically, chemically or biologically distinct from the original material and meets the criteria LAC 43 XIX. 565.F.

Applications/Requests for Reuse Not Associated with Commercial Facility-application/request to

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determine if E & P Material has been treated physically, chemically, or biologically so that the material is physically, chemically or biologically distinct from the original material and meets the criteria LAC 43 XIX.565.F.

BOE-annual barrels oil equivalent. Gas production is converted to BOE by dividing annual mcf by a factor of 18.0.

Capable Gas-natural and casing head gas not classified as incapable gas well gas or incapable oil well gas by the Department of Revenue, as of December 31st in the year prior to the year in which the Invoices are issued.

Capable Oil-crude oil and condensate not classified as incapable oil or stripper oil by the Department of Revenue, as of December 31st in the year prior to the year in which the Invoices are issued.

Class I Well-a Class I injection well used to inject hazardous or nonhazardous, industrial, or municipal wastes into the subsurface, which falls within the regulatory purview of Statewide Order No. 29-N-1 (LAC 43:XVII.101 et seq), Statewide Order No. 29-N-2 (LAC 43:XVII.201 et seq), or successor regulations.

Class I Well Fee-an annual fee payable to the Office of Conservation, in a form and schedule prescribed by the Office of Conservation not to exceed \$1,000,000 for Fiscal Year 2015-2016 and thereafter on all Class I wells permitted December 31st of the year prior to the year in which the Invoices are issued.

Class II CO2 EOR Project (AOR Review and Updates) Fee-an annual fee for an enhanced recovery project permitted by the Office of Conservation injecting carbon dioxide (CO2) down the wellbore of permitted Class II injection wells under the authority of the Office of Conservation/Injection and Mining Division in conformance with Statewide Order 29-B (LAC 43.XIX.411.C et seq.) or successor regulations.

Class II Hydrocarbon Storage & E&P Waste Cavern Compliance Review Fee-an annual fee payable to the Office of Conservation, in a form and schedule prescribed by the Office of Conservation, on each Class II Hydrocarbon Storage & E&P Waste Cavern in the amount of \$2,000 for Fiscal Year 2015-2016 and thereafter for the compliance review required by Statewide Order 29-M (LAC 43.XIX.309.K et seq.) or successor regulations.

Class II Well-a Class II injection well which injects fluids which are brought to the surface in connection with conventional oil or natural gas production, for annular disposal wells, for enhanced recovery of oil or natural gas, and for storage of hydrocarbons. For purposes of administering the exemption provided in R.S. 30:21(B)(1)(c), such exemption is limited to operators who operate Class II wells serving a stripper oil well or an incapable gas well certified pursuant to R.S. 47:633 by the Severance Tax Section of the Department of Revenue and located in the same field as such Class II well.

Class III Solution Mining Cavern Compliance Review Fee-an annual fee payable to the Office of Conservation, in a form and schedule prescribed by the Office of Conservation, on each Class III Solution Mining Cavern in the amount of \$2,000 for Fiscal Year 2015-2016 and thereafter for the compliance review required by Statewide Order 29-M-3 (LAC 43.XVII.3309.K et seq.) or successor regulations.

Class III Well-a Class III injection well which injects for extraction of minerals or energy.

Class V Permit Waiver/Exemption/Area Permit Request-a request for a waiver or exemption from the permitting requirements of Class V injection wells for certain remediation wells/projects of short duration where remediation is accomplished by one time injection into shallow wells where casing is not installed, or a request for an area permit for remediation projects under the authority of the LDEQ or USEPA to allow deviation from the permitting requirements for Class V injection wells as authorized by Statewide Order 29-N-1 (LAC 43:XVII.111 et seq.) or successor regulations.

Community Saltwater Disposal System Initial Notification-an application to designate a Class II SWD for injection of produced saltwater from multiple operators by the submittal of the Community Saltwater Disposal System Application Form UIC-13 and submittal of an acceptable operating agreement specifying cost sharing of operating expenses as authorized by Statewide Order 29-B (LAC 43.XIX.317 et seq.) or successor regulations.

E&P Waste Determination-a determination as to whether a material meets the definition of Exploration and Production Waste as defined in LAC 43 XIX. 501

Emergency Clearance-emergency authorization to transport oil from lease.

Operator Annual Registration- annual application Form filed by entity with whom the Office of Conservation has jurisdiction to obtain/maintain organizational ID.

Production Fee-an annual fee payable to the Office of Conservation, in a form and schedule prescribed by the Office of Conservation, by oil and gas operators on capable oil wells and capable gas wells based on a tiered system to establish parity on a dollar amount between the wells. The tiered system shall be established annually by rule on capable oil and capable gas production, including nonexempt wells reporting zero production during the annual base period, in an amount not to exceed \$3,675,000 for Fiscal Year 2015-2016 and thereafter.

