

LOUISIANA

DEPARTMENT of ENERGY AND NATURAL RESOURCES OFFICE OF MINERAL RESOURCES RULES FOR GEOPHYSICAL AND GEOLOGICAL SURVEYS

§ Non-exclusive Geophysical and Geological Surveys

A. Permits for geophysical and geological surveys under Title 30, Chapter 3, Sections 211 through 216 of the Louisiana Revised Statutes of 1950 shall be obtained from the State Mineral & Energy Board (SMEB) through the Office of Mineral Resources (OMR). A properly completed application for a permit for such exploration must be filed in duplicate, addressed to the Assistant Secretary of the Office of Mineral Resources, and should be received by OMR at least 15 days prior to the requested effective date of the permit. Each such completed application for a permit must be accompanied by supporting documents as described in the application, and listed as follows:

1. If the permittee is a shooting company, i.e., a company whose primary business enterprise is the physical, "on-ground" acquisition of seismic and geophysical data and the transferal of said acquired data, in either raw or processed form, exclusively to one or more cost underwriting parties or by sale or licensing agreements on the open market, it shall give the name of the client(s) for whom the seismic is being shot under the permit. If permittee is not a shooting company, it shall give the name, address, and telephone number of the shooting company which will do the physical, "on-ground" acquisition of the seismic or geophysical data under the permit. The name and relevant information of the applicant's Contact that can be reached at all times by the OMR must be included.

2. The type of work planned, such as 3-D, 2-D, reflection, refraction, geochemical, gravity meter, and/or any other recognized methods of acquiring seismic, geophysical or geological data should be indicated.

3. Information pertaining to the state lands and water bottoms, including the property under the jurisdiction of the Wildlife and Fisheries Commission / Department of Wildlife and Fisheries (WFC/DWF), within the permit area must be supplied on the application.

4. Base maps, such as a Tobin or USGS quadrangle with the proposed survey area outlined, with X, Y's indicated for each corner of the outline, using State Plane Coordinate System / North American Datum 27, Louisiana North or South (SPCS/NAD 27, La. N. or S.). Maps must be properly labeled and exhibit sections, townships, and ranges. Active state lease boundaries should be clearly depicted with state lease numbers and acreage within the survey indicated. All state lands and water bottoms should be clearly outlined, with acreage depicted as well. For assistance with state lands or water bottoms within the survey outline contact the State Land Office (SLO). Property under the jurisdiction of the WFC/DWF should also be similarly depicted. For assistance with Wildlife and Fisheries questions contact the WFC/DWF.

5. Accompanying the hard copy base map(s) must be a Flash Drive containing a .dxf file that when constructed contains only the boundary of the proposed survey. X, Y's on the .dxf file should match the X, Y's from the hard copy map, and there should be no additional lines, labels, text or graphics included within the boundary.

6. A seismic permit will only be issued to an applicant upon the receipt and approval of a properly completed application. The applicant is requested not to include any payment when filing the application. The seismic permit fee will be calculated by the OMR staff, and an invoice will then be issued to the applicant. Once the applicant receives the invoice from the OMR, the applicant should then return the invoice along with payment for the seismic fee. Upon receipt of payment by the OMR, the application will then be fully processed for final approval, and a seismic permit will be issued to the applicant.

B. No permit issued hereunder shall cover, nor shall any project for which the permit is secured include acreage covered by a valid state mineral lease which is in full force and effect at the time the permit is secured. However, if the permit applicant secures the appropriate consent from the state mineral lessee to conduct the type of seismic operations contemplated under the permit application over the state mineral lease acreage included within the prospective project area, the permittee shall have the right under the applied-for permit to conduct the type of seismic operations set forth in the permit application over the state mineral lease acreage without the necessity of securing an addendum thereto or an additional permit. Upon the expiration, lapse, or termination of any state mineral leases, the acreage of which falls within a project area delineated in a seismic permit issued hereunder (during the term in which the said seismic permit is in full force and effect) permittee shall have the right to conduct operations on said acreage of the terminated Prior Agreement subject to the following: (1) if permittee has already entered into an agreement with the Prior Agreement party before termination and paid for the right to conduct operations across the acreage subject to the Prior Agreement, permittee shall not be required to pay permittor any further fee to conduct operations on said acreage once the Prior Agreement has terminated, either totally or in part, but (2) if the permittee has not entered into an agreement with the Prior Agreement party, then permittee shall pay permittor an additional fee stipulated as the per acre seismic fee paid for in the permit, multiplied by the number of terminated acres of the Prior Agreement. Permits issued are limited to a term of one year from date of issuance, unless revoked for cause. The State may lease acreage within the seismic permitted area during the one year term of the non-exclusive seismic permit, however, the lessee shall allow the prior seismic permittee to conduct seismic operations over the leased area. Seismic permits may also be issued to other parties within the survey area during the same one year term of the non-exclusive. The permit is subject to any prior seismic permit or other agreement already in existence on the acreage at the time said non-exclusive seismic permit is issued.

