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2. Describe the effect of the proposed Rule on the authority and rights of parents regarding the education and supervision of their children. The proposed Rule should have no impact upon the rights and authority of children regarding the education and supervision of their children.

3. Describe the effect of the proposed Rule on the functioning of the family. The proposed Rule should have no direct impact upon the functioning of the family.

4. Describe the effect of the proposed Rule on family earnings and budget. The proposed Rule should have no direct impact upon family earnings and budget.

5. Describe the effect of the proposed Rule on the behavior and personal responsibility of children. The proposed Rule should have no impact upon the behavior and personal responsibility of children.

6. Describe the effect of the proposed Rule on the ability of the family or a local government to perform the function as contained in the Rule. The proposed Rule should have no impact upon the ability of the family or a local governmental unit to perform the function as contained in the Rule.

On Friday, September 25, 2009, beginning at 9 a.m., the Department of Insurance will hold a public hearing in the Poydras Building's Plaza Hearing Room located at 1702 N. Third Street, Baton Rouge, LA, 70804 to allow for public commentary concerning the proposed repeal of current Regulation 58 and the enactment of the proposed Regulation 58 as set forth below.

Persons interested in obtaining copies of replacement Regulation 58 or in making comments relative to proposed replacement Regulation 58 may do so at the public hearing or by writing to Barry E. Ward, Department of Insurance, P.O. Box 94214, Baton Rouge, LA 70804-9214. Written comments will be accepted through the close of business at 4:30 p.m. on Friday, September 25, 2009.

James J. Donelon
Commissioner

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES RULE TITLE: **Viatical Settlements**

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

Louisiana Department of Insurance does not anticipate any implementation costs for proposed administrative rule changes to Regulation 58.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

The proposed administrative rule changes to Regulation 58 will have no impact on state or local governmental revenues.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

The proposed administrative rule changes to Regulation 58 remove the seven hours of continuing education required of viatical settlement brokers (non-governmental group), which could provide an economic benefit. However, the benefit to the viatical settlement brokers will likely not be material as the seven-hour requirement was instituted in October 2008. This administrative rule change merely removes the seven hours of continuing education requirement.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed administrative rule changes to Regulation 58 should have no adverse impact upon competition and employment in the state.

Shirley D. Bowler
Deputy Commissioner
0908#099

H. Gordon Monk
Legislative Fiscal Officer
Legislative Fiscal Office

NOTICE OF INTENT

Department of Natural Resources Office of Conservation

Fees (LAC 43:XIX.701, 703, and 707)

Pursuant to power delegated under the laws of the state of Louisiana, and particularly Title 30 of the Louisiana Revised Statutes of 1950, as amended, the Office of Conservation proposes to amend LAC 43:XIX.701, 703, and 707 (Statewide Order No. 29-R) in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq. The proposed action will adopt Statewide Order No. 29-R-09/10 (LAC 43:XIX, Subpart 2, Chapter 7), which establishes the annual Office of Conservation Fee Schedule for the collection of Application, Production, and Regulatory Fees, and will replace the existing Statewide Order No. 29-R-08/09.

Title 43

NATURAL RESOURCES

Part XIX. Office of Conservation—General Operations Subpart 2. Statewide Order No. 29-R

Chapter 7. Fees

§701. Definitions

* * *

Application for Permit to Drill (Minerals)—an application to drill in search of minerals (six-months or one-year), as authorized by R.S. 30:28.

* * *

BOE—annual barrels oil equivalent. Gas production is converted to BOE by dividing annual mcf by a factor of 11.0.

Capable Gas—natural and casing head gas not classified as incapable gas well gas or incapable oil well gas by the Department of Revenue, as of December 31, 2008.

Capable Oil—crude oil and condensate not classified as incapable oil or stripper oil by the Department of Revenue, as of December 31, 2008.

* * *

Production Well—any well which has been permitted by and is subject to the jurisdiction of the Office of Conservation, excluding wells in the permitted and drilling in progress status, Class II injection wells, liquid storage cavity wells, commercial salt water disposal wells, Class V injection wells, wells which have been plugged and abandoned, wells which have reverted to landowner for use as a fresh water well (Statewide Order No. 29-B, LAC 43:XIX.137.G, or successor regulations), multiply completed wells reverted to a single completion, and stripper oil wells or incapable oil wells or incapable gas wells certified by the Severance Tax Section of the Department of Revenue, as of December 31, 2008.

