



Life Cycle of a Well

District Offices

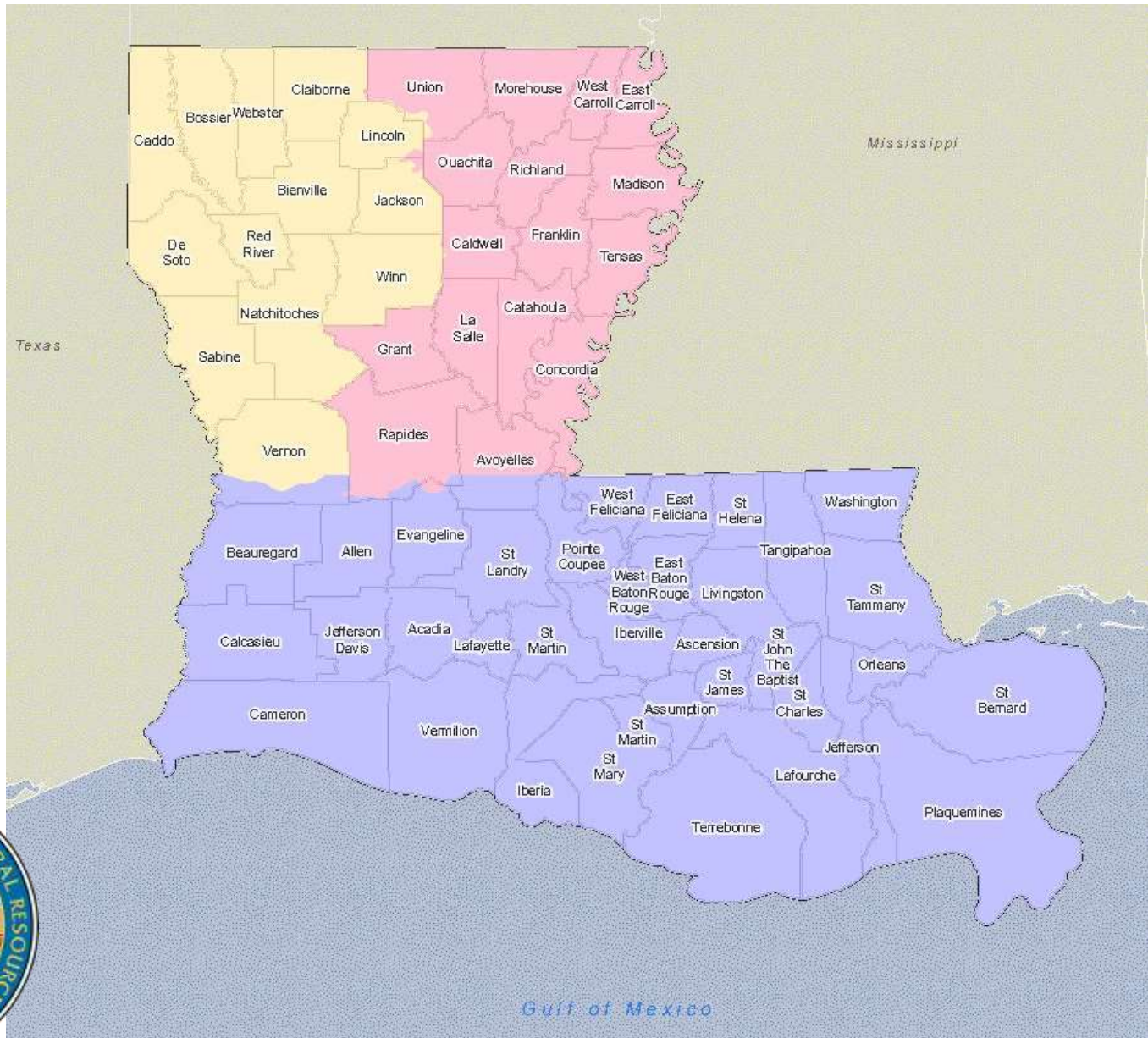
Office of Conservation
2022

Presenters

- Pat Molbert, Manager, Lafayette District Office
- Jim York, Manager, Monroe District Office
- Patrick Raley, Manager, Shreveport District Office

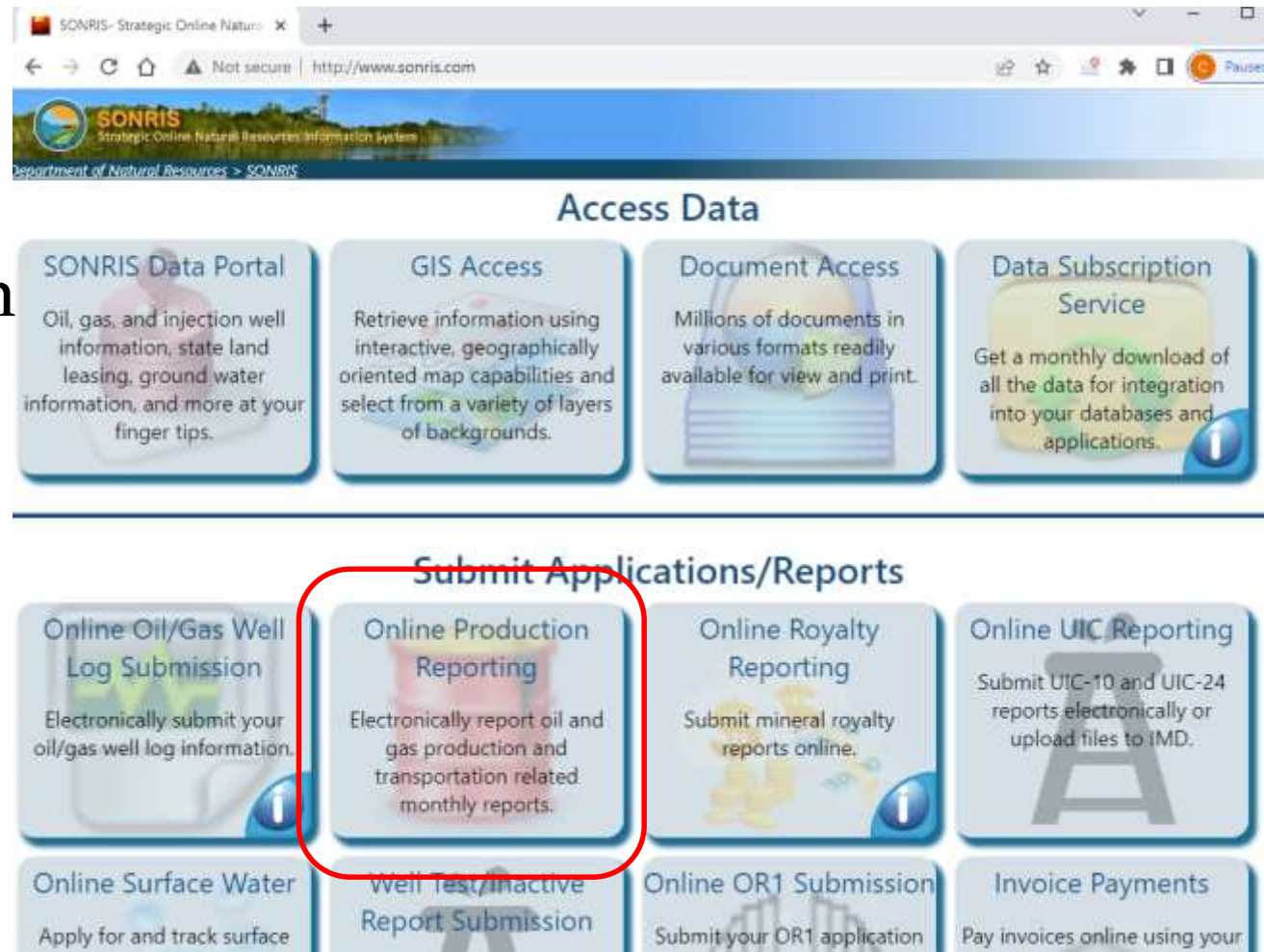


District Area Map



Life Cycle of a Well

■ OR-1 (Organization Report)



The screenshot shows the SONRIS website interface. At the top, there is a navigation bar with the SONRIS logo and the text "Strategic Online Natural Resources Information System" and "Department of Natural Resources > SONRIS". Below this, there are two main sections: "Access Data" and "Submit Applications/Reports".

Access Data

- SONRIS Data Portal**: Oil, gas, and injection well information, state land leasing, ground water information, and more at your finger tips.
- GIS Access**: Retrieve information using interactive, geographically oriented map capabilities and select from a variety of layers of backgrounds.
- Document Access**: Millions of documents in various formats readily available for view and print.
- Data Subscription Service**: Get a monthly download of all the data for integration into your databases and applications.

Submit Applications/Reports

- Online Oil/Gas Well Log Submission**: Electronically submit your oil/gas well log information.
- Online Production Reporting**: Electronically report oil and gas production and transportation related monthly reports. (This button is highlighted with a red circle in the image.)
- Online Royalty Reporting**: Submit mineral royalty reports online.
- Online UIC Reporting**: Submit UIC-10 and UIC-24 reports electronically or upload files to IMD.
- Online Surface Water**: Apply for and track surface
- Well Test/Inactive Report Submission**
- Online OR1 Submission**: Submit your OR1 application
- Invoice Payments**: Pay invoices online using your



Louisiana Office of Conservation



Permits to Drill

Where do I find Guidelines for Filing a Permit to Drill?



Featured Services

- FEATURED SERVICES A-Z LISTING
- HOTLINE NUMBERS
- RULEMAKING/FEES
- HAYNESVILLE SHALE
- GROUND WATER RESOURCES PROGRAM
- SURFACE WATER PROGRAM
- RFPS, SFP, RSIQS - CONTRACTS

JUN 21 OIL AND GAS HEARINGS

JUL 13

AUG 10

LaSalle Building, 1st Floor, LaBelle Room, Baton Rouge

SONRIS

- Database Access
- Document Imaging
- GIS Imaging



Where do I find Guidelines for Filing a Permit to Drill?



- OIL & GAS
- ENERGY
- MINERAL RESOURCES
- ▶ CONSERVATION
- DIVISIONS
- Overview
- Executive
- Engineering-Administrative
- Overview
- Permits & Reservoir
- Production Audit
- Directory
- Engineering-Regulatory
- Environmental
- Geological Oil & Gas
- Injection & Mining
- Pipeline

Office of Conservation



Richard P. Ieyoub
Commissioner

Main Phone (225) 342-5540
Fax (225) 342-3705

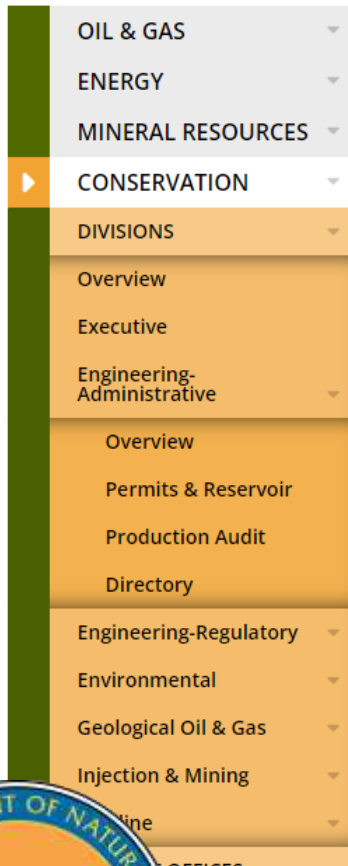
Physical Address
617 North Third Street
LaSalle Building, 9th Floor
Baton Rouge, Louisiana 70802

Mailing Address
P.O. Box 94275
Baton Rouge, Louisiana 70804

DIRECTORY



Where do I find Guidelines for Filing a Permit to Drill?