C. A permit to conduct seismic, geophysical and/or geological surveying of any kind upon State of Louisiana lands or water bottoms over which the SMEB through the OMR has jurisdiction shall be subject to the following terms:

1. The permit shall be valid for a period of one year from date of issuance.
2. The exercise of operations under the permit shall be limited only to the project area set forth in the application.
3. Any and all rights exercised under a valid seismic permit issued hereunder shall be exclusive only to the named permittee or, if the permittee is not a shooting company, the company named in the permit application as the entity to actually do the physical, "on ground" seismic project and the permit shall include location plat, written description, and total acreage of state owned land and/or water bottoms in the project area, covered by the permit, and the date of commencement of the permitted activity.
4. No permit issued hereunder shall be transferable.
5. The permittee shall pay a fee to the OMR for the seismic permit - by a check, made payable to "Office of Mineral Resources". The fee shall be as determined by the SMEB in its most recent resolution on seismic permit fees. If the area is surveyed using a technique other than 2D or 3D (e.g. refraction, geochemical, gravity or magnetics, etc.) then the fee will be determined by the SMEB at the time of the application.
6. The permittee shall retain ownership of the seismic data gathered and shall not be required to submit a copy of the seismic data to the OMR. However, the SMEB or its employees, OMR, shall be allowed to review any and all geophysical or geological data acquired under the permit, all in a format acceptable to the OMR, at a facility designated by OMR. Permittee may, but shall not be required to, voluntarily agree to make available to OMR the fully migrated and processed data derived from the seismic project under the issued permit. Except for information included in a seismic permit, including the plat showing the outline of the area in which the seismic is to be shot, all data secured or reviewed by OMR shall be deemed confidential and not subject to the public records doctrine; but shall be for the use of the OMR staff only.

D. In order to accommodate proper administration of seismic permits issued hereunder and orderly operations conducted under said permits, the applicant shall submit to the OMR notice of the date of commencement of any seismic operations authorized by the permit, and a map acceptable to the Staff of the OMR reasonably identifying the particular geophysical layout for the area in which operations are to be conducted. For purposes of this section, date of commencement of operations is defined as the date upon which surveying crews and equipment are moved into the area to be worked for purposes of preliminary line placement surveying prior to the beginning of acquisition of data.

E. Violation by the permittee of any of the terms specified in this schedule as promulgated, or which may be written on the permit form, shall be deemed to be a permit violation by the OMR which may, at the sole discretion of the OMR, subject permittee to the cancellation of his permit and forfeiture of his permit fee.

F. Pursuant to *R.S. 30:214* any and all rights exercised by any permittee pursuant to a permit issued hereunder shall be in compliance with any and all applicable rules and regulations which have been promulgated, and which may be further promulgated from time to time, by the Department of Wildlife and Fisheries governing the conduct of seismic exploration on land and/or water for the protection of oysters, fish, and wildlife. Further, all wildlife and waterfowl refuges, game and fish preserves, or oyster seed ground reservations, the mineral rights over which the Department of Wildlife and Fisheries exercises direct control, shall not be included in any project area covered by any permit issued hereunder unless written permission is secured from said agency.

G. The approval of the State Mineral and Energy Board is granted subject to the rules which may be adopted by the State Mineral and Energy Board from time to time.