Production Well-any well which has been permitted by and is subject to the jurisdiction of the Office of Conservation, excluding wells in the permitted and drilling in progress status, Class II injection wells, liquid storage cavity wells, commercial salt water disposal wells, Class V injection wells, wells which have been plugged and abandoned, wells which have reverted to landowner for use as a fresh water well (Statewide Order No. 29-B, LAC 43:XIX.137.G, or successor regulations), multiply completed wells reverted to a single completion, and stripper oil wells or incapable oil wells or incapable gas wells certified by the Severance Tax Section of the Department of Revenue, as of December 31st in the year prior to the year in which the Invoices are issued.

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Regulatory Fee-an amount payable annually to the Office of Conservation, in a form and schedule prescribed by the Office of Conservation, on Class II wells, Class III wells, storage wells, Type A facilities, and Type B facilities in an amount not to exceed \$2,187,500 for Fiscal Year 2015-2016 and thereafter. No fee shall be imposed on a Class II well of an operator who is also an operator of a stripper crude oil well or incapable gas well certified pursuant to R.S. 47:633 by the Severance Tax Section of the Department of Revenue as of December 31st in the year prior to the year in which the Invoices are issued and located in the same field as such Class II well. Operators of Record, excluding operators of wells and including, but not limited to, operators of gasoline/cycling plants, refineries, oil/gas transporters, and/or certain other activities subject to the jurisdiction of the Office of Conservation are required to pay an annual registration fee of \$105. Such payment is due within the time frame prescribed by the Office of Conservation.

Requests to Modify Well Permit – Injection- requests made by operators of record to change the operating conditions of their injection wells as authorized by Statewide Order 29-N-1 (LAC 43:XVII.113 et seq.), 29-N-2(LAC 43:XVII.213 et seq.) , 29-M (LAC 43:XVII.311 et seq.), 29-M-2 (LAC 43:XVII.3111 et seq.), 29-M-3 (LAC 43:XVII.3311 et seq.) , 29-B (LAC 43:XIX.Chapter 4) or successor regulations.

Request to Transport E&P Waste to Commercial Facilities or Transfer Stations- Other oil and gas industry companies (i.e. companies that do not possess a current Office of Conservation producer/operator code or a current offshore/out-of-state waste generator code) must obtain authorization by submitting a completed (acceptable) Form UIC-23 to transport E&P Waste to commercial facilities or transfer stations as required by LAC XIX.545.B.

Storage Well-a well used for the injection of natural gas into or subsequent withdrawal of natural gas from a depleted hydrocarbon reservoir or aquifer for the sole purpose of storage.

Type A Facility-commercial E&P waste disposal facilities within the State that utilize technologies appropriate for the receipt, treatment, storage, or disposal of oilfield waste solids and liquids for a fee or other consideration, and fall within the regulatory purview of Statewide Order No. 29-B (LAC 43:XIX.501 et seq), Statewide Order No. 29-M-2 (LAC 43:XVII.3101 et seq), or successor regulations.

Type B Facility-commercial E&P waste disposal facilities within the State that utilize underground injection technology for the receipt, treatment, storage, or disposal of only produced saltwater, oilfield brine, or other oilfield waste liquids for a fee or other consideration, and fall within the regulatory purview of Statewide Order No. 29-B (LAC 43:XIX.501 et seq), or successor regulations.

Witnessed Verification of Mechanical Integrity Tests (MIT)-a mechanical integrity test (MIT) performed on a permitted injection well that is witnessed by a Conservation Enforcement Agent or other designated employee of the Office of Conservation as authorized by Statewide Order 29-N-1 (LAC 43:XVII.109 et seq.), 29-N-2 (LAC 43:XVII.209 et seq.), 29-M (LAC 43:XVII.327 et seq.), 29-M-2 (LAC 43:XVII.3129 et seq.), 29-M-3 (LAC 43:XVII.3327 et seq.), 29-B (LAC 43:XIX.Chapter 4 et seq.) or successor regulations.

Work Permit to Plug & Abandon a Well Utilized for NORM disposal -an application to plug and abandon a well which is utilized for downhole disposal of NORM solids and/or NORM contaminated tubing/equipment by the submittal of Form UIC-30, Work Permit to Perform a NORM Plug & Abandonment in conformance with Statewide Order 29-B (LAC 43.XIX.137 et seq.) or successor regulations.