Office of Conservation

[Engineering Administrative>>](#)

Drilling Permit & Reservoir Section

The Permits Section is responsible for the storage, filing and dissemination of well records, hearing transcripts, well test information, and historical production information. The Permits Section processes the following applications:

FINANCIAL SECURITY

PERMIT TO DRILL

AMENDED PERMIT TO DRILL



Permit to Drill Application – Guidance

Follow links on this page to access applications to help complete the Permit to Drill Application form

The screenshot shows the Louisiana Department of Natural Resources website. The header includes the state logo, the text "State of Louisiana DEPARTMENT OF NATURAL RESOURCES", and navigation links for "ABOUT DNR | OFFICES | MEDIA CENTER | CONTACT US". A search bar is also present. The main content area is titled "Office of Conservation" and "Engineering Administrative >> Permits Section >> Permit to Drill Applications". Below this, there is a paragraph explaining the permit process and a list of required application items. A red box highlights the "The Application (MD-10-R-1)" section, which lists: a completed MD-10-R-1 form, completion date, parish and code number, field name and code number, company name and address, and a unique well name and number. A calendar for June 2022 is visible at the bottom left of the page.

Office of Conservation

[Engineering Administrative](#)>> [Permits Section](#)>>
Permit to Drill Applications

The Permit to Drill is the initial application submitted by a company to drill a well in the State of Louisiana. Drilling is governed by the rules and regulations of Title 43 and especially Statewide Order 29-B (see Rules page for current links to Title 43 and 29-B).

All Permit to Drill Applications should be filed in duplicate with the District Office the well is located. Once the District is finished with their review, the Permit to Drill Application is submitted to Baton Rouge for final approval. The Permit to Drill Application consists of the following:

The Application (MD-10-R-1)

- ▶ A completed MD-10-R-1 signed by a company official. Follow this link to the Forms page, then Engineering Division for download.
 - ▶ The date the form is completed.
 - ▶ The parish and code number of the well's surface location.
 - ▶ The field name and code number.
 - ▶ The company name, address and code number.
- ▶ A unique well name and number.

Operator codes are assigned and maintained via the OR1 application. Register the entity with the Louisiana Secretary of State, then visit www.sonris.com > Online OR1 Submission.



Form MD-10-R-1

Application for Permit to Drill for Minerals Form

- Required for drilling for minerals or drilling through the USDW
- Instructions tab in form (Excel spreadsheet)
- Print on buff-colored paper
- File in duplicate originals to District Office
- Operator, Field, and Parish Codes can be found on Data Access



STATE OF LOUISIANA
OFFICE OF CONSERVATION FORM MD-10-R-1
APPLICATION FOR PERMIT TO DRILL FOR MINERALS
TYPE ONLY - FILE IN DUPLICATE
(Print on Buff color paper)

FORM MD-10-R-1 (Rev 09/2009)

OFFICE USE ONLY SERIAL NUMBER: _____ OFFICE USE ONLY

Company Data DATE OF APPLICATION: _____

OPERATOR: _____ CODE NO. _____
ADDRESS: _____

Well Data

PARISH: _____ CODE NO. _____
FIELD: _____ CODE NO. _____
WELL NAME: _____ Well No.: _____

LOCATION: Section: _____ Township: _____ Range: _____

LOCATION DESCRIPTION: _____

PRODUCT: OIL GAS OTHER

Proposed Total Depth: _____ feet - Measured Depth
(and TVD, if applicable) _____ feet - True Vertical Depth

Application Fee: _____ Check No.: _____
6 Month 1 Year

TYPE OF WELL

<input type="checkbox"/> New Well	<input type="checkbox"/> Repermit
<input type="checkbox"/> Redrill	<input type="checkbox"/> Straight
<input type="checkbox"/> Dual	<input type="checkbox"/> Directional
<input type="checkbox"/> Lease	<input type="checkbox"/> Horizontal
<input type="checkbox"/> Unit	<input type="checkbox"/> SPC Plan (excludes)

PROPOSED ZONE OF COMPLETION: _____
APPLICABLE CONSERVATION ORDERS: _____
SERIAL NUMBER OF REDRILL OR REPERMIT (if applicable): _____

CONTACT DATA

SEND PERMIT TO:
ADDRESS: _____
(if different than above)
FOR ADDITIONAL INFORMATION, CONTACT _____
Phone No.: _____

APPLICANT

SUBMITTED BY: _____
TYPED NAME AND TITLE

SIGNATURE: _____
APPLICANT'S REPRESENTATIVE SIGNATURE

OFFICE USE ONLY FINANCIAL SECURITY REQUIRED PRIOR TO PERMITTING: Yes No OFFICE USE ONLY

DISTRICT APPROVAL: _____ DATE: _____
ISSUED BY: _____ DATE: _____
API No.: _____ Exp.: _____

FORM MD-10-R-1 (Rev 09/2009)

Form MD-10-R-1

Common Issues

- Well name does not reflect mineral owner depicted on plat
 - For straight holes and directionally drilled wells, well name based on the first take point (i.e., location of shallowest perforation)
 - For horizontal wells, well name based on mineral owner of the surface location (not necessarily the location of the shallowest perforation)
- Proposed zone of completion is unitized and application submitted as lease well
 - We cannot approve a Permit to Drill to a unitized zone on a lease basis!
 - Make sure you have authority to drill to the unit before applying
- Insufficient fee
 - Application fees are determined by proposed total depth of well and duration of permit – updated annually via 29-R



Application for Permit to Drill

Current Application Fees

- 6-Month Permit to Drill
 - 0-3,000 feet = \$126
 - 3,001-10,000 feet = \$631
 - >10,000 feet = \$1,264
- One Year Permit to Drill
 - 0-3,000 feet = \$252
 - 3,001-10,000 feet = \$1,262
 - >10,000 feet = \$2,528
- Permit to Drill Application for Dual Completion
 - Add \$126 to the fees above for the appropriate depth

**Now accepting
electronic payments!!
Contact your District
Office prior to
submitting your next
application for details.**



Application for Permit to Drill

Additional Paperwork – AFLN-1

- Pre-Entry Notice Affidavit
- Form indicating type of notice given to land owner prior commencing construction operations
- State & Parish refer to location of where the document was notarized, not the location of the well
- Duplicate originals
 - ❑ Must be less than a year old

**AFFIDAVIT OF COMPLIANCE
STATEWIDE ORDER 29-B
RULE LAC 43:XIX.103**

WELL NAME AND NUMBER _____

STATE OF _____

PARISH/COUNTY OF _____

BEFORE ME, the undersigned Notary Public, personally appeared _____
("affiant") who on his oath did say that he is the _____ (REPRESENTATIVE) of the
_____ (COMPANY), authorized to do business in the state of Louisiana, and that said
instrument was signed on behalf of said company, and affiant acknowledged that he executed the same as
the free act and deed of said company.

BY CHECKING THIS BOX, AFFIANT CERTIFIES:

<input type="checkbox"/> The above referenced well will be drilled from an existing pad on the property in question, there will be no expansion to the existing drilling pad or access road(s) and therefore no notice to the surface owner is required pursuant to R.S. 30:28(1)(f).	<input type="checkbox"/> Surface owner was provided pre-entry notice on the ____ day of _____, 20____. No construction operations of a drilling location for the aforementioned well shall commence less than thirty (30) days after such date.
<input type="checkbox"/> A contractual relationship presently exists between the operator and the surface owner(s) of the subject well. As such, no pre-entry notice is required pursuant to 30:28(1)(c).	<input type="checkbox"/> No pre-entry notice required pursuant to R.S. 30:28(1)(d). Please attach documentation of Commissioner's waiver.

The information in this affidavit meets the requirements of Statewide Order 29-B, Rule LAC 43-XIX.103 and Louisiana R.S. 30:28(f), demonstrating compliance with such order. By signing this document, I certify that the foregoing is true and correct to the best of my knowledge.

Thus done and sworn this _____ day of _____, 20____:

