

State of Louisiana



M.J. "MIKE" FOSTER
GOVERNOR

JACK C. CALDWELL
SECRETARY

MONICA T. SURPRENANT
CHAIRMAN

DEPARTMENT OF NATURAL RESOURCES
OFFICE OF MINERAL RESOURCES
STATE MINERAL BOARD

March 4, 1999

The Honorable M. J. "Mike" Foster, Jr.
Governor of the State of Louisiana
State Capitol, Fourth Floor
Baton Rouge, Louisiana 70804

Dear Governor Foster:

On February 10, 1999, the State Mineral Board held a public forum to hear discussion on the oil industry's current crisis and its impact in Louisiana. At the forum, testimony was given and recommendations received on how the state might help the oil industry under serious and decelerated conditions.

The industry was reporting a major downturn due to the drastic drop in oil prices. Other major oil producing states also battered by low oil prices were seeking relief measures. With oil prices steadily dropping, operational activities declining, and with the potential for loss of jobs and revenues to our state, the Mineral Board was motivated by these imminent factors to react. The Board, therefore, called upon industry representatives, state leaders, and interested parties to comment and suggest ways to ease the ailing oil industry in our state.

As a result of the forum, the Board respectfully submits to you this report for your review and consideration in accordance with a resolution put forth by Chairman Monica Surprenant and Vice Chairman William Allerton, and unanimously favored by all members of the State Mineral Board.

Sincerely,

Gus C. Rodemacher
Assistant Secretary, Office of Mineral Resources
Secretary, State Mineral Board

GCR/rvv

cc: Senate President pro tem Randy Ewing
Speaker of the House Hunt Downer
State Mineral Board Members