NOTICE OF INTENT
Department of Natural Resources
Office of Conservation

Fees (LAC 43:XIX.Chapter 7)

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, the Office of Conservation proposes to amend LAC 43:XIX.701, 703, and 707 (Statewide Order No. 29-R) in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq. The proposed action will adopt Statewide Order No. 29-R-18/19 (LAC 43:XIX, Subpart 2, Chapter 7), which establishes the annual Office of Conservation fee schedule for the collection of application, production, and regulatory fees, and will replace the existing Statewide Order No. 29-R-17/18.

Title 43
NATURAL RESOURCES
Part XIX. Office of Conservation—General Operations
Subpart 2. Statewide Order No. 29-R
Chapter 7. Fees
§701. Definitions

* * *

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

* * *

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:21 et seq.


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

A. …

B. Regulatory Fees:

1. $2,187,500 CAP divided by a number equal to (number of non-exempt Class II wells + number of Class III wells + number of storage wells) + (number of Type A facilities X 10 plus number of Permits to Construct Type A facilities X 5) + (number of Type B facilities X 5 plus number of Permits to Construct Type B facilities X 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.

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. …

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.

<table>
<thead>
<tr>
<th>Tier</th>
<th>Annual Production (Barrel Oil Equivalent)</th>
<th>Fee ($ per Well)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>0</td>
<td>26</td>
</tr>
<tr>
<td>Tier 2</td>
<td>1 - 5,000</td>
<td>154</td>
</tr>
<tr>
<td>Tier 3</td>
<td>5,001 - 15,000</td>
<td>439</td>
</tr>
<tr>
<td>Tier 4</td>
<td>15,001 - 30,000</td>
<td>734</td>
</tr>
<tr>
<td>Tier 5</td>
<td>30,001 - 60,000</td>
<td>1,151</td>
</tr>
<tr>
<td>Tier 6</td>
<td>60,001 - 110,000</td>
<td>1,601</td>
</tr>
<tr>
<td>Tier 7</td>
<td>110,001 - 9,999,999</td>
<td>2,004</td>
</tr>
</tbody>
</table>

F. - F.3. …

G.1 …
§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.

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:21 et seq.


Richard P. Ieyoub
Commissioner