Signature: _____

Print Name: _____

Title: _____

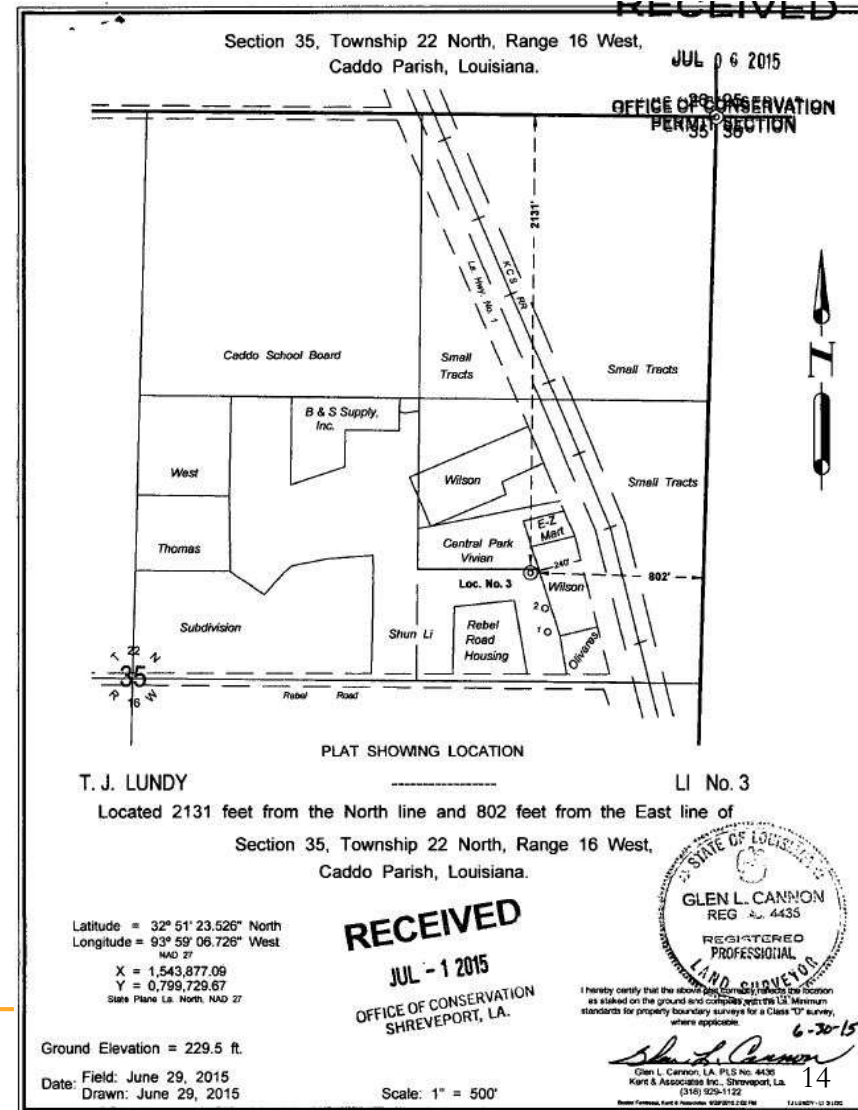
Notary Public



Application for Permit to Drill

Additional Paperwork - Plats

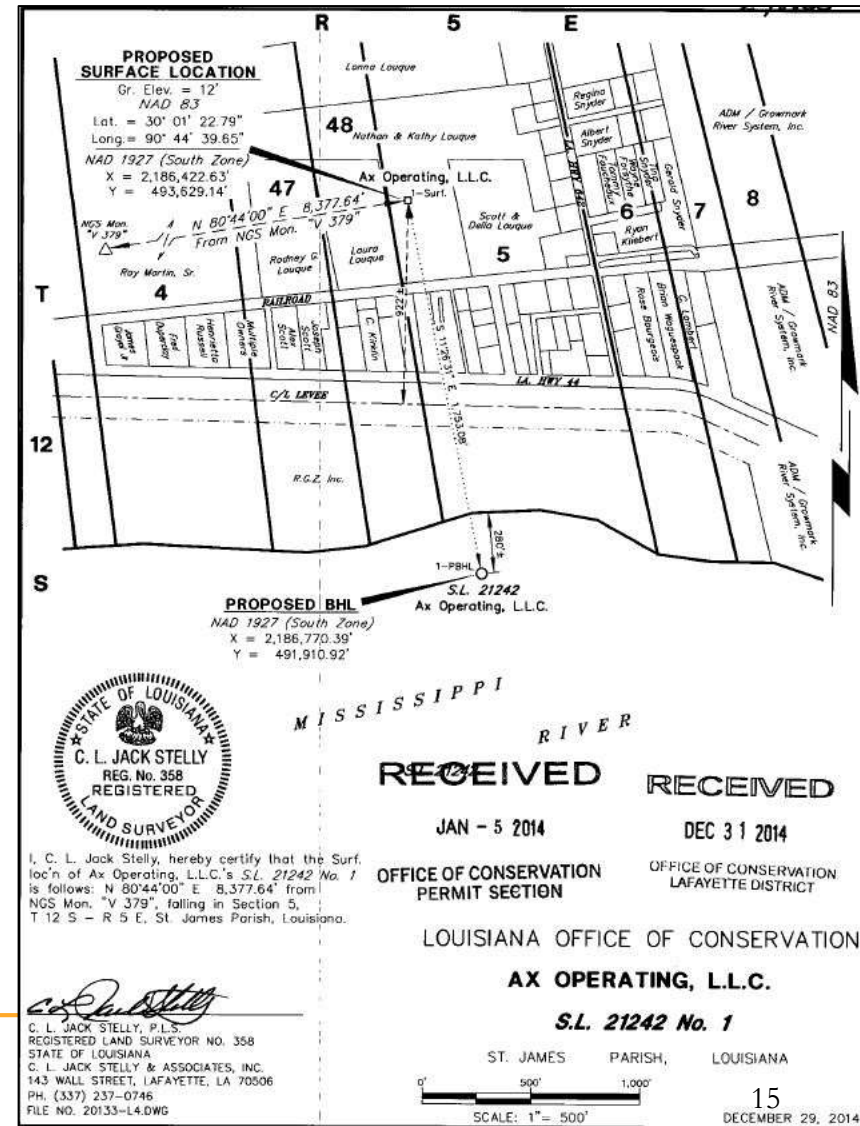
- Duplicate originals required
- **Survey date** must be less than a year old
- Must be certified, signed, and sealed by a Louisiana surveyor
- Well location must reference section line or monument
 - Distance from unit lines are great for unit wells, but we still require calls from section lines or a monument!



Application for Permit to Drill

Additional Paperwork - Plats

- Preferred scale is 1" = 1,000'
 - Use best judgment! Sometimes more, sometimes less!
- If Interstates are within limits of plat, must be depicted
- Plats with any form of "This is not a property boundary survey..." disclaimer must have qualifier that plat complies with 29-B and 29-E
 - Used to confirm that pertinent lines are plotted at their actual locations



Application for Permit to Drill

- Wells permitted $\geq 10,000'$ must bear one of the following statements on the plat:
 - No commercial or residential structures not owned by the applicant, his lessor, or other predecessor in interest are located within a 500 foot radius of the well site.
 - The only structure(s) not owned by the applicant, his lessor, or other predecessor in interest within a 500 foot radius of this well site are as shown.



Application for Permit to Drill

Plats Continued

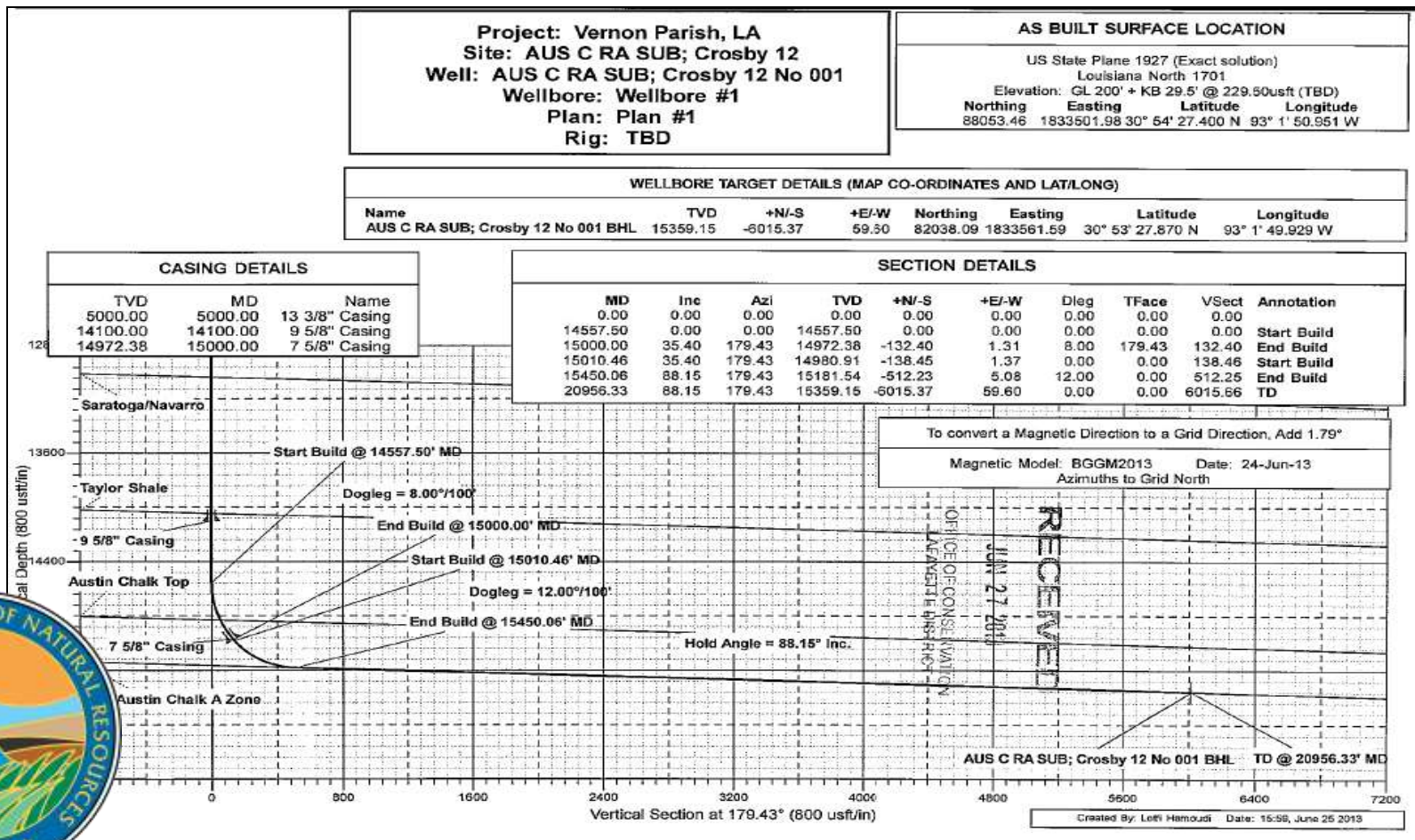
- Wells $\geq 10,000'$ deep with structures within 500' that are not under lease require a structure waiver
 - Specific distance of structure from well must be depicted on plat and waiver
 - Notarized signature of structure owner must be provided giving consent to drill within 500' of structure
- If structure waiver is not provided, applicant will have to have a hearing to request to drill at location without approval from structure owner
- Wells targeting the Haynesville Zone in Bossier, Caddo, DeSoto, Sabine, Natchitoches, Red River, Webster, or Bienville
 - Plats must indicate “This well is subject to the provisions of Order U-HS” or “This well is not subject to the provisions of Order U-HS” (Order U-HS can be found on Document Access)



Application for Permit to Drill

Additional Paperwork

- All horizontal Permit to Drill Applications require a one-page directional plan



Application for Permit to Drill

Additional Requirements

- Coastal Zone Water Locations
- If the drilling rig to be used changes between the date of the application and spudding, the applicant shall provide an updated SPCC plan within two days of becoming aware of the change in rigs
 - However, updated SPCC discs are not accepted once drilling operations have commenced



Application for Permit to Drill

Lagniappe

- Cannot drill a new well within 250' of a levee
- Special casing procedure required for drilling wells within two miles of an active or plugged Class I injection well
- Coastal Use Permit (CUP) or notice of no significant impact required for all Coastal Zone locations
 - CUP or notice of no significant impact must be less than two years old
- Applicants issued permits within 1,000' of Interstates must furnish copy of permit and plat to state and local authorities
- Wells cannot be permitted within 1,000' of a Interstate highway crossings of major waterways
 - Applies to new wells and also re-entry of existing plugged and abandoned wells



Application for Permit to Drill

Interstate highway crossings of major waterways

- I-10
 - Sabine River (State line)
 - Calcasieu River
 - Atchafalaya Basin
 - Mississippi River
 - Bonne Carre Spillway
 - Lake Pontchartrain
 - Pearl River
- I-12
 - Amite River
- I-55
 - Pass Manchac Area
- I-20
 - Red River
 - Ouachita
 - Tensas River
 - Mississippi River (State Line)
- I-59
 - Pearl River
- I-210
 - Calcasieu River/Prien Lake
- I-220
 - Red River
 - Cross Lake
- I-310
 - Mississippi River



Application for Permit to Drill

Common Problems/Delays

- No OR-1 or Financial Security for new operators
- Numbering wells out of sequence
- Identifying well with inconsistent lease names
 - Well names are VERY important- production reporting code (LUW) assigned based on well name
- Inconsistent lease boundaries on plats
 - Or no lease boundaries at all!
- Submitting application prior to receipt of Order for unit wells
- Submitting repermits prior to expiration of existing permit



Application for Permit to Drill

Explanation of “Office Use Only” Codes

- **Bond Rec’d:** Financial security received prior to issuance of permit (new operator)
- **29-B-2:** Financial security required within 30 days of completing drilling operations
- **29-B:** General rules of drilling for LA; inclination or directional survey required (straight hole)
- **29-B-1:** General rules of drilling for LA; directional survey required (directional, horizontal wells or lease wells permitted <330’ from lease lines)
- **29-E:** General well spacing provisions for LA
- **29-E-U:** 29-E spacing violation (too close to lease line, spacing between wells or units, etc.)
- **Field Order Series:** Series of Conservation Orders that governs Field; establishes spacing rules and/or Commissioner’s Units for defined intervals
- **Condition Codes:** Internal identifiers for wells (Horizontal, Haynesville, etc.)