Regulatory Fee—an amount payable annually to the Office of Conservation, in a form and schedule prescribed by the Office of Conservation, on Class II wells, Class III wells, storage wells, Type A facilities, and Type B facilities in an amount not to exceed \$875,000 for Fiscal Year 2000-2001 and thereafter. No fee shall be imposed on a Class II well of an operator who is also an operator of a stripper crude oil well or incapable gas well certified pursuant to R.S. 47.633 by the Severance Tax Section of the Department of Revenue as of December 31, 2008 located in the same field as such Class II well. Operators of Record, excluding operators of wells and including, but not limited to, operators of gasoline/cycling plants, refineries, oil/gas transporters, and/or certain other activities subject to the jurisdiction of the Office of Conservation are required to pay an annual registration fee of \$105. Such payment is due within the time frame prescribed by the Office of Conservation.

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:21 et seq.

HISTORICAL NOTE: Promulgated by the Department of Natural Resources, Office of Conservation, LR 14:542 (August 1988), amended LR 15:551 (July 1989), LR 21:1249 (November 1995), LR 24:458 (March 1998), LR 24:2127 (November 1998), LR 25:1873 (October 1999), LR 26:2302 (October 2000), LR 27:1919 (November 2001), LR 28:2366 (November 2002), LR 29:2499 (November 2003), LR 31:2950 (November 2005), LR 32:2087 (November 2006), LR 33:2461 (November 2007), LR 34:2404 (November 2008), LR 35:

§703. Fee Schedule for Fiscal Year 2009-2010

A. ...

Application Fees	Amount
***	***
Application for Permit to Drill—Minerals: 0'-3,000' (1 year)	\$252
Application for Permit to Drill—Minerals: 3,001'-10,000' (1 year)	\$ 1,262
Application for Permit to Drill—Minerals: 10,001'+ (1 year)	\$2,528
***	***

B. Regulatory Fees

1. Operators of each permitted Type A Facility are required to pay an annual Regulatory Fee of \$7,326 per facility.

2. Operators of each permitted Type B Facility are required to pay an annual Regulatory Fee of \$3,663 per facility.

3. Operators of record of permitted non-commercial Class II injection/disposal wells are required to pay \$745 per well.

4. Operators of record of permitted Class III and Storage wells are required to pay \$745 per well.

C. Class I Well Fees. Operators of permitted Class I wells are required to pay \$11,428 per well.

D. Production Fees. Operators of record of capable oil wells and capable gas wells are required to pay according to the following annual production fee tiers

Tier	Annual Production (Barrel Oil Equivalent)	Fee (\$ per Well)
Tier 1	0	17
Tier 2	1 - 5,000	91
Tier 3	5,001 - 15,000	264
Tier 4	15,001 - 30,000	436

Tier	Annual Production (Barrel Oil Equivalent)	Fee (\$ per Well)
Tier 5	30,001 - 60,000	693
Tier 6	60,001 - 110,000	959
Tier 7	110,001 - 9,999,999	1,185

E. - F.2. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:21 et seq., R.S. 30:560 and 706.

HISTORICAL NOTE: Promulgated by the Department of Natural Resources, Office of Conservation, LR 14:543 (August 1988), amended LR 15:552 (July 1989), LR 21:1250 (November 1995), LR 24:458 (March 1998), LR 24:2128 (November 1998), LR 25:1874 (October 1999), LR 26:2304 (October 2000), LR 27:1920 (November 2001), LR 28:2368 (November 2002), LR 29:350 (March 2003), LR 29:2501 (November 2003), LR 30:2494 (November 2004), LR 31:2950 (November 2005), LR 32:2088 (November 2006), LR 33:2462 (November 2007), LR 34:2404 (November 2008), LR 35:

§707. Severability and Effective Date

A. The fees set forth in §703 are hereby adopted as individual and independent rules comprising this body of rules designated as Statewide Order No. 29-R-09/10 and if any such individual fee is held to be unacceptable, pursuant to R.S. 49:968(H)(2), or held to be invalid by a court of law, then such unacceptability or invalidity shall not affect the other provisions of this order which can be given effect without the unacceptable or invalid provisions, and to that end the provisions of this order are severable.

B. This Order (Statewide Order No. 29-R-09/10) supersedes Statewide Order No. 29-R-08/09 and any amendments thereof.

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:21 et seq.

