



JOHN BEL EDWARDS
GOVERNOR

State of Louisiana
DEPARTMENT OF NATURAL RESOURCES
OFFICE OF CONSERVATION

THOMAS F. HARRIS
SECRETARY

RICHARD P. IEYOUB
COMMISSIONER OF CONSERVATION

November 07, 2018

Senator John A. Alario, Jr., President
Senator Norbert Chabert, Natural Resource Committee Chairman
Representative Taylor Barras, Speaker
Representative Stuart Bishop, Natural Resources and Environment Committee Chairman

Via Statutorily Prescribed E-mail

Re: Initial Report of Proposed Amendment to
Office of Conservation Rules and Regulations
LAC 43:XIX. 104 (Statewide Order No. 29-B)
For Compliance with Act 634 of 2016

Dear Oversight Authorities:

The Commissioner of Conservation proposes to amend LAC 43:XIX.104 in accordance with the provisions of the Administrative Procedure Act R.S. 49:950 et seq., and pursuant to the power delegated under the laws of the state of Louisiana. The proposed amendment and adoption are made implement Act 526 of the 2016 Regular Session.

I. Copy of the rule as it is proposed for amendment per La R.S. 49:968.C(1):

See the attached Notice of Intent.

II. Statement of the proposed action per La R.S. 49:968.C(2):

The Louisiana Office of Conservation proposes to amend LAC 43:XIX.104. The proposed amendment and adoption are made implement Act 526 of the 2016 Regular Session which authorizes the Commissioner to establish a program to allow for transferrable plugging credits in lieu of the bond with security in order to promote the plugging of orphaned oilfield sites and oilfield sites that have been inactive for at least five years.

III. The specific citation of the enabling legislation purporting to authorize amendment of the rule per La R.S. 49:968.C(3):

La R.S 30:4et seq.

IV. Statement of the circumstances requiring amendment of the rule per La R.S. 49:968.C(4):

The proposed amendment was initiated in an effort to implement the provisions of Act 526 of the 2016 Regular Session of the Louisiana Legislature.

V. Statement of the fiscal and economic impact of the proposed rule amendment per La R.S. 49:968.C(5):

The fiscal and economic impact statement is attached to this report.

A notice of intent to initiate rule-making will be published in the Louisiana Register on November 20 2018, with a public comment period on the proposal scheduled to remain open until December 14, 2018 at 4:00 PM.

Please contact me at 225-342-7889 if there are any questions.

Yours very truly,



John W. Adams
Attorney, Office of Conservation

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Attachments