State of Louisiana
DEPARTMENT OF NATURAL RESOURCES
OFFICE OF CONSERVATION

March 10, 2016

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

Via Statutorily Prescribed E-mail

Re: Post Hearing Report of Proposed Amendment to
Office of Conservation Rules and Regulations
LAC 43:XIX. 405 and 423.B (Statewide Order No. 29-B)
Carbon Dioxide Enhanced Oil Recovery Application Requirements

Dear Oversight Authorities:

The Commissioner of Conservation proposes to amend LAC 43:XIX. to add section 405 and 423.B 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 is made to implement application, operational, and abandonment requirements for enhanced oil recovery utilizing carbon dioxide.

In accordance with La R.S. 49:968.B and C. the Commissioner forwarded a report (dated August 10, 2015) of proposed amendments to the appropriate legislative committees, presiding officers of the House and Senate, and other state offices.

A public hearing held September 28, 2015, under Docket Number CON RULE AMD 2015-08, afforded interested parties an opportunity to comment on the proposed rule amendments. The public comment period was held open until 4:30 PM October 5, 2015. Pursuant to La R.S. 49:968.D(1)(b), the Commissioner of Conservation submits the following summary report of the public hearing.

I. La R.S. 49:968.D(1)(b)(i) – A summary of public hearing testimony:

The agency introduced the proposed rule and filed the state exhibits into the record. Only one individual member of the public attended the hearing and offered testimony.

II. La R.S. 49:968.D(1)(b)(ii) – A summary of all comments received, a copy of the agency’s responses, and a statement of the agency’s action resulting from comments received:
The one individual member of the public attending the hearing offered testimony that he was representing a particular company who was concerned that the rule amendment would create additional requirements upon his company who was already operating under the previous rules. Additionally, during the open comment period, one letter was received reiterating the concern expressed in verbal testimony and pointing out some typographical issues that should be addressed. Conservation staff reviewed the particular company’s records in light of the proposed rule and has determined that the company is already currently in compliance with the proposed rule and no additional actions will currently be required. As none of the comments received were rose to a level necessitating a delay in the current publication schedule, the currently proposed rule will proceed as is and the comments pointing out typographical issues, will be addressed in future rulemaking proposals. Additionally, if any company operating under the previous rule can demonstrate that the amended rule actually adversely affects their current operations, Conservation will consider a future proposed rule amendment to address that situation.

III. La R.S. 49:968.D(1)(b)(iii) – A revision of the proposed rule since submitting the report of La R.S. 49:968.B, or a statement that no changes were made:

No changes were made since submitting the previous report.

IV. La R.S. 49:968.D(1)(b)(iv) – A concise statement of the principal reasons for and against adoption of any amendments or changes suggested:

In light of the response to comments above, no changes or amendments are intended to be implemented.

The Office of Conservation expects to publish the final rule in the Louisiana Register as soon as permissible under the Administrative Procedures Act. Please inform us of your decision on whether or not you intend to hold a hearing as permitted by La R.S. 49:968.D(2)(a).

Please contact me at 225-342-7889 if there are any questions or if any clarification of the above is needed.

Yours very truly,

John W. Adams
Attorney, Office of Conservation

JWA:jwa