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## State of Louisiana department of natural resources Office of Conservation

STEPHEN CHUSTZ
SECRETARY

JAMES H. WELSH
COMMISSIONER OF CONSERVATION

November 7, 2014

Senator John A. Alario, Jr., President Senator Gerald Long, Natural Resource Committee Chairman Representative Chuck Kleckley, Speaker Representative Gordon E. Dove, Sr., 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.121 and 137 (Statewide Order No. 29-B)

## Dear Oversight Authorities:

The Commissioner of Conservation proposes to amend LAC 43:XIX.121 and 137 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 rule change in Section 121 codifies the long standing practice of requiring oil and gas operators to conduct two well tests per year. Additionally, as a result of low or no production, wells drilled to or completed in the Monroe Gas Rock or stripper oil lease wells shall not be required to conduct well tests. The proposed rule change in Section 137 updates language to reflect the proposed rule change being made in Section 121.

In accordance with La R.S. 49:968.B and C. the Commissioner forwarded a report (dated September 9, 2014) of proposed amendments to the appropriate legislative committees, presiding officers of the House and Senate, and other state offices.

A public hearing held September 29, 2014, under Docket Number ENG RULE 2014-09, afforded interested parties an opportunity to comment on the proposed rule amendments. The public comment period was held open until 4:30 PM October 6, 2013. 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. No members of the public attended the hearing and no comments were received during the hearing. Further, no comments were received during the public comment period.

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:

No comments were received.

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:

No changes, amendments or comments were received since submitting the previous report. The principal reason for this rule amendment is to minimize the cost of compliance and agency costs to handle and store the documents received.

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

John G. Colan

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