

LA DEPARTMENT OF NATURAL RESOURCES

E-NEWSLETTER



Summer 2012
Issue 8

LA Fuel Team Gears Up For 2012 Hurricane Season

Members of the Louisiana Fuel Team assembled for its 2012 Hurricane Season Meeting on June 1. The team begins its preparation soon after the announcement of the National Oceanic and Atmospheric Administration (NOAA) prediction of the number of storms for the Gulf Coast.

Established under the Jindal Administration in 2008, the LA Fuel Team ensures that there will be adequate fuel supply before, during and after a statewide emergency. The group will identify any problems and solve them as quickly and efficiently as possible.

The team comprises members from different sectors; refinery/supplier, supply/terminal, retail fuel/tank truck carriers as well as volunteer representatives from both public and private sectors.

DNR serves as lead agency working with other state agencies including GOHSEP, Department of Environmental Quality and the Department of Agriculture and Forestry. DNR also has supervision of the LA Fuel Team Playbook and the Fuel Station Database.

The database was developed and is operated by a knowledgeable crew of GIS technical staff. DNR's Public Information Office serves as the communication arm of the group, ensuring that the public is aware of available fuel during times of evacuation and when a storm or hurricane strikes.

The Fuel Station Database Public Viewer is located on their website at www.dnr.louisiana.gov/fuelteam. This program allows citizens to insert their location and find out if local gas stations have fuel during a state of emergency. The Capital Area Ready Re-Entry Credentialing/Access Program is tailored towards establishing a plan to efficiently evacuate and re-enter the Capital Area.

DNR Fuel Team Members

are Stephen Chustz, OCM Assistant Secretary; Rizwan Ahmed, IT Director; Phyllis Darensbourg, PIO; Sara Krupa, OCM CRS II; Dallas Shearer, IT Geographical Technical Specialist. Thanks to all for taking on this very important responsibility. Other team members are Paul D. Miller, PE, DEQ Special Assistant to the Secretary,

Richard Metcalf and Mike Lyons, General Counsel Louisiana Mid-Continent Oil and Gas Association (LMOGA), Natalie Babin-Isaacks, Executive Director Louisiana Oil Marketers & Convenience Store Association (LOMSCA), and Cathy Gautreaux, Executive Director Louisiana Motor Transport Association.



<http://www.getagameplan.org/index.htm>

3 Easy Steps

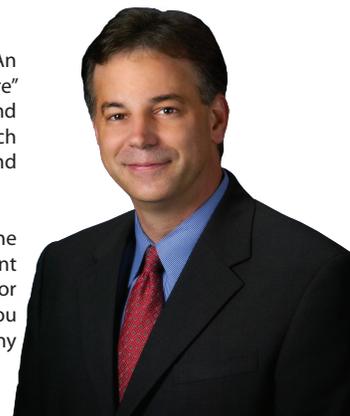
- 1 Put Together an Emergency Kit
- 2 Make Preparations
- 3 Stay Informed

MESSAGE FROM SECRETARY SCOTT A. ANGELLE

One especially important accomplishment recently has been the issuance of the March 2012, Managing Louisiana's Groundwater Resources, An Interim Report to the Louisiana Legislature. The report was reviewed and used in the planning and production of a "Louisiana Public Square" program by WLPB-TV in July featuring Senator Gerald Long and Commissioner Jim Welsh as panelists. Conservation's Gary Snellgrove and Legal's James Devitt were also featured in the first half of the show discussing ground water and surface water. The show pointed out that much of our state's population consider water resources a very relevant topic of our times, particularly because of concern over aquifer-stress and drought conditions.

Forging Ahead

I am happy to tell you that a new program underway with the help of USGS will soon begin to monitor more ground water well sites across the state for water quality and use. This was the first thing on the to-do list as recommended in the Interim Report to the Legislature. Also, I want to mention that the very first meeting of the new Water Resources Commission (formerly called Ground Water Resources Commission) is set for September 19 at 11 am in House Committee Room 5 of the State Capitol. As employees and citizens of this great State of LA – I encourage you to find a way to be a part of the movement to create an overall water management plan so that this precious resource is sustained for many centuries to come.

