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CONSERVATION

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. 37 (Statewide Order 29-N-7)

Dear Oversight Authorities:

The Commissioner of Conservation proposes to amend LAC 43:XVII. Ch. 37 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. 37 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 proposed action is a rule amendment for the rule which sets application filing fees for Class VI wells for carbon sequestration. Minor clarifying amendments are proposed based on comment feedback from the regulated community.

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. 30:1110.

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

During the public comment for the Notice of Intent to promulgate Statewide Order No. 29-N-7, the Office of Conservation received comments from stakeholders requesting additional clarification and transparency on a number of processes referenced in the draft rule at that time. Due to the sensitive timing with the promulgation of the original rule, the Office on Conservation committed to addressing the relevant concerns during future rulemaking.

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 24, at 5:00 PM. A public hearing is not currently scheduled, but if requested will be held on the evening of Thursday, January 23, 2025.

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

Sincerely,

Gavin Broussard, Interim Director
Injection and Mining Division

A handwritten signature in blue ink, appearing to read "Gavin Broussard", is written over the typed name.

Attachments