



4/20/2023

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To: Office of Conservation  
Engineering Regulatory Division  
Attn: F. Jonathan Rice.  
P.O. Box 94275  
Baton Rouge, LA 70804-9285

**RE: Attention: Docket No. R A 2023-13**

Dear Mr. Rice,

Louisiana Mid-Continent Oil and Gas Association (LMOGA) is a state trade association representing all oil and natural gas industry sectors in Louisiana and the Gulf of Mexico. Our members provide safe, affordable, reliable energy products that make modern life possible and meet the demands of a global economy. LMOGA appreciates the Louisiana Department of Natural Resources (LDNR) engaging stakeholders in advance of any formal rulemaking to foster a collaborative environment that encourages constructive dialogue.

The LDNR Office of Conservation published a request for information seeking comment on proposed amendments to LAC43.XIX.Subpart 1. Chapter 35 Gas/Oil Ratios, Allowable and Venting of Natural Gas. The purpose of the proposal is to “prohibit venting of gas except as authorized” in the regulations. While LMOGA members support amending the current regulations, we have suggestions and improvements for the amendment as an interested party.

At the beginning of 2022, Louisiana’s Governor, John Bel Edwards, approved the state’s Climate Action Plan, which targets reaching the goal of net zero greenhouse gas emissions by 2050. Similarly, LMOGA companies have voluntarily undertaken significant efforts to reduce emissions and eliminate flaring. Potential solutions to address the risks of climate change should be reasonable, cost-effective, and legally sound. Now is the time to work collaboratively to develop





creative solutions to the climate challenge, leveraging Louisiana’s natural areas of strength and presenting opportunities for economic growth for Louisianans.

The regulatory landscape for waste minimization and flaring is evolving. Federal agencies and several states have implemented venting and flaring regulations. Louisiana’s current venting rule was adopted in July 1943 and was most recently amended in May 1997. With the advancement of technology and society’s climate goals and newly proposed federal regulations, Louisiana’s venting and flaring regulation should be updated accordingly, ensuring that Louisiana remains at the forefront of developing climate change solutions. Below is a high-level list of several preliminary issues identified with these propositions. To allow for a more thoughtful and formal review, LMOGA requests that the LDNR consider an additional ninety days to provide supplemental comments for consideration.

### Comments

- **Comment 1 - A volume threshold is needed for flaring events.**
  - Industry operators prudently and responsibly develop oil and gas resources, striving to minimize waste and reduce methane emissions from operations. Rules in other states, such as New Mexico and North Dakota, and even proposed rules issued by the Bureau of Land Management contemplate that limited amounts of flaring are permissible for safe and prudent operations. The current version of the proposed amendment requires that all flaring events be reported and reviewed. The amendment should allow a prudent operator to navigate and resolve operational constraints and issues within a practical flaring volume threshold. Additionally, we propose that the rule allow flaring pursuant to previously approved permits.
  - Similarly, 3507.A.1.b requires notification to the district manager and local emergency response authorities for any flaring upset, regardless of volume. Without a volume limit, this requirement will be burdensome to emergency





response organizations, providing increased difficulty in prioritizing emergency events.

- **Comment 2 - Time limit for reporting upset flaring**

- 3507.A.1.b requires reporting upset flaring within 12 hours. It will be challenging for operators to meet this limit when properly responding to, assessing, and reporting flaring events. This is because, first and foremost, operators must focus on addressing their operators on the ground and responding operationally to the flaring event. An increased time limit of 24 hours will give operators a reasonable time to respond to the flaring event and the assessment needed to report flared volumes. Other states, such as New Mexico, have allowed operators up to 24 hours before reporting is required for flaring events exceeding 500 mcf and up to 15 days for flaring events between 50 mcf – 500 mcf, with no immediate reporting required for flaring events under 50 mcf.

- **Comment 3 - Reporting volume to mineral owners**

- 3507.A.5.b and 3507.A.6.d states, “Operators will notify all mineral owners of the volume of oil and gas vented, flared, or used on lease.” While reporting this information is not an issue, directly notifying each mineral owner is unreasonable and overly burdensome. In many situations, wells are commingled or unitized, with hundreds, if not thousands, of mineral owners. An equally effective alternative would be using an electronic data system such as SONRIS to publish volume data. Operators successfully utilize this system to regularly report production volumes, which are easily accessible to the public. Other states that have looked at this rule have determined that interest and royalty owners can be directed to produce reports on the conservation agency’s website. The Bureau of Land Management recently issued a proposed Waste Prevention Rule that does not require notice to interest owners and overriding royalty owners in the mineral estate.



- **Comment 4 - Scope of rule**

- Based on the definitions section and 3507, it is assumed that midstream operations are not included in the proposed amendment. The clarity to exclude gas plants and other treatment sites, as they are not well operations, should be incorporated within the rule. Midstream operations require a different standard for addressing flaring requirements than is incorporated in this rule.
- Short-term flaring or venting events to safely conduct temporary work should be exempt from this rule. An example of such an event might be liquid unloading or pigging utilizing a portable flare to reduce emissions to the atmosphere. These flaring events are considered permissible in other jurisdictions, such as New Mexico and North Dakota.
- In compliance with NSPS or state rules, low-pressure flaring to reduce tank emissions should be exempt. While the rule seems to imply this, it is not clearly defined. Low-pressure flaring associated with controlled tanks is prudent and should not be prohibited.

- **Comment 5 - Flare and Combustor distance**

- 3507.A.2.c 3507. A.5.d states that flare and combustors should be 100 feet from the well and storage tanks. The distance of 100 feet may not be a reasonable constraint for existing pads and may have an adverse impact on the environment. For example, the flare or combustor may have to move closer to off-pad hazards such as trees and brush. Including operator discretion would allow operators to ensure the well pad is reasonably constructed responsibly. For example, the proposed BLM rule that was released in November 2022 states, “The flare must be placed a sufficient distance from the tank battery containment area and any other significant structures or objects so that the flare does not create a safety hazard (3176.6(8)(c)).”





- **Comment 6 - Third Party Verification**

- 3507.A.8 states, “The division may request that an operator retain a third party to verify any data or information collected or reported pursuant to this Part, make recommendations to correct or improve the collection and reporting of data and information, submit a report of the verification and recommendations to the division by the specified date, and implement the recommendations in the manner approved by the division.” The provision lacks clarity on third-party selection criteria, unclear guidelines for implementing recommendations, potential conflicts of interest, and a lengthy dispute resolution process. To address these concerns, solutions should include: establishing clear criteria for third-party selection to ensure competency and objectivity; developing clear guidelines and timelines for implementing third-party recommendations with the division overseeing the process; creating a neutral third-party registry maintained by the division to reduce potential conflicts of interest; and streamlining the dispute resolution process through alternative dispute resolution methods to avoid delays in implementing crucial recommendations. These solutions aim to improve the robustness, transparency, and effectiveness of the third-party verification process, enhancing data integrity and environmental protection.

### **Conclusion**

LMOGA firmly believes that energy production and environmental preservation can coexist harmoniously. Louisiana holds significant potential to contribute to the reduction of greenhouse gas emissions while continuing to produce lower-carbon energy for years to come. Our industry provides affordable, reliable, and cleaner energy solutions that simultaneously bolster Louisiana's economy. LMOGA's members will continue delivering energy that improves lives, increases national security, and protects the environment for future generations. LMOGA's members are committed to developing solutions to address the climate challenge, and we look forward to collaborating with the State toward achieving its climate-related goals. LMOGA appreciates the opportunity to provide these comments and looks forward to the Agency's completion of the





rulemaking process. Should the Louisiana Department of Natural Resources require additional supporting information relative to these comments or have any questions concerning this submittal, don't hesitate to get in touch with Damien Watt at 225-387-3205 or by email at [Damien.Watt@lmoga.com](mailto:Damien.Watt@lmoga.com).

Sincerely,

A handwritten signature in black ink that reads "Tommy Faucheux".

Tommy Faucheux  
President, Louisiana Mid-Continent Oil and Gas Association