FORM MD-10-R-1 (Rev 08/2009)

STATE OF LOUISIANA
OFFICE OF CONSERVATION FORM MD-10-R-1
APPLICATION FOR PERMIT TO DRILL FOR MINERALS
TYPE ONLY - FILE IN DUPLICATE
(Print on Buff color paper)

OFFICE USE ONLY		OFFICE USE ONLY
29-B-2, 29-B, 29-E, 122 Series	SERIAL NUMBER: _____	
Company Data	DATE OF APPLICATION: _____	

Application for Permit to Drill

APPROVED! What now?

- Serial number and API assigned by Baton Rouge, as well as permit approval letter with conditions
 - Scanned online to Document Access within days! Mailed out soon after
- Instruction letter provided by District Office
 - Reporting and notification requirements outlined
 - Contact info of Conservation Enforcement Specialist (CES)
 - Fresh water (USDW) protection letter and surface casing requirements

**24-HOUR NOTIFICATION TO DISTRICT OFFICE/CES
REQUIRED PRIOR TO SPUDDING!!**

NEW ITEM - we CAN expire permits prior to issued expiration date if operator has no intent of drilling well!!



Drilling

- No well shall commence drilling below surface casing until a sign is posted on the drilling rig
 - ❑ Must be legible and include operator, lease name and number, serial number, field, Parish, S-T-R
 - ❑ Sign must be maintained until the well is plugged and abandoned



Drill, baby, drill!!



Louisiana Office of Conservation



Drilling Phase

Drilling/Workover Notification Report

- ALL WATER LOCATIONS – Send to appropriate District
- **General Information-** All well information, rig name & #, rig contact, email address, rig phone
- **Rig Arrival Information – FIRST REPORT**
arrival date with the type of work to be performed
- **Rig Departure Information – FINAL REPORT** –
Date rig leaves with the status of the well



Weekly Updates on Drilling Wells

- All CES' regularly visit drilling wells in their assigned areas
- Operators should contact their assigned agent first when questions arise



Weekly Updates on Drilling Wells

- The operator of record is responsible to submit the “Weekly Progress Report” form each Monday morning
 - Find the reports online on District Office Websites
 - ☞ Not the responsibility of a turnkey contractor, consultant or a drilling rig representative
 - ☞ **Cannot be held confidential**



When Do I File the Weekly Progress Report?

- 24 hours prior to spudding or beginning operations on and each Monday morning until the drilling rig is released on:
 - ❑ New Permits to Drill
 - ❑ Sidetrack (LST) or Deepening (LDW) of previously existing/producing wells
 - ❑ Re-entry / Redrill of P&A'd wells



How and Where to File the Weekly Progress Report

- Lafayette: Email (laf-drill@la.gov) or Fax (225) 242-3328 or call-in (337) 262-5777
- Shreveport: Email (DNRconservation.Shreveport@la.gov)
- Notify CES (contact info on PTD Instruction letter – on SONRIS)
- **Final Report** required upon conclusion of operations with a status and condition of the wellbore when the rig is released (***do not have to wait until Monday***)



Contact Information

- Critical (questions regarding information and or clarification of information on report)
- Printed name of contact
- Email address
- Phone / Cell phone



Critical Information on Weekly Progress Report

- Spud date/ Date operations began
- Conductor / Drill pipe (size, depth, feet of penetration)
- All casing (size, depth, total **sacks** of cement)
- All liners (size, top of liner [TOL], bottom of liner [BOL], total **sacks** of cement)



Significant Weekly Activity

- **Brief** description of significant normal drilling activities (C&C, stuck pipe @ depth, fishing, washing and reaming, milling, set plugs (depth and total sacks of cement used), sidetracking around junk, logging, Closed Mud System / Reserve Pit
- Measured Depth
- TVD (required on all directionally drilled wells)

 **Cannot be held confidential**



BOP Information - DWIR

- Required on all wells except Caddo Pine Island (Nacatoch Formation only)
- Diverter type, Annular Preventers, Ram Preventers
- Size, manufacturer, and pressure rating on each
- Test data and most recent (last) test date
- Any change to existing BOP stack or resetting of stack



Note: Weekly Progress Reports are viewed by many vendors

Well costs or any other confidential information should not be included in the weekly progress report



Scout Ticket

- *In-House* record of all permit information, expiration date, rig information, documentation required, contact name and numbers.
- District Offices posts all documentation received into SONRIS – Data Portal



Scout Report

- *Entire Scout Report*
- *Scout Information on an individual well*
- *Scout Report Codes and Terminology*
 - All available on SONRIS – Data Portal



Documents Required 20 Days of Reaching TD

- Directional survey or Apparent Deviation
- Directional survey required but not run (a waiver letter is required, then forwarded to the Commissioner with a recommendation)
- CSG-T “Affidavit of Test of Casing in Well” – all casing and liners (fully completed)



Electric Logs

- Required to be submitted electronically
- For assistance contact:

HelpDesk@La.Gov

OR

(225) 342-4556

 **No Paper Logs Accepted**



Form WH-1

- Form WH-1 revised September 2013
- “Lease and Well Data” section now contains multiple drop boxes which allow the operator to select a more accurate well status and well status code



Revisions to Form WH-1

- **“Category”** – new well, recompletion, well stimulation, temporary abandon, plug and abandon, workover, plugback, well work, information only
- **Well Status Code** – condition of well
- **“ST:35”** – new well status code for PLUGBACK (well with no productive perforations)
- **“Product”** – oil, gas, other (i.e. 22, 18, 31, 32), none
- **“Effective Date of Status”** – must match the effective date on the Form Well Completion and Recompletion Report
- **“Status Change Only”**:
 - *If Form WH-1, Form Comp, schematic **alone** were submitted the answer is **“YES”**
 - *If **Form MD-10RA1** was submitted **in addition** to those forms the answer is **“NO”**



Informational WH-1

(due 20 days after release of Drilling Rig)

Status 31 or Status 32

- ***IF*** it will be 30 days or more until completion or P&A'd
- ***IF*** operations are suspended
- ***IF*** the well is not perforated
- ***IF*** the well is Plugged-back only



Informational WH-1

(due 20 days after release of Drilling Rig)

- “Effective Date of Status” – the date TD was reached or operations suspended or the date the rig was released (whichever is applicable)
- Back of WH-1 “description of work” – explains the current status of the wellbore
- Example #1: SN 243628, 2/1/15 – 5/1/15, D&B #7, Drove 14” CP, Spud, Drld, Logged, Surveyed, Installed DHT, RR 5/1/15, WOCCR



Informational Form WH-1

Well was perforated but not tested

- Due 30 days after release of drilling rig
- Producing Interval must be entered
- Reservoir / sand perforated must be entered
- “New Well” is the “appropriate category” to select
- A well status code of 31 (future use) or 32 (no future use)
- Effective date of status should be the date the well was perforated
- All other information (except the “Initial Completion or Recompletion Data” and “Plug and Abandon (P&A) Data” sections are required to be fully completed
- Back of WH-1 should indicate “*well was perforated but not tested*” in “Description of Work”



Informational Form WH-1

Well was perforated & tested – no hydrocarbons brought to surface

- Due 30 days after release of drilling rig
- Producing Interval must be entered
- Reservoir / sand perforated must be entered
- “Informational” is the “appropriate category” to select
- A well status code of 31 (future use) or 32 (no future use)
- Effective date of status should be the date the well was tested
- All other information (except the “Initial Completion or Recompletion Data” and “Plug and Abandon (P&A) Data” sections are required to be fully completed
- Back of WH-1 should indicate “well was perforated and tested – no hydrocarbons brought to surface” in “Description of Work”



Wellbore Schematics

TWO (2) WELLBORE SCHEMATICS ARE REQUIRED TO BE SUBMITTED WITH ALL WH-1S INCLUDING INFORMATIONAL WH-1S.



Well Permitted for “Dual Completion”

Work never performed

- **Six Month PTD** – Informational Form WH-1 required **after 180 days** from date of issuance (also date of status)
- **One Year PTD** – Informational Form WH-1 required **after one year** from date of issuance (also date of status)
- Well Status Code: select ST:22
- Drilling Permit Date: date serial number assigned
- No other information required on front except “certification section”
- Back of WH-1 should indicate “**Well not dual completed / Status 22**” in “Description of Work”



Reserve Pit or Closed Loop System

- Form ENG-16 outlining types and number of barrels of non-hazardous oilfield waste (NOW) generated and disposition of same
 - Required within six (6) months of completion of drilling/workover
- On Form ENG-16, certify that disposition of same was in accordance with applicable rules and regulations of the Office of Conservation



Reserve Pit or Closed Loop System

- Submit ENG-16 to District Office where well is located in duplicate
- Submit Reserve Pit Closure Data to Office of Conservation, Attn: Melanie Clore, 617 N. Third Street, Baton Rouge, La. 70802
- Reserve Pit not closed within 6 months, contact Melanie Clore: (225) 342-4093 OR Melanie.Clore@La.Gov



LIFE CYCLE OF A WELL

PERMIT TO DRILL	RECEIVED AND REVIEWED BY ENGINEERING STAFF, MAILED TO BATON ROUGE PERMIT SECTION <u>1-2 DAYS</u> FROM DISTRICT OFFICE <u>IF NO ISSUES</u> . VALID 6 MONTHS OR 1 YEAR FROM DATE OF ISSUANCE OF SERIAL NUMBER
WATER LOCATIONS	DRILLING/WORKOVER NOTIFICATION REPORT REQUIRED ON ALL WATER LOCATIONS PRIOR TO <u>RIG ARRIVAL</u> AND UPON <u>RIG DEPARTURE</u>
SPUD	NOTIFY CES AND OFFICE 24 HOURS PRIOR TO SPUDDING WELL
WEEKLY PROGRESS REPORT	REQUIRED FROM SPUD DATE EACH <u>MONDAY MORNING</u> ON ALL DRILLING / SIDETRACK OF EXISTING WELLS AND DEEPENING OF EXISTING WELLS UNTIL TOTAL DEPTH IS REACHED
WORK PERMIT	ANY PROCEDURE LISTED ON THE WORK PERMIT PRIOR TO PERFORMING WORK; <u>3-5 DAYS</u>
DUE <u>20 DAYS</u> AFTER COMPLETION OF DRILLING / SIDERACK OF EXISTING WELL / DEEPENING OF EXISTING WELL OPERATIONS	DIRECTIONAL SURVEY OR APPARENT DEVIATION AS REQUIRED BY PERMIT TO DRILL APPROVAL, AFFIDAVIT OF TEST OF CASING ON ALL CASING & LINERS, TUBULAR CERTIFICATIONS (WATER LOCATIONS), ELECTRIC LOGS (SUBMITTED ONLINE ONLY)
INFORMATIONAL FORM WH-1 & SCHEMATIC	IF NO ATTEMPT TO COMPLETE OR P&A WELL HAS BEEN PERFORMED WITHIN 20 DAYS OF REACHING TOTAL DEPTH
DELINQUENT NOTIFICATION	AFTER <u>30 DAYS OF REACHING TOTAL DEPTH</u> A REVIEW IS PERFORMED, IF ANY MISSING DOCUMENTATION IS FOUND - 10-DAY LETTER SENT TO OPERATOR

LIFE CYCLE OF A WELL (cont.)