§703. Fee Schedule for Fiscal Year 2016-2017 and thereafter

| A. | Application Fees | Amount |
|----|--|---------|
| | Application for Alternate Unit Well | \$ 504 |
| | Application to Amend Permit to Drill - Minerals | \$ 126 |
| | Application to Amend Permit to Drill - Minerals (LUW, Stripper, Incapable, Other) | \$ 50 |
| | Application to Amend Permit to Drill - Injection or Other | \$ 126 |
| | Application for Automatic Custody Transfer | \$ 252 |
| | Application for Commercial Class I Injection Well | \$1,264 |
| | Application for Commercial Class I injection Well (Additional Wells) | \$ 631 |
| | Application for Commercial Class II Injection Well | \$ 631 |
| | Application for Commercial Class II Injection Well (Additional Wells) | \$ 314 |
| | Application for Commercial Facility Exclusive of an Associated Well | \$3,000 |
| | Application to Commingle | \$ 252 |
| | Application for Critical Date Order | \$ 504 |
| | Application for Downhole Combinations | \$ 504 |
| | Application for Exception to 29-E | \$ 504 |
| | Application for Exception to 29-B | \$ 504 |
| | Application for Multiple Completion | \$ 126 |
| | Application for Noncommercial Injection Well | \$ 252 |

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| | |
|--|---------|
| Application for Permit to Drill - Minerals: 0' - 3,000' (6 months) | \$ 126 |
| Application for Permit to Drill - Minerals: 3,001' - 10,000'(6 months) | \$ 631 |
| Application for Permit to Drill - Minerals: 10,001' + (6 months) | \$1,264 |
| Drill Minerals Deeper (> 3,000') (6 months) | \$ 504 |
| Drill Minerals Deeper (> 10,000') (6 months) | \$ 632 |
| Application for Permit to Drill - Minerals: 0' - 3,000' (1 year) | \$ 252 |
| Application for Permit to Drill - Minerals: 3,001' - 10,000' (1 year) | \$1,262 |
| Application for Permit to Drill - Minerals: 10,001' + (1 year) | \$2,528 |
| Drill Minerals Deeper (> 3,000') (1 year) | \$1,008 |
| Drill Minerals Deeper (> 10,000') (1 year) | \$1,264 |
| Application for Pilot Projects | \$ 504 |
| Application for Public Hearing | \$ 755 |
| Application for Reuse Material not Associated with a Commercial Facility | \$ 400 |
| Application for Selective Completion | \$ 504 |
| Application for Severance Tax Relief | \$ 504 |
| Application for Substitute Unit Well | \$ 252 |
| Application for Surface Mining Exploration Permit | \$ 65 |
| Application for Surface Mining Development Operations Permit | \$ 94 |
| Application for Surface Mining Permit | \$2,212 |
| Application for Emergency Clearance Form R-4 | \$ 65 |
| Application to Process Form R-4 | \$ 36 |
| Application to Reinstate Suspended Form R-4 | \$ 65 |
| Application for Site Clearance | \$ 600 |
| Application for Waiver of Production Test | \$ 504 |
| Application for Well Product Reclassification | \$ 504 |
| Application for Work Permit - Injection or Other | \$ 125 |
| Application for Work Permit – Minerals | \$ 75 |
| Application for Unit Termination | \$ 252 |
| Class II Hydrocarbon Storage & E&P Waste Cavern Annual Compliance Review Fee | \$2,000 |
| Class II CO2 EOR Project (AOR Review and Updates) | \$5,000 |
| Class III Solution Mining Cavern Annual Compliance Review Fee | \$2,000 |
| Class V Permit Waiver/Exemption Request | \$ 250 |
| Community Saltwater Disposal System Initial Notification | \$ 125 |
| E&P Waste Determination | \$ 300 |
| Operator Registration | \$ 105 |
| Requests to Modify Well Permit - change MASIP, work prognosis, etc. | \$ 300 |
| Request to Transport E&P Waste to Commercial Facilities or Transfer Stations | \$ 150 |
| Witnessed Verification of MIT Tests | \$ 250 |
| Work permit to Plug & Abandon a Well utilized for NORM disposal | \$ 500 |

B. Regulatory Fees:

1. $\$2,187,500 \text{ CAP} \div (\text{number of } \underline{\text{non-exempt class II wells}} + \text{number of Class III wells} + \underline{\text{number of storage wells}}) + (\text{number of Type A facilities} \times 10 \text{ plus number of Permits to Construct Type A facilities} \times 5) + (\text{number of Type B facilities} \times 5 \text{ plus number of Permits to Construct Type B facilities} \times 2.5)$

The resulting value will equal the annual regulatory fee for non-exempt Class II wells, Class III wells, and storage wells.

The annual regulatory fee for Type A facilities will be the non-exempt Class II well, Class III well, and storage well regulatory fee times a factor of 10.

The annual regulatory fee for Type A facility Permits to Construct will be the non-exempt Class II well, Class III well, and storage well regulatory fee times a factor of 5.

The annual regulatory fee for Type B facilities will be the non-exempt Class II well, Class III well, and storage well regulatory fee times a factor of 5.