HISTORICAL NOTE: Promulgated by the Department of Natural Resources, Office of Conservation, LR 14:544 (August 1988), amended LR 15:552 (July 1989), LR 21:1251 (November 1995), LR 24:459 (March 1998), LR 24:2128 (November 1998), LR 25:1874 (October 1999), LR 26:2305 (October 2000), LR 27:1921 (November 2001), LR 28:2368 (November 2002), LR 29:2502 (November 2003), LR 30:2494 (November 2004), LR 31:2950 (November 2005), LR 32:2088 (November 2006), LR 33:2462 (November 2007), LR 34:2406 (November 2008), LR 35:

Family Impact Statement

In accordance with RS 49:972, the following statements are submitted after consideration of the impact of the proposed Rule on family as defined therein.

1. The proposed Rule will have no effect on the stability of the family.

2. The proposed Rule will have no effect on the authority and rights of parents regarding the education and supervision of their children.

3. The proposed Rule will have no effect on the functioning of the family.

4. The proposed Rule will have no effect on family earnings and family budget.

5. The proposed Rule will have no effect on the behavior and personal responsibility of children.

6. The proposed Rule will have no effect on the ability of the family or local government to perform any function as contained in the proposed Rules.

Comments and views regarding the proposed fees will be accepted until 4:30 p.m., Friday, October 2, 2009. Comments should be directed, in writing, to Todd Keating, Director, Engineering Division, Office of Conservation, P.O.

Box 94275, Capitol Station, Ninth Floor, Baton Rouge, LA 70804-9275 (Re: Docket No. 09-917 Proposed Statewide Order No. 29-R-09/10).

A public hearing will be held at 9 a.m., Tuesday, September 29, 2009, in the LaBelle Hearing Room, located on the First Floor, LaSalle Building, 617 North Third Street, Baton Rouge, LA.

James H. Welsh
Commissioner

**FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES
RULE TITLE: Fees**

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

There are no implementation costs (savings) to state or local governmental units resulting from this action.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

Proposed Statewide Order No. 29-R-09/10 establishes the Louisiana Office of Conservation Fee Schedule for the collection of application, production, and regulatory fees by the Office of Conservation and will replace the existing Statewide Order No. 29-R-08/09 and will retain the maximum revenue caps authorized in R.S. 30:1 et seq. Consistent with Act 126 of the 2009 Regular Session, the Proposed Rule will add a one year drilling permit application fee to the existing fee schedule for all Application Fees. R.S. 30:21, R.S. 30:560, and R.S. 30:706 provide that the Commissioner of Conservation shall periodically and/or annually review the fees collected, and the Office of Conservation has established a practice of annually evaluating all applicable fees. The Production Tier Fee in the FY 09/10 Fee Schedule has been increased an average 11.18% overall due to the decreased number of participating wells. The Regulatory Fees for Class I Injection Wells have been increased an average 8.57% due to the decrease in the number of wells; and, the Regulatory Fees for Class II and III Injection Wells, and Type A and B Commercial Facilities have increased by approximately 6.99% due to the decreased number of wells and facilities. The Office of Conservation will collect approximately \$7,195,111 in revenue for these fees in FY 09/10.

Additionally, the passage of Act Nos. 222 and 223 of the 2004 Regular Legislative Session, authorizes the Office of Conservation to determine by rule annually, in accordance with the Administrative Procedure Act, the pipeline safety inspection fees charged for the approximately 45,665 miles of state regulated jurisdictional gas distribution and gas transmission pipelines (R.S. 30:560) and approximately 4,862 miles of state jurisdictional hazardous liquids pipelines (R.S. 30:706). The Office of Conservation is authorized to collect a "fee not to exceed \$22.40 per mile, or a minimum of \$400, whichever is greater" for these state jurisdictional gas and hazardous liquids pipelines. The proposed FY09/10 fee will remain at the maximum fee authorized by statute. These fees are used as the matching funding for the Pipeline Safety Program's Federal Grants. The Office of Conservation is projected to collect approximately \$1,143,548 for the pipeline safety inspection fees in FY 09/10.