EMAIL NOTIFICATION	AFTER 10 DAY DEADLINE , ANY MISSING DOCUMENTATION FOUND - FINAL EMAIL SENT TO OPERATOR BEFORE CIVIL PENALTY REQUESTED
CIVIL PENALTY REQUESTED	AFTER EMAIL DEADLINE (USUALLY 10 DAYS) , ANY MISSING DOCUMENTATION FOUND - REQUEST FOR CIVIL PENALTY SENT TO BATON ROUGE WITH ALL NON-RESPONSE DOCUMENTATION
FORM ENG-16	7-10 DAYS , IF NO ISSUES FOUND
FORM COMPLETION OR RECOMPLETION REPORT	5-7 DAYS , IF NO ISSUES FOUND
FORM WH-1 & SCHEMATIC	5-7 DAYS , IF NO ISSUES FOUND
ALLOWABLE REQUEST / STATUS CHANGE REQUEST / PRODUCT CHANGE REQUESTS	1-3 DAYS , IF NO ISSUES FOUND
FORM MD-10-RA1 (PINK SHEET)	5-7 DAYS , IF NO ISSUES FOUND
FORM MD-10-RAO (OPERATOR CHANGE)	1-2 DAYS , IF NO ISSUES FOUND
FORM P&A, SCHEMATIC	10-20 DAYS , IF NO ISSUES FOUND (MAY REQUIRE ONSITE INSPECTION PRIOR TO PROCSSING)

Louisiana Office of Conservation



**Work Permits & the “Verbal Approval”
Procedure**

Work Permits (DM-4R)

http://dnr.louisiana.gov/assets/OC/eng_div/DM_4R.docx

- The Form DM-4R (work permit) is required prior to performing any type of work on a well
- REQUIRED IN DUPLICATE: Deepen, perforate, squeeze, plugback, pull casing, change zone of selective completion, and sidetrack, and temporary plug and abandon, acidize, hydraulic fracture stimulation, repair (except ordinary maintenance ops).
- REQUIRED IN TRIPLICATE: Plug and Abandon – must be accompanied by proposed wellbore schematic
- Approved within 5 – 7 days
- Submitted to District Office where well is located along with \$75.00 fee



Preparing your Work Permit

- **What we want to see:**

- ❑ Synopsis of procedure
- ❑ All proposed perforation intervals
- ❑ Depth and length of all proposed plugs

- **What we don't want to see:**

- ❑ IF/OR statements
- ❑ Detailed step by step procedure (attach if needed)



Work Permits

Which require additional information submitted simultaneously

■ Deepening

- ❑ If crossing a fee barrier additional monies for new total measured depth per 29-R
- ❑ If deepening below 10,000' two (2) certified location plats with structure statement
- ❑ If location is changing due to the deepening, 2 certified location plats, Form MD-10RA1 (duplicate originals), \$126.00



Work Permits

Which require additional information submitted simultaneously

- **Sidetrack – drilling phase (new bottom hole location)**
 - ❑ MD-10RA1 (pink sheet) indicating new BHL (2 originals)
 - ❑ Certified Location Plats with new BHL (2 originals)
 - ❑ \$75.00 Work Permit Fee + \$126.00 amendment fee = Total \$201.00



Work Permits

Which require additional information submitted simultaneously

- **Sidetrack – existing well (new bottom hole location)**
 - ❑ One location plat indicating new PBHL (does not have to be certified)
 - ❑ \$75.00 Fee for work permit
 - ❑ A detailed letter indicating all conditions of the permit, the CES contact information, and reporting requirements is mailed to applicant upon approval
 - ❑ Upon commencement of sidetrack operations, submit the weekly progress report each Monday morning until the rig is released

WATER LOCATIONS - Submit “Drilling/Workover Movement Notification Report” 24 hours prior to rig arrival and upon rig departure



Work Permits

Which require additional information submitted simultaneously

- **Hydraulic fracture stimulation**
 - For each stage of the frac procedure the following is required:
 - Base fluid (type and volume)
 - Proppant (type and volume)



Hydraulic Fracture

Instruction insert which is mailed to the operator upon approval

NOTICE

Operators that obtain a work permit to conduct hydraulic fracturing stimulation operations on a well are required to report all water sources and associated volumes used in drilling, completion, stimulation and workover operations for that well. This information must be reported on supplemental page three (3) of the ‘Well History and Work Resume Report’(Form WH-1) available at:

http://dnr.louisiana.gov/assets/OC/eng_div/Forms/WH-1.xlsx

**Questions should be directed to Ground Water Resources Program
at (225) 342-8244**



Verbal Work Permit Policy

Lafayette District

Verbals are not granted for routine or proposed work when a rig is not on location

- If a verbal is necessary & a rig is on location:
 - ❑ Submit via email (preferred) or fax the work procedure and proposed wellbore schematic
 - ❑ Procedure is reviewed and if approved you will be notified via return fax (return fax number is required) or return email



Verbal Work Permit Approval Form

- Upon approval of the request, this form is faxed back to the operator and entered on SONRIS
- The faxed copy of this form is to be returned to the District Office with the original “hard-copy” work permit within 10 days
- Upon approval of a sidetrack to a new bottom hole location, two (2) MD-10-R-A-1s, two (2) certified location plats and the applicable fee are required to be submitted with the original “hard-copy” work permit within 10 days



Work Permits (DM-4R)

Work Permit Expiration Review Procedure

Once a month all expiring work permits are reviewed to ensure that documentation has not been received in our office

- The operator is sent an email requesting verification of whether or not the work has been or will be performed by the expiration date
- The operator is requested to email this office to confirm the status of the approved work
- Work Performed = 10 days to provide documentation to this office
- Work **NOT** performed or will not be performed by expiration date = withdrawal of work permit



Work Permits (DM-4R)

Notification requirements:

Contact the District Office AND the Conservation Enforcement Specialist at least 12 hours prior to commencement of work



Work Permits (DM-4R)

All work permits for water locations, once operations begin the “Rig Movement Notification” Form is to be submitted to the District Office where the well is located



Work Permits

South Louisiana

All Work permit requests are available for viewing on SONRIS Data Portal:

- Verbals are posted to SONRIS immediately upon approval – to be followed within 10 days with hard-copy originals
- All work permits are posted upon receipt with a status of “pending”
- Once approved by the engineering staff, the status is changed to “approved” with a status date, expiration date, and a work permit number.



Work Permits (DM-4R)

- Work Permits are also available under
SONRIS – Data Portal
- Parameters to select:
 - ❑ Status, type, application date, operator ID, operator name, field and/or serial number



Work Permits

IRD (Interactive Reports)

- Once results are populated, the spreadsheet can be downloaded to Excel for a more customized review

SONRIS Data Portal

Office of Conservation - Work Permits

Report Parameters

▶ Application Date BETWEEN 01-JAN-1900 AND TODAY; Permit Status(es): APPROVED; Permit Type(s): HYDRAULIC FRACTURE STIMULATION

Results

Q Go Actions

District Name	Well Serial Num	Well Name	Well Num	Application Date	Operator ID	Operator Name	Field ID	Field Name	Work Permit Type Code Description	Work Permit Status Code Description	Work Descr	Expiration Date	Total Depth	Test Sand	Approval Date
Shreveport	253081	HA RA SU98;ONEAL 8&17-14-16 HC	002-ALT	22-JUL-2022	C441	CHESAPEAKE OPERATING, L.L.C.	1464	BETHANY LONGSTREET	HYDRAULIC FRACTURE STIMULATION	APPROVED	PERF AND FRAC THE INTERVAL BETWEEN 11,836' TO 21,720' MD	22-JUL-2023	0 -		22-JUL-2022
Shreveport	253080	HA RA SU98;ONEAL 8&17-14-16 HC	001-ALT	22-JUL-2022	C441	CHESAPEAKE OPERATING, L.L.C.	1464	BETHANY LONGSTREET	HYDRAULIC FRACTURE STIMULATION	APPROVED	PERF AND FRAC THE INTERVAL BETWEEN 11,851' TO 21,875' MD	22-JUL-2023	21885 -		22-JUL-2022
Shreveport	253339	HA RA SUGG;SUS FORESTS 2-35 HC	001-ALT	22-JUL-2022	C332	COMSTOCK OIL & GAS--LA, LLC	9803	WOODARDVILLE	HYDRAULIC FRACTURE STIMULATION	APPROVED	OVERALL PERF & FRAC 12623' - 20431', DRILL OUT PLUGS, FLOBACK & TEST.	22-JUL-2023	20487 -		22-JUL-2022
	5	CV RC SUA;HAYS 10	001	25-JUL-2022	T7885	TGNR TVL LLC	1320	BEAR CREEK	HYDRAULIC FRACTURE STIMULATION	APPROVED	3 PERFORATE, 5 PLUGBACK, 8. CHANGE ZONE OF SELECTIVE COMPLETION SET RBP +/- X LD 1 JOINT X LOAD HOLE WITH 2% KCL AND TEST PLUG/ CASING TO 1000 PSI PERFORATE HOSSTON FROM 7806-7814' WLM	18-JUL-2023	10850 -		18-JUL-2022



Due 20 days after completion of Sidetrack operations

Well was perforated for production

- Form Comp (Recompletion) – triplicate (*successful or unsuccessful*)
- WH-1 – duplicate
- Well bore schematic – duplicate
- “As-sidetracked” bottom hole location (Form MD-10-RA-1 [duplicate originals] 2 certified location plats, \$126.00)
- Directional Survey for sidetracked portion – duplicate
- Electric logs are required to be submitted electronically

Well was not perforated

- All above documentation is required to be submitted **EXCEPT the Form Comp**

All information on Form Comp and WH-1 must match!



Louisiana Office of Conservation



Well Completion Phase

Completion

- Definition of Completion Date: Date the well is opened to be tested or produced and hydrocarbons reach the surface
- Initial completion: only one
- Definition of a Recompletion: If the original perforated interval is altered for any reason (whether successful or unsuccessful)



Delays in Processing Form Comp

- Directional well – requires amended BHL
- Illegal location with respect to unit-lease-property line (SWO 29E)
- Well at an illegal location – Do I need a 29E Exemption or am I in an exempt area?
- Completed in a Conservation Unit and do not have authority (substitute unit [29K] or alternate unit well)



Delays in Processing Form Comp

- Unsuccessful Form Comp for initial completion attempt is not acceptable
- All ST:36 or ST:37 Form Comps must include test information on the back for clearance purposes
- Recompletion Form Comps must specify “same” or “different” reservoir
- **BS&W** = the percent of the production stream taken from a liquid sample of the production stream that is not oil (it includes free water, sediment, and emulsion)



Delays in Processing Form Comp

- Is a Unit well approved but completed outside of allowance for location on Order?
- Do my perforations meet the reservoir definition in the Order?
- Does the product of the reservoir match what is defined in the Order?

No “regular” allowable will be issued to a well with unitization issues



Delays in Processing Form Comp

- Liquids produced – missing gravity on Form Comp
- $\text{MCF/DAY} \div \text{BOPD} \times 1,000 = \text{GOR}$
- All oil & gas measurements should be corrected to 60° F & 15.025 psi
- Form Comp – test data & perforations must match Form WH-1



Form WH-1

- Legal Size – Dual sided form ✌
- Due 20 days of completion/recompletion
- Perforated Interval: all open producing perfs
- Reservoir – if unitized, must be as identified in order
 - (example: MT RA SUA)
- Status, Status Date, and product must match Form Comp
- Status Change Only?
 - No other documentation being submitted with Form WH-1 = YES



Form WH-1 (back)

- Additional space required for casing, tubing, and liners - utilize “WORK RESUME WITH CASING” tab on website
- Work Permit No. – permit number issued when work was approved by the District Office
- Date work performed & service company who performed work
- Work performed without a Work Permit - insert where Work Permit # would normally be placed



Form WH-1 (Back)

- Description of Work – brief description of actual work performed
- INFO ONLY WH-1 – well drilled not perforated or plugged and abandoned:

Example of Description of Work:

Well drilled to total MD and rig was released – status: WOCCR (ST: 31)



Page 3 of WH-1 (Hydraulic Fracture)

- Fully complete all details on Page 3
- Print name and title of person providing information, sign and date
- Providing a telephone number and email address is helpful in the event of questions



Delays in Processing of Form WH-1

- WH-1 information does not match Form Comp:
Effective date, reservoir, status
- Incorrect Well Name – **normally unitization issue**
- Form MD-10RA1 not submitted (**usually involves a location amendment, plats or \$126.00 application fee**)
- **NO response or follow-up** to email for verification of corrections or additional information



Form MD-10-R-A-1

- Type Only, Pink Paper, Duplicate originals
- Current section = new information
- Section, Township, Range of the surface location is always required
- Formerly section = old/current information (only information being changed is required here)
- Multiple changes acceptable on one pink
- Signature required in “current section” of forms



Issues that Delay Approval of Pinks

- Well directionally drilled – no D.S. on file
- No effective date or incorrect effective date
- Incorrect well name
- Amended location required – not submitted



FORM MD-10-R-A-1 (01/2008)

STATE OF LOUISIANA
OFFICE OF CONSERVATION FORM MD-10-R-A-1
APPLICATION TO AMEND PERMIT TO DRILL FOR MINERALS
TYPE ONLY - FILE IN DUPLICATE
(Print on PINK paper)

CURRENT SERIAL NUMBER: _____

DATE OF APPLICATION: _____ EFF DATE OF CHANGE: _____

PARISH: _____ CODE NO. _____
 FIELD: _____ CODE NO. _____
 OPERATOR: _____ CODE NO. _____
 ADDRESS: _____

WELL NAME: _____ No. _____

LOCATION: Section: _____ Township: _____ Range: _____

ACTION: PARISH FIELD OPERATOR LEASE TO UNIT UNIT TO UNIT
 WELL NO. SWD LOCATION UNIT TO LEASE LEASE TO LEASE

CURRENT PRODUCT: OIL GAS OTHER: _____

COMPLETION ZONE: _____
 APPLICABLE CONSERVATION ORDERS: _____

FOR ADDITIONAL INFORMATION, CONTACT: _____
 Phone No.: _____

SUBMITTED BY: _____
TYPED NAME AND TITLE
 SIGNATURE: _____
APPLICANT'S REPRESENTATIVE SIGNATURE
 Phone No.: _____

FORMERLY

WELL NAME: _____ No. _____
 OPERATOR: _____ CODE NO. _____
 PARISH: _____ CODE NO. _____
 FIELD: _____ CODE NO. _____
 SUBMITTED BY: _____
TYPED NAME AND TITLE
 SIGNATURE: _____
FORMER OPERATOR REPRESENTATIVE
 Phone No.: _____ Date: _____

OFFICE USE ONLY OFFICE USE ONLY

DISTRICT APPROVAL: _____ DATE: _____
DISTRICT MANAGER

ISSUED BY: _____ DATE: _____
ISSUING AUTHORITY

FORM MD-10-R-A-1 (01/2008)

Issues that Delay Approval of Pinks

- No application fee submitted
- New Location does not match plat
- New Location does not match top of perfs
- No signature



Amendment Fee (\$126.00)

- Any amendment action that is voluntary on the part of the operator
- Lease-Lease, Location, Lease-Voluntary Unit (visa-versa)
- Voluntary Unit change requires notarized “VU Affidavit” and the VU Plat (does NOT have to be certified)



Voluntary Unit (VU) Affidavit (All Sands)

STATE OF LOUISIANA

PARISH OF _____

AFFIDAVIT

BEFORE ME, the undersigned authority, duly commissioned and qualified within and for the state and parish aforesaid, personally appeared _____, who being by me first duly sworn, deposed and said: That he/she is presently employed as _____ representing _____.

That affiant declares that on _____ he/she reviewed the voluntary unit agreement for the _____ Serial No. in the _____ Field and can attest to the following:

1. The voluntary unit agreement has been executed by 100% of the mineral interest owners within the area covered by such unit.
2. The fully executed agreement has been recorded in the Clerk of Court for _____ parish, LA.
3. The Unit was effective _____ and is currently in effect.
4. The well is in compliance with Statewide Order 29E being 330' or greater from the unit boundary.

Title of Person Declaring

SWORN TO AND SUBSCRIBED BEFORE ME, THIS _____ day of _____.

Notary Public



Stratigraphic VU Affidavit (Specific Perforated Interval)

STATE OF LOUISIANA
PARISH OF _____

AFFIDAVIT

BEFORE ME, the undersigned authority, duly commissioned and qualified within and for the state and parish aforesaid personally appeared _____, who being by me first duly sworn, deposed and said: That he/she is presently employed as _____ representing _____.

That affiant declares that on ____ he/she reviewed the voluntary unit agreement for the _____ Serial No. _____ in the _____ Field and can attest to the following:

- such unit.
1. The voluntary unit agreement has been executed by 100% of the mineral interest owners within the area covered by such unit.
 2. The fully executed agreement has been recorded in the Clerk of Court for _____ parish, LA.
 3. The Unit was effective _____ and is currently in effect.
 4. The well is in compliance with Statewide Order 29E being 330' or greater from the unit boundary.

5. **The unitization agreement exists to cover production from _____ to _____.**

Title of Person Declaring

SWORN TO AND SUBSCRIBED BEFORE ME, THIS
_____ day of _____.

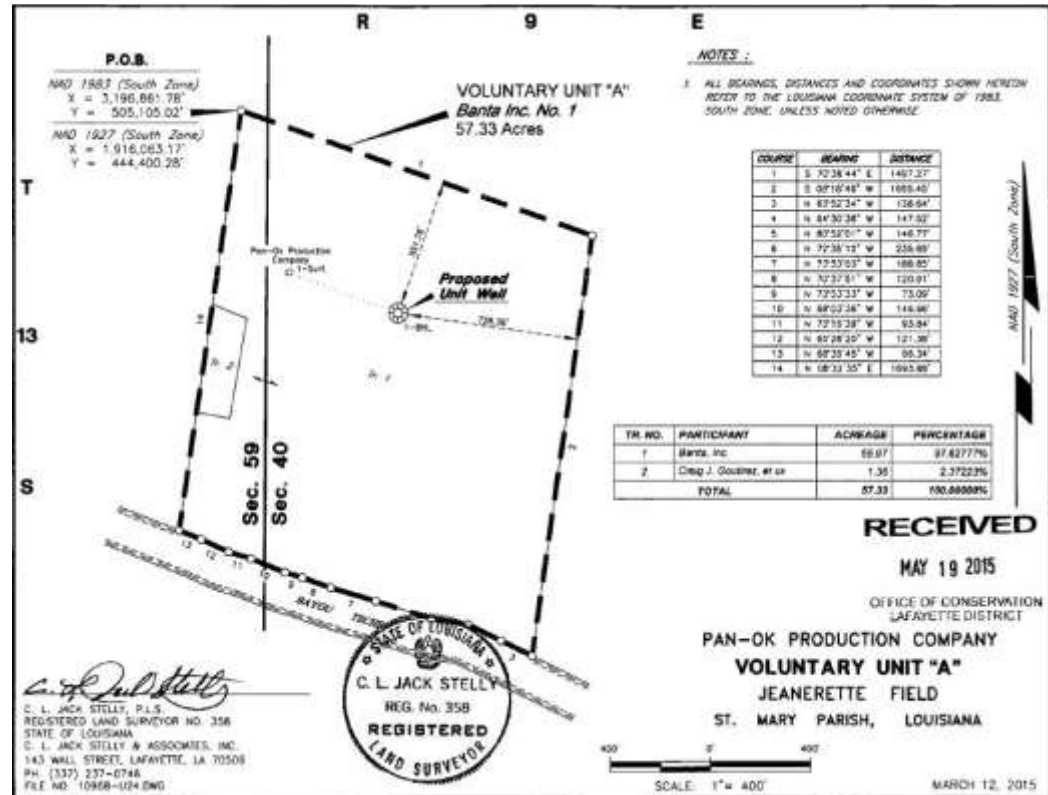
Notary Public

**Define perforations covered in
VU/ declared unit agreement**



Voluntary Unit Plat Requirements

- Prepared by a Louisiana Registered Land Surveyor
- Show outline of unit with tract participation
- Show location of well and distance to nearest unit boundary
- Duplicate originals



Amendment Fee \$50.00

- Conservation Unit to Lease
- Lease to Conservation Unit
- Conservation Unit to Conservation Unit



Operator Changes

- Single Well – Form MD-10RA-1 only (pink sheet)
 - Duplicate originals
- Multiple Wells – Form MD-10RA-O (blue sheet)
 - Duplicate originals
- All wells on a lease and/or in a unit must be addressed
- Not all wells being changed – letter from current operator of record required explaining disposition of the wells and the responsible party for the remaining wells



Operator Changes

- Orphan Wells – orphan affidavit required in lieu of signature from current operator of record
 - Duplicate originals
- Effective Date – cannot be changed by District Office
 - Baton Rouge will change effective date with written concurrence from both operators
- Financial security must be in place or amendment will be held in abeyance in the Baton Rouge Office



Operator Change Fees

- Orphan Wells & Status 22 wells – **EXEMPT**
- Incapable Gas, Stripper - **\$50.00/well**
 - Must be certified by the Department of Revenue to qualify for the reduced fee
- Oil, Gas, Other, SWD wells - **\$126.00/well**



Orphan Affidavit

- Duplicate originals
- Notarized

AFFIDAVIT

STATE OF LOUISIANA

PARISH OF _____

BEFORE ME, the undersigned authority, duly commissioned and qualified within and for the State and Parish aforesaid, personally came and appeared _____, who, being by me first duly sworn, deposed and said:

That he/she is authorized and qualified to attest to the following statements on behalf of the applicant

1. *Applicant has filed application(s) to become Operator of Record for the following well(s):*

<u>WELL NAME & NO.</u>	<u>SERIAL NUMBER</u>

2. *Applicant has authority by virtue of a lease or other agreement with the wellsite mineral owner and surface owner (if subsurface disposal wells are located thereon), to conduct oil & gas operations/subsurface injection on the premises. Such document is effective _____, 20____ has been filed of record with the Clerk of Court in _____, Parish, Louisiana, and is currently in effect.*

*That applicant is assuming **FULL** responsibility and liability for the aforesaid well(s); that he will operate the aforesaid well(s) in accordance with the rules and regulations of the State of Louisiana, Department of Natural Resources, Office of Conservation; and that he will, when the well(s) has no further use, plug and abandon the aforesaid well(s) in accordance with the Statewide Order No. 29B, Section XIX or successor regulation.*

SIGNED: _____

SWORN TO AND SUBSCRIBED before me, the undersigned authority, this _____ day of _____ month _____ year at _____, Louisiana.

NOTARY PUBLIC



Form MD-10-R-AO (Revised 2015)

Operator Change MULTIPLE wells ONLY

- Type only
- Print on BLUE paper ONLY
- If same person signs for current and former operator – a letter is required from the “former” operator authorizing that person to sign on their behalf.
 - *Exception: person signing is on OR-1 for both operators.*
- Supplemental pages available for > 11 wells



Form MD-10-R-AO (Revised 2015)

Operator Change MULTIPLE wells ONLY

- New Fees (Stripper and Incapable Gas)
\$50.00/SN
- Only Exemptions:
Orphan wells and
Status 22 wells

LOUISIANA OFFICE OF CONSERVATION FORM MD-10-R-AO
APPLICATION TO AMEND PERMITS TO DRILL MINERAL OR INJECTION WELLS
OPTIONAL APPLICATION TO AMEND OPERATOR
TYPE ONLY - FILE IN DUPLICATE

NEW OPERATOR
EFFECTIVE DATE OF CHANGE: _____
FIELD: _____ CODE NO. _____
NEW OPERATOR NAME: _____ CODE NO. _____
ADDRESS: _____
SIGNATURE OF REPRESENTATIVE: _____ DATE: _____
TYPED NAME: _____ PHONE NO.: _____

FORMER OPERATOR
FORMER OPER. NAME: _____ CODE NO. _____
SIGNATURE OF REPRESENTATIVE: _____ DATE: _____
TYPED NAME: _____ PHONE NO.: _____

SUMMARY OF WELLS INCLUDED IN APPLICATION
TOTAL EXEMPT (ORPHAN, STATUS 22, ETC): _____
 TOTAL REDUCED (INCAPABLE GAS, STRIPPER OIL) _____ x \$ 50 FEE = \$0
TOTAL NON-EXEMPT (OIL, GAS, SWD, OTHER): _____ x \$ 126 FEE = \$0

CHECK NO.: _____ CHECK AMOUNT: _____
WELL NAME/NUMBER CHANGE REQUESTED _____ NO _____ YES (IDENTIFY WITH *) _____

WELL LISTING

	SERIAL NO.	TYPE	WELL NAME	WELL NO.
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				

NUMBER OF SUPPLEMENTAL PAGES ATTACHED: _____
DISTRICT APPROVAL: _____ DATE: _____
ISSUED BY: _____ DATE: _____



Form MD-10-R-AO

Operator Change MULTIPLE wells **ONLY**

- Wells listed in ascending serial number order
- More than one page being submitted, indicate total at bottom of form
- If changing well name or well number,
 - “*” is required next to the change and
 - “YES” box selected ✓



SUMMARY OF WELLS INCLUDED IN APPLICATION				
TOTAL EXEMPT (ORPHAN, STATUS 22, ETC):	_____			
TOTAL REDUCED (INCAPABLE GAS, STRIPPER OIL):	_____	X	\$ 50 FEE =	\$0
TOTAL NON-EXEMPT (OIL, GAS, SWD, OTHER):	_____	X	\$ 126 FEE =	\$0
CHECK NO.:		CHECK AMOUNT:		
WELL NAME/NUMBER CHANGE REQUESTED		NO	<input checked="" type="checkbox"/>	YES (IDENTIFY WITH *)
WELL LISTING				
	SERIAL NO.	TYPE	WELL NAME	WELL NO.
	1		SMITH A*	
	2			

FORM MD-10-R-AO

Operator Change MULTIPLE wells ONLY

SUPPLEMENTAL PAGE:

- Page __ of Page __
- Effective Date of Change must match Page 1
- Insert Operator Code and Field Code for accuracy

EFFECTIVE DATE OF CHANGE: _____ PAGE ____ of ____
NEW OPERATOR NAME: _____
FIELD: _____

WELL LISTING				
	SERIAL NO.	TYPE	WELL NAME	WELL NO.
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				

Note the well type drop down column- select type for each serial number



Delays for Processing Operator Changes

- Signature missing from either old or new operator
- Signature missing from old operator (*not orphan*)
a 10-Day letter mailed
 - If no response in writing received, the operator change is forwarded to the Baton Rouge office for approval
 - If objection received, operator change is returned unprocessed to proposed operator with notice that a hearing will be required to settle the disagreement



Delays for Processing Operator Changes

- Merger
 - All wells in all fields being amended
 - Copy of merger document required

- Consultant signing for both operators
 - Letter from both operators on company letterhead stating that consultant has authority to sign on their behalf



Louisiana Office of Conservation



Allowables

Well Allowables - “Authority to Produce”

Well Completion or Recompletion (Form Comp)

- Status 10
 - Issued date of completion/recompletion
- Status 36/37
 - Test Clearance – product stored on location
 - Product can be sold once Form Comp approved by District and fee (\$65) paid to Production Audit
- DM₁R / DT₁ – issued during proration period
January – June and July - December



Emergency Test Clearance Request

- Emergency Test Clearance Form available on the DNR website, Lafayette District page:
- <http://dnr.louisiana.gov/index.cfm?md=pagebuilder&tmp=home&pid=337>
- Issued for test production – prior to installing facilities and prior to R4 approval
- Monies letter required on company letterhead if unitization is required
- Applicable fee must be submitted to Production Audit in Baton Rouge



Conditional Allowable Requests

90-Day *Test* Allowable Request

- Form in “Word version” and “Excel version” and instructions for 90 Day Conditional Test Allowable requests are available on the DNR Website > Conservation > District Offices > Lafayette > Lafayette Office News
- Form must be fully completed and accompanied by the FORM COMP, FORM WH-1 and schematic



Conditional Allowable Requests

Issued if Form Comp is submitted with:

- Status 10, 36, or 37 with spacing issues
 - Between well spacing
 - Too close to unit line (inside or outside)
- Status 10, 36, or 37 with unitization required
 - Too close to lease or existing unit line
 - Perforations do not meet definition in order



90-Day Test Allowable Request

- Must include a monies statement on Company Letterhead:
 - “All monies generated from the first date of production shall be disbursed based upon the unit to be created”
- Email requests are not acceptable



Conditional Allowables

- No extension will be granted unless a unit has been applied for or a voluntary/declared unit is being circulated and the status of the unitization is noted in request
- No extension is granted based upon a DM1R or DT1 submission



Conditional Test Allowable

Multi-Stage Hydraulic Fracture

Procedure for a well that will be hydraulically fractured prior to submitting Form Comp

Written request must include:

- Name & Number of well, Field, Parish, and Serial Number
- Number of perf/frac stages, sand designation, perforated interval(s)
- Length of test period (# of days required to complete each stage)
- Primary product and anticipated volumes of MCF, BOPD, and BWPD
- Oil Transporter and Gas Purchaser
- If no pipeline in place, estimated date pipeline will be available
- A statement to the effect that all monies generated from the first date of production shall be disbursed based upon the unit to be created



Allowable Letter Requests

Turn-On Letter Requirements

OIL WELL:

- Operator, Field, Parish, Well Name & No., Serial Number
- Date well was placed back on production and request an allowable be assigned
- Oil transporter
- Gas Purchaser/gas vented or flared
- Status Code change request to (ST:10)



Allowable Letter Requests

Turn-On Letter Requirements

GAS WELL:

- Operator, Field, Parish, Well Name & No., Serial Number
- Date well was placed back on production and request an allowable be assigned
- Well test info (gas wells are assigned allowables based upon capability; therefore, test info req'd)
- Oil transporter
- Gas Purchaser/gas vented or flared
- Status Code change request to (ST:10)



Status Code Update on SONRIS

*No Recompletion has been performed on a well but
the status code is incorrect on SONRIS*

Letter request must include:

- Operator, Field, Parish, Well Name & No., Serial Number
- Status Code change request (from – to)
- Effective date of status code change
- Justification for change of status
- Status Code updates on SONRIS are made by the Baton Rouge Office



Product Change Request on Lease Wells Only

*No Recompletion has been performed on a well but
the producing characteristics have changed*

Letter request must include:

- Operator, Field, Parish, Well Name & No., Serial Number
- Test information to justify change of product
- Effective date of status code change



Well Testing

State Potentials

State Potentials are performed by a CES to verify:

- **The well condition**
- **To confirm status of well**
- **To provide test information**



Well Test/Inactive Report

- DM-1R - Oil Well Potential Report
- DT1 - Gas Well Deliverability Report

The DM1R, DT1 and Inactive Well Report are required to be electronically submitted

Report Dates: May 1 and November 1 each calendar year

The screenshot displays the SONRIS (Strategic Online Natural Resources Information System) website. The header includes the SONRIS logo and the text "Department of Natural Resources • SONRIS". Below the header, there are two main sections: "Access Data" and "Submit Applications/Reports".

Access Data

- SONRIS Data Portal:** Oil, gas, and injection well information, state land leasing, ground water information, and more at your finger tips.
- GIS Access:** Retrieve information using interactive, geographically oriented map capabilities and select from a variety of layers of backgrounds.
- Document Access:** Millions of documents in various formats readily available for view and print.
- Data Subscription Service:** Get a monthly download of all the data for integration into your databases and applications.

Submit Applications/Reports

- Online Oil/Gas Well Log Submission:** Electronically submit your oil/gas well log information.
- Online Production Reporting:** Electronically report oil and gas production and transportation related monthly reports.
- Online Royalty Reporting:** Submit mineral royalty reports online.
- Online UIC Reporting:** Submit UIC-10 and UIC-24 reports electronically or upload files to IMD.
- Online Surface Water:** Apply for and track surface water applications online.
- Well Test/Inactive Report Submission:** Submit your Well Test/Inactive Report electronically. (This button is highlighted with a red box in the original image.)
- Online OR1 Submission:** Submit your OR1 application electronically.
- Invoice Payments:** Pay invoices online using your invoice number and the provided security code.

Well Test and Inactive Well Reports can be downloaded in a user-friendly form



Assistance with Electronic Well Test Filing

Contact:

Patricia Wells, Well Files

(225) 342 5551

Patricia.Wells@la.gov



Louisiana Office of Conservation



**Lease Inspections and Compliance
Issues**

Lease Inspections

- Routine Lease Inspections are made for every well once it has spud and continued on a routine basis until the P&A of the well
- CES Agents are assigned to each well and are responsible for completing these inspections
- Violations found during these routine inspections generate Compliance Orders which are issued from the Inspection & Enforcement Section in Baton Rouge



Common Problems

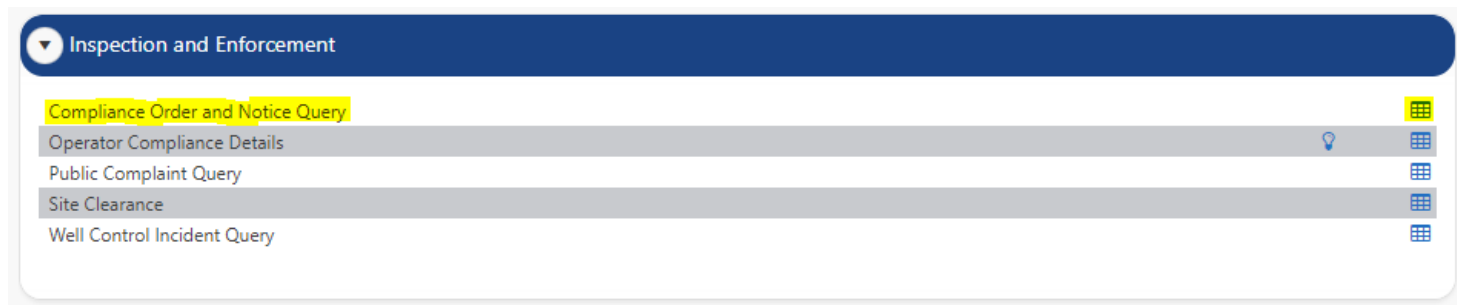
- During routine inspections, common issues are found that are easily remedied through responsible operatorship:
 - ❑ Incorrect/Missing Signage
 - ❑ Excessive Vegetation
 - ❑ Incorrect Tank Battery Configuration

- Other larger violations on a location occur less often and have more significant consequences:
 - ❑ Spills
 - ❑ Leakages
 - ❑ Incorrect Well Statuses
 - ❑ Unsecured Wellheads



Compliance Order Notice

- Compliance Orders are emailed to the address of record according to the OR-1 completed by the operator
- Compliance Orders can be reviewed at any time by any person by reviewing the Compliance Order and Notice Query IDR in the SONRIS Data Portal



- Any Pending Compliance Orders are designated by the letter P and once a Compliance Order is resolved it will be designated by the letter C (compliant)



Compliance Orders – 29B-NI

- Common issues found during routine inspections will most often generate a 29B-NI Compliance Order
- A 29B-NI Compliance Order is resolved when an operator addresses the violation and sends pictures of the correction to the Inspection & Enforcement Section at E&I@la.gov
- It is also good practice to inform the CES Agent who noted the violation during the initial inspection because it may also require a timely follow-up inspection on their part as well



Compliance Orders – 29B

- Significant issues found during routine inspections will often generate a 29B Compliance Order
- A 29B Compliance Order is resolved only through a follow-up inspection from the initial agent
- It is also recommended that the operator contact the CES Agent as soon as the issue is resolved because there is a strict deadline for compliance resolution



Spills

- Reported spills will generate a 29B Compliance Order
- The operator is responsible for completing an ENG-15c and any accompanying paperwork that may be required as a result of that issue
- It is also good practice to inform the CES Agent who noted the violation during the initial inspection because it may also require a timely follow-up inspection on their part as well



Revised Tank Battery Regulations

- Permanent oil tanks in city limit or closer than 500 feet to any highway or closer than 1000 feet to any school or church must:
 - ❑ Be surrounded by a firewall
 - ❑ Enclosed by a minimum four feet high fence with four strands of wire and a lockable working gate when location is unmanned
 - ❑ Have all hatches, not serving as pressure relief devices, be sealed when location is unmanned
 - ❑ Have a warning sign prominent displayed on or immediately adjacent to the tank or ladder providing access to the tank and gate providing access to the site, denoting danger, flammable contents



Louisiana Office of Conservation



Plug and Abandonment Rules and Procedures

New P&A Rules

- §137. Plugging and Abandonment

- A. Schedule of Abandonment

1. Dry Holes. All wells drilled for oil or gas and found to be dry prior to or after the **effective date of this order** shall be plugged within 90 days after operations have been completed thereon or 90 days after the effective date of this order, whichever is later, unless an extension of time is granted by the commissioner of conservation.

2. Inactive, Future Utility Wells. All inactive wells classified as having future utility shall be plugged within five years of the date of the well becoming inactive. Failure to accurately report wells on the inactive well report shall be submit to the provisions of R.S. 30:17.

Note: “effective date of this order” is May 20, 2015



New P&A Rules

- **§137. Plugging and Abandonment**

- A. Schedule of Abandonment

- 2. Inactive, Future Utility Wells.

- a. For wells that have been inactive for a period of four years or more on the effective date of this rule, the well shall be plugged within one year of the effective date of this Rule.

- b. If an operator chooses not to plug an inactive well in accordance with this Section for reasons of future utility, an annual assessment of \$250 per well per year shall be assessed until the well is plugged.

- c. For all inactive wells not already covered by financial security as required in §104, financial security shall be provided within one year of the promulgation of this Rule.



New P&A Rules

- **§137. Plugging and Abandonment**

- A. Schedule of Abandonment

- 2. Inactive, Future Utility Wells.

- d. The commissioner of conservation may grant an extension of time or other exemption for cause.

- e. An operator may submit a request to the commissioner for a schedule of abandonment as described in §137(A)(4) to assist with meeting its plugging obligations.

- f. All inactive wells shall be subject to the above provisions until the well has reported production for three consecutive months.



New P&A Rules

- **§137. Plugging and Abandonment**

- A. Schedule of Abandonment

- 3. Other Wells on or after Effective Date of Order

- c. All such wells classified on the inactive well report by either the operator or the district manager as having no future utility shall be plugged within 90 days from the date of such classification unless any such well is included in a schedule of abandonment approved or promulgated by the commissioner of conservation or an extension of time is otherwise granted by the commissioner of conservation. The date any schedule of abandonment is approved or promulgated or an extension of time expires shall be shown in the appropriate column on the form.



New P&A Rules

- **§137. Plugging and Abandonment**
- A. Schedule of Abandonment

4. Schedule of Abandonment. A schedule of abandonment submitted in accordance with Subparagraph 2.e or 3.c above shall include a schedule or program for the orderly plugging of wells which should be consistent with prudent operating practices and take into account any economic considerations and other circumstances which would affect such a program of plugging wells. Any schedule of abandonment approved or promulgated by the commissioner of conservation shall be followed unless modified by the operator with approval of the commissioner. Reference to the approved schedule of abandonment shall be made on the inactive well report for each well which is included in such a program and has not yet been plugged.



Work Permits

■ Plug and Abandon

- ❑ Required in triplicate and include a proposed wellbore schematic (\$75.00 fee)
- ❑ Show where all cement plugs are to be set in wellbore, indicate depth where casing is to be cut (Note: BGL for land locations with steel plate welded on top and BML for water locations)

■ Temporary Abandon Work Permit

- ❑ Required in duplicate and include a proposed wellbore schematic (\$75.00 fee)
- ❑ Show where all cement plugs are to be set in wellbore, excluding the surface plug

WATER LOCATIONS: submit “Drilling/Workover Movement Notification Report” to District Office where well is located 24 hours prior to rig arrival and upon rig departure



P&A Procedure Review

- Isolation of all oil/gas sands
 - ❑ Sufficient cement shall be used to adequately isolate each perforated pool, one from the other
 - ❑ A cement plug of at least 100 feet shall be placed immediately above or across the uppermost perforated interval of the pool
 - ❑ The District Manager may allow a bridge plug with a minimum of 10 feet of cement on top to be placed immediately above each producing pool



P&A Procedure Review

- Isolate all Fresh Water Horizons to base of USDW
 - If fresh water horizons are exposed when production casing is removed from the well, or as a result of production casing not being run, a cement plug shall be placed from at least 100 feet below the base of the deepest fresh water sand to at least 150 feet above the base of the sand.
 - A cement plug of at least 100 feet shall also be placed from at least 50 feet below the shoe of the surface casing to at least 50 feet above it. In lieu of the above, the operator shall have the option of using a cement retainer placed at least 50 feet above the surface casing shoe and a sufficient amount of cement shall be squeezed below the retainer to form a cement plug from the base of the retainer to 50 feet below the base of the surface casing. A 10-foot cement plug shall be placed on top of the retainer. Sufficient cement shall be used to adequately isolate each perforated pool, one from the other



P&A Procedure Review

■ Annular Isolation

- ❑ Additional cement plugs shall be placed to adequately contain any high pressure oil, gas or water sands or as may be required by the District Manager.

■ Surface Plug

- ❑ A 30' cement plug minimum shall be placed in the top of the well.
- ❑ After placing the top plug, the operator shall be required on all land locations to cut the casing a minimum of two feet below plow depth & weld a plate on the stub. On all water locations, the casing shall be cut a minimum of 10 feet below the mud line.



P&A Procedure Review

Additional Considerations

- All cement plugs shall be placed by the circulation or pump down method unless otherwise authorized by the District Manager. The hole must be in a static condition at the time the plugs are placed.
- Mud laden fluid of not less than 9 pounds per gallon shall be placed in all portions of the well not filled with cement, unless otherwise approved by the District Manager.



Variance to Approved P&A Work Permit

- The variance must be submitted in writing (prior to approval) and include the following:
 - ❑ A detailed explanation of the steps taken in an attempt to plug the well properly
 - ❑ The reasons the requested revised procedure is an acceptable method of P&A
 - ❑ A wellbore schematic showing proposed revision



P&A Paperwork

- Upon completion of work the following is required in triplicate:
 - ❑ TA - Plug and Abandon Report with **Status 18**
 - ❑ P&A - Plug and Abandon Report with either **Status 29** or **30**
 - ❑ Form WH-1 (information matching P&A Report)
 - ❑ Wellbore Schematic
- Special notice on TA wells carrying unit nomenclature:
 - ❑ Form MD-10-R-A-1 is required to be submitted removing unit nomenclature and **returning well name to lease basis** effective the date of the TA



Causes for delay in Processing P&A Report & Form WH-1

- Date Work Finished is not the same on the P&A Report and Form WH-1
- On P&A (ST:29 or ST:30): Depth casing cut is missing
- Multiple completed wellbores: Serial Number not listed
- Multiple completed wellbores: P&A packages on both Serial Numbers not submitted
- On Form WH-1 – perforated interval and reservoir should be OMITTED



Causes for delay in Processing P&A Report & Form WH-1

- Cement Plugs on Form WH-1 and Form P&A do not match
- Cement Plugs on Form WH-1 are incomplete
- No signature on forms
- Final Well Bore Schematic (2 copies) not submitted with package



Site Clearance

- Site Clearance and Verification for Abandoned Oil and Gas Structures in State Waters
 - Procedural plan, platform or structure removal/abandonment required by Title 43, Natural Resources, Part XI. Subpart 2 Underwater Obstructions.
 - Questions regarding application – call Engineering Division at (225) 342-5540
 - Available on DNR website on the Forms page



Site Clearance

- Site Clearance for wells on water locations the following insert gives instructions on who to contact for site clearance once the work is completed

Wells not
in CZM

Wells in
CZM

SITE CLEARANCE AND VERIFICATION FOR ABANDONED OIL AND GAS STRUCTURES IN STATE WATERS

A procedural plan for site clearance verification of wells that are plugged and abandoned (including dry holes), platform or structure removal or abandonment in State waters, is required under **TITLE 43, NATURAL RESOURCES, PART XI. Subpart 2. Underwater Obstructions**. The Engineering Division in the Office of Conservation, Department of Natural Resources is designated regulatory authority for the implementation of the regulations that were promulgated and made effective December 20, 1992.

A copy of the regulations and a sample application can be obtained by calling the Office of Conservation, Engineering Division at (225) 342-5540 or (225) 219-9860.

IMPORTANT NOTICE FROM THE OFFICE OF COASTAL MANAGEMENT

If any excavation or fill will be required, including that which may be necessary for access and/or pipeline removal and/or burial, a Coastal Use Permit application will need to be filed with the Office of Coastal Management. Also if the installation of a pipeline was authorized by the Office of Coastal Management, a Coastal Use Permit application will need to be submitted to the Office of Coastal Management for the removal of the pipelines or for permission to leave them in place.

A link to the Coastal Use Permit application can be found at:

<http://dnr.louisiana.gov/index.cfm?md=pagebuilder&tmp=home&pid=93>



**Thank you
for joining us!**

