

# State of Louisiana



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## DEPARTMENT OF NATURAL RESOURCES OFFICE OF CONSERVATION

### MEMORANDUM

May 18, 2004

TO: ALL CONCERNED

FROM: James H. Welsh  
Commissioner of Conservation *JHW*

SUBJECT: Clarification of July 26, 2002 Memorandum

On July 26, 2002, the Commissioner of Conservation issued a memorandum outlining guidelines to qualify an Inactive Well pursuant to ACT No. 74 of the 2002 Regular Session. The purpose of this memorandum is to further clarify previously approved Inactive Well Determination applications.

According to the July 26, 2002 memorandum, wells previously approved under Act 2 requirements could re-qualify under Act 74 requirements if the previous incentive period had expired, and the well met current guidelines. A clarification regarding this point is in order based on numerous inquiries.

Any well previously approved under Act 2 or Act 74 guidelines that has never produced and sold oil or gas, since said filing, can re-qualify even if the previous exemption period has not lapsed. The applicant must file a new application for well status determination to obtain the new approval.

*(Handwritten initials)*

JHW:RTK:dnp