No local governmental units will be impacted by this action.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

The proposed rule will replace the existing Office of Conservation Fee Schedule. The proposed Statewide Order No. 29-R-09/10 will retain the existing revenue caps for fees assessed to industries under the jurisdiction of the Office of Conservation, as authorized by R.S. 30:21 et seq., R.S. 30:560, and R.S. 30:706, and is expected to reach approximately \$8,338,659 for FY 09/10.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The passage of Statewide Order No. 29-R-09/10 will have no effect on competition and employment.

Gary P. Ross
Assistant Commissioner
0908#102

Robert E. Hosse
Staff Director
Legislative Fiscal Office

NOTICE OF INTENT

**Department of Natural Resources
Office of Conservation**

**Pit Closure and Onsite Disposal of E and P Waste
(LAC 43:XIX.311 and 313)**

In accordance with the provisions of the Administrative Procedure Act (R.S. 49:950 et seq.) and Title 30 of the Louisiana Revised Statutes of 1950 (R.S. 30:4 et seq.), the Louisiana Office of Conservation hereby gives notice of its intent to amend LAC 43:XIX, Subpart 1 (Statewide Order No. 29-B), Chapter 3 (Pollution Control—Onsite Storage, Treatment and Disposal of Exploration and Production Waste (E&P Waste) Generated from the Drilling and Production of Oil and Gas Wells (Oilfield Pit Regulations).

The recent development of the Haynesville Shale in North Louisiana is made possible through the use of multi-stage hydraulic fracture stimulation technology. This technology requires the use of large quantities of fluids which are primarily composed of freshwater taken from either surface water reservoirs or groundwater aquifers. The intense development of the Haynesville Shale has placed additional strain on the already limited freshwater aquifer resources of the region.

The intent of the amendment is to conserve these freshwater aquifer resources by allowing the limited use of Exploration and Production Waste as a substitute for the fluids required to perform fracture stimulation operations on the Haynesville Shale. The proposed amendment uses sound waste minimization principles along with conservative waste management requirements to promote groundwater resource management and conservation while protecting public health and the environment.

Title 43

NATURAL RESOURCES

Part XIX. Office of Conservation—General Operations

Subpart 1. Statewide Order No. 29-B

**Chapter 3. Pollution Control—Onsite Storage,
Treatment and Disposal of Exploration
and Production Waste (E and P Waste)
Generated from the Drilling and
Production of Oil and Gas Wells (Oilfield
Pit Regulations)**

§311. Pit Closure

A. Pits must be closed properly to assure protection of soil, surface water, groundwater aquifers and USDW's.

Operators may close pits utilizing onsite land treatment, burial, solidification, onsite land development, or other techniques approved by the Office of Conservation only if done so in compliance with §313 and §315. Otherwise, all E&P Waste must be manifested according to §511 and transported offsite to a permitted commercial facility unless temporarily used in hydraulic fracture stimulation operations conducted on the Haynesville Shale Zone in accordance with the requirements of LAC 43:XIX:313.J.

B. - F.2. ...

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:4 et seq.

HISTORICAL NOTE: Promulgated by the Department of Natural Resources, Office of Conservation, LR 26:2803 (December 2000), amended LR 33:1658 (August 2007), LR 35.

§313. Pit Closure Techniques and Onsite Disposal of E and P Waste

A. Reserve pit fluids, as well as drilling muds, cuttings, etc., from holding tanks, may be disposed of onsite provided the technical criteria of §313.C, D, E, F, or G below are met, as applicable. All E and P Waste must be either disposed of on-site, temporarily used in hydraulic fracture stimulation operations conducted on the Haynesville Shale Zone in accordance with the requirements of LAC 43:XIX.313.J or transported to an approved commercial facility or transfer station in accordance with the requirements of LAC 43:XIX.Chapter 5 or under the direction of the commissioner.

B. - H.3. ...

I. Offsite Disposal of E and P Waste

1. Except for produced water, drilling, workover, completion, and stimulation fluids, and rainwater which may be transported by an oil and gas operator to a community well or an operators permitted Class II disposal well, ~~or~~ discharged to surface waters where authorized, or otherwise authorized in LAC 43:XIX.313.J, exploration and production waste shall not be moved offsite for storage, treatment, or disposal unless transported to an approved commercial facility or transfer station in accordance with the requirements of LAC 43:XIX.Chapter 5 or under the direction of the commissioner.

2. - 3. ...

J. Temporary Use of E and P Waste (Produced Water, Rainwater, Drilling, Workover, Completion and Stimulation Fluids) for Hydraulic Fