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## DEPARTMENT OF ENERGY AND NATURAL RESOURCES

December 11, 2024

Senator Cameron Henry, President Senator Bob Hensgens, Natural Resources Committee Chairman Representative Phillip R. DeVillier, Speaker Representative Brett F. Geymann, Natural Resources and Environment Chairman

Via Statutorily Prescribed Email

Re: Report of Proposed New Rule
Class VI Injection Well Fee Schedule
Office of Conservation Rules and Regulations
LAC 43:XVII. Ch. 36 (Statewide Order 29-N-6)

Dear Oversight Authorities:

The Commissioner of Conservation proposes to amend LAC 43:XVII. Ch. 36 in accordance with the provisions of the Administrative Procedures Act R.S. 49:950 et seq., and pursuant to the power delegated under the laws of the state of Louisiana.

The Commissioner of Conservation proposes to promulgate rule amendments to LAC 43:XVII. Ch. 36 in accordance with the provisions of the Administrative Procedures Act R.S. 49:950 et seq., and pursuant to the power delegated under the laws of the state of Louisiana.

I. A copy of the rule as it is proposed for amendment per La R.S. 49.968.C(1):

See the attached Notice of Intent.

II. Statement of the proposed action per La R.S. 49:968.C(2):

The existing rule governs the operation of Class VI geologic sequestration wells. The proposed rule changes include process changes throughout the document, minor technical changes to reflect evolving operational best practices, and consistency changes between this rule and the statutory changes included in Act 645 and Act 702 of the 2024 Regular Session and Act 378 of the 2023 Regular Session.

III. The specific citation of the enabling legislation purporting to authorize adoption of the rule per La R.S.49:968.C(3):

La R.S. 30:1101 through 1115

IV. Statement of the circumstances requiring adoption of the rule per La R.S. 49:968.C(4):

The Louisiana Office of Conservation – Injection and Mining Division, within the Louisiana Department of Energy and Natural Resources, received program oversight authority for the Class VI Injection Well program on February 5, 2024. The passage of Act 702 and Act 645 of the 2024 Regular Session and Act 378 of the 2023 Regular Session created additional requirements for Class VI procedures for testing and monitoring, public notice, and emergency and remedial response.

V. Statement of the fiscal and economic impact of the proposed rule per La R.S. 49:968.C(5):

The fiscal and economic impact statement is attached to this report.

A notice of intent to initiate rule-making will be published in the Louisiana Register on December 20, 2024, with a public comment period on the proposed rule scheduled to remain open until January 22, at 5:00 PM. A public hearing is not currently scheduled, but if requested will be held on the evening of Tuesday, January 21, 2025.

Please contact H. Barlow Holley, Injection and Mining Division, at (225) 342-5560.

Sincerely,

Gavin Broussard, Interim Director Injection and Mining Division

Attachments