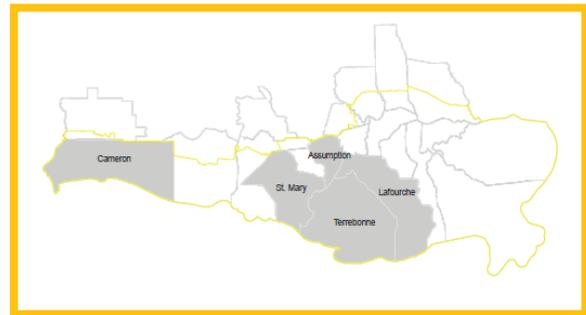


LA Coastal Zone Boundary Changed by Act 588

Louisiana's Coastal Zone Inland Boundary was modified in the 2012 Regular Session of the Louisiana Legislature with the passage of House Bill 656 (Act 588). Changes became effective this June upon the signature of the Governor. The boundary changes are based on the recommendations of a science-based study conducted for and approved by the Coastal Protection and Restoration Authority, in response to Senate Concurrent Resolution 60 of the 2009 Legislative Session that was submitted to the Legislature for consideration.

The boundary changes were made to 10 of the 20 existing coastal parishes. No new parishes were added and no parishes previously in the coastal zone were removed as part of this legislative change. The Louisiana Coastal Zone now includes additional area in eight parishes (Calcasieu, Cameron, Iberia, St. Mary, St. Martin, Assumption, Terrebonne and Lafourche); the Coastal Zone area was reduced in 2 parishes (Livingston and Tangipahoa); and no changes were made in the Coastal Zone boundaries of the remaining 10 parishes.

In June and July, DNR Office of Coastal Management scheduled meetings in the coastal communities in areas where the boundary changes have occurred. At those meetings, OCM informed citizens about changes and related permitting requirements, discussed actions underway to assist them in the coastal use permit application process and answered any questions. These meetings were held in Houma, Thibodaux, Patterson and Lake Charles. Questions and comments about the Coastal Zone Boundary changes may be directed to CZB@LA.gov or 225-342-5007.



OCM Executive Management Officer David Fruge leads the outreach team that travels to explain the permitting process in the coastal zone. The following parishes had an increase in acreage: Calcasieu, Cameron, Iberia, St. Mary, St. Martin, Assumption, Terrebonne and Lafourche.

Save The DATE!



La. Oil and Gas: From SONRIS to Sunset Seminar in August

The Department will hold its annual education and training seminar Louisiana Oil & Gas: From SONRIS to Sunset in New Orleans at the Roosevelt Hotel on August 15-17, 2012.

Industry professionals, operators, and those in the oil and gas field of work should not miss this opportunity if they have not participated before. The seminar includes updated information on doing business in Louisiana – primarily its regulatory program, including how to obtain permits from multiple state agencies.

Sessions on mineral royalty and severance tax will also be offered. Continuing education credit opportunities will be available for attorneys in Texas and Louisiana, as well as engineers and landmen from across the country.

A variety of sessions are available, along with instructions on the easy use of and access to the state's online oil and gas records and forms database, known as DNR SONRIS, www.sonris.com

This year's featured speakers will be Mid-Continent Oil and Gas Association President Chris John and La. Secretary of Economic Development Stephen Moret.

The Roosevelt Hotel is located at 123 Baronne Street, New Orleans, LA. Registration is available online at www.regonline.com/louisianoilgas2012

For more information about this conference, contact DNR Office of Mineral Resources, Becky Roberts at Rebecca.roberts@la.gov or call 225-342-4545.

New Performance Evaluation System

A new performance evaluation system became effective within DNR as of July 1, 2012. DNR's standard policy consists of ensuring a work environment with effective communication between employees and supervisors in which expectations and evaluations are communicated uniformly and timely each year. The recent performance evaluation system was implemented in support of the Civil Service Performance Evaluation System (PES) described in Chapter 10 of the Civil Service Rules and the expectation that ensures supervisors seriously considering their responsibilities under the system. The policy applies to all classified employees and any unclassified employees who supervise classified employees. Under the PES, supervisors are required to complete online courses then plan, document, evaluate and rate the performance of their employees in accordance with Chapter 10. The PES requires several components including a performance plan and planning session, continuous review, official performance evaluation and evaluation sessions, agency review, review by the Director of Civil Service and an improvement plan for unsuccessful evaluations. The PES is an exemplifying measure that ensures DNR's continuous work to maintain a work environment filled with effective communication and cohesion as the department continues to grow.

To view the new policy online visit

http://dnr.louisiana.gov/assets/docs/intranet/Forms/Performance_Evaluation_System.pdf

Moving and Improving in the 2012 Regular Legislative Session

The 2012 regular legislative session was held March 12, 2012 to June 4, 2012. Here is a list of the laws passed on DNR-related measures aimed at protecting our state's natural resources.