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The annual regulatory fee for Type B facility Permits to Construct will be the non-exempt Class II well, Class III well, and storage well regulatory fee times a factor of 2.5.

Conservation will perform this calculation annually and will post the individual Regulatory Fee Amount on the DNR Website no later than July 20th of each year.

- C. Class I Well Fees: Operators of permitted Class I wells are required to pay
 1. \$1,000,000 CAP divided by a number equal to the number of active Class I wells plus the number of Permits to Construct Class I wells X 0.5.
Conservation will perform this calculation annually and will post the individual Regulatory Fee Amount on the DNR Website no later than July 20th of each year.

- D. Exceptions
 1. Operators of record of each Class I injection/disposal well and each Type A and B commercial facility and transfer station that is permitted, but has not yet been constructed, are required to pay an annual fee of 50% of the applicable fee for each well or facility.
 2. Operators of record of each inactive Type A and B facility which have voluntarily ceased the receipt and disposal of E&P waste and are actively implementing an Office of Conservation approved closure plan are required to pay an annual Regulatory Fee of 50% of the annual fee for each applicable Type A or B facility.
 3. Operators of record of each inactive Type A or B facility which have voluntarily ceased the receipt and disposal of E&P waste, have completed Office of Conservation approved closure activities and are conducting a post-closure maintenance and monitoring program, are required to pay an annual Regulatory Fee of 25% of the annual fee for each applicable Type A or B facility.
 4. Operators of record of each inactive transfer station which have voluntarily ceased the receipt and transfer of E&P waste and are actively implementing an Office of Conservation approved closure plan are required to pay an annual Regulatory Fee of 50% of the annual fee for each applicable facility.
 5. Operators of record of each inactive transfer station which have voluntarily ceased the receipt and transfer of E&P waste and are actively implementing an Office of Conservation approved closure plan are required to pay an annual Regulatory Fee of 50% of the annual fee for each applicable facility.

- E. Production Fees: Operators of record of capable oil wells and capable gas wells are required to pay according to the following annual production fee tiers:

| Tier | Annual Production (Barrel Oil Equivalent) | Fee (\$ per Well) |
|--------|---|-------------------|
| Tier 1 | 0 | 26 |
| Tier 2 | 1 - 5,000 | 154 |
| Tier 3 | 5,001 - 15,000 | 439 |
| Tier 4 | 15,001 - 30,000 | 734 |
| Tier 5 | 30,001 - 60,000 | 1,151 |
| Tier 6 | 60,001 - 110,000 | 1,601 |
| Tier 7 | 110,001 - 9,999,999 | 2,004 |

- F. Pipeline Safety Inspection Fees
 1. Owners/Operators of jurisdictional gas pipeline facilities are required to pay an annual Gas Pipeline Safety Inspection Fee of \$1.00 per service line, or a minimum of \$400, whichever is greater.
 2. Owners/Operators of jurisdictional hazardous liquids pipeline facilities are required to pay an annual Hazardous Liquids Pipeline Safety Inspection Fee of \$44.80 per mile, or a minimum of \$800, whichever is greater.
 3. Owners/Operators of jurisdictional Gas Transmission/Gathering pipeline facilities are required to pay an annual Transmission/Gathering Pipeline Safety Inspection Fee of \$44.80 per mile, or a minimum of \$ 800, whichever is greater.

- G. Commercial Waste Disposal Fees
 1. A monthly fee payable to the Office of Conservation 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: Office of Conservation

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permitted off-site commercial facilities; Transfer stations permitted by the Office of Conservation for waste transfer to out-of-state treatment or disposal facilities; and any other legally permitted Louisiana off-site waste storage, treatment or disposal facilities also approved by the Office of Conservation for the receipt of exploration and production waste. 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.

§705. Failure to Comply

Operators of operations and activities defined in §701 are required to timely comply with this Order. Failure to comply by the due date of any required fee payment will subject the operator to civil penalties

provided in Title 30 of the Louisiana Revised Statutes of 1950, including but not limited to R.S. 30:18


§707. Severability and Effective Date

A. The fees set forth in §703 are hereby adopted as individual and independent rules comprising this body of rules designated as Statewide Order No. 29-R-18/19 and if any such individual fee is held to be unacceptable, pursuant to R.S. 49:968(H)(2), or held to be invalid by a court of law, then such unacceptability or invalidity shall not affect the other provisions of this order which can be given effect without the unacceptable or invalid provisions, and to that end the provisions of this order are severable.

B. This Order (Statewide Order No. 29-R-18/19) supersedes Statewide Order No. 29-R-17/18 and any amendments thereof.

This Order shall be effective on and after **November 20, 2018**.

OFFICE OF CONSERVATION
OF THE STATE OF LOUISIANA


Richard P. Ieyou
Commissioner of Conservation

RPI:ko