- HB618: Civil/Procedure: Provides relative admissions of liability for environmental damage. (Act 754)
- HB 504: Energy/Drilling Units: Provides relative to pooling of ultra-deep drilling structures. (Act 743)
- HB 656: Coastal Restoration/Coastal Zone: Revision of the state's Coastal Zone Boundary. (Act 588)
- SB 495: Water Quality: Revision of the membership, authority and duties of the Ground Water Resources Commission. (Act 471)
- HB532: Water Resources: Extends the opportunity of the state to enter into cooperative agreements for the sale of surface water. (Act 261)
- HCR123: Water Resources: Creates the False River Watershed Council.
- SB 555: Minerals: Provides for the remediation of oilfield sites as well as exploration and production sites. (Act 779)
- HB 957: Minerals: Provides for disclosure of the composition of hydraulic fracturing fluids. (Act 812)

More information on the 2012 Legislative Session can be found on the Web Portal to the Louisiana State Legislature at

Use of Natural Gas on the Rise

More CNG vehicles for Government Transportation Fleets

According to DNR Technology Assessment's Bryan Crouch, "Natural gas is a clean-burning, economical alternative to gasoline and diesel that can be utilized in almost any type of vehicle. Natural gas vehicles (NGVs) reduce greenhouse gas emissions by 20 – 30 percent reduce ozone forming nitrogen oxide emissions by 35 – 60 percent and produce little or no particulate emissions when compared to gasoline and diesel powered vehicles. Natural gas is currently about 40 – 45 percent less expensive than gasoline and diesel." Natural gas is also an abundant and domestically produced fuel with Louisiana being the second largest producer in the U.S.

When DNR developed the Empower Louisiana Transportation Efficiency and Alternative Fuels Program, a competitive grant program funded by the American Recovery and Reinvestment Act, the goal was to promote transportation efficiency. The program funded the conversion of light, medium and heavy-duty vehicles to become NGVs. It also funded construction of natural gas fueling stations. These efforts resulted in the distribution of 18 grants totaling \$8.4 million for 119 CNG vehicle purchases/conversions and 8 publicly accessible refueling stations.

Statistics show there are 12,000 refueling stations around the world and about 1,100 are located in the United States.

Estimates also indicate over 7 million vehicles operate regularly on natural gas around the world.



Finding Fuel in Louisiana COMPRESSED NATURAL GAS CNG Fueling Locations

- Alexandria
- Baton Rouge
- Bossier City
- Coushatta
- Dry Prong
- Frierson
- Lafayette
- Mansfield
- New Orleans
- Shreveport

Underground Injection Control Permitting “How To” Workshop

Most times when the focus is narrowed and the light shines just where it needs to – the chances of success are much greater. That’s why the Office of Conservation’s Injection and Mining division felt confident that a “How To” seminar was a great way at improving the success rate of applicants completing the UIC permitting process.

Injection and Mining staff hosted a number of workshops earlier this year designed to educate and instruct injection well operators, consultants, and others involved in preparing injection well applications. This instructional training was provided to offer a greater degree of success in achieving all administrative requirements necessary for a complete application. The training included an interactive exchange of lectures, classroom exercises, and participant input.



A special EPA grant provided the funding necessary to make the workshops a reality. Three workshops were held and attendants gathered at the Louisiana State Capitol Visitor’s Center for a day and a half of information exchange on regulatory requirements and more.

The sessions were well-attended, some 30 participants per class. Gas storage representatives, environmental consultants, and oil & gas operators were all equipped with a helpful manual that covered every step of the application process in detail.

When asked about the most valuable part of their experience, attendants gave some very interesting responses. For Maurice Gilbert it was “the opportunity to spend the time with all the knowledgeable folks at the agency.” Tim Tate said that DNR employees are real impressive, while others expressed their gratitude for learning so much while attending the workshops.

Congrats to the Injection and Mining Division for putting on a really good show!

Photo shown above taken at the UIC Workshop in March at the State Capitol Visitor’s Center. Left to right: Jeffery Miller, Kwanyatte Smothers, Angela Howard, Greg France, Laurence Bland, Joe Ball (Director), Kaycee Garrett, Matt Simon, Pierre Catrou

Mineral Lease Sale Results July 2011 through July 2012

| Month | Sales |
|-----------|---------------|
| July | \$4.2 million |
| August | \$647,000 |
| September | \$2.9 million |
| October | \$2.7 million |
| November | \$1.3 million |
| December | \$4.1 million |
| January | \$2 million |
| February | \$3 million |
| March | \$1 million |
| April | \$834,086 |
| May | \$7.4 million |
| June | \$2.9 million |
| July | \$498,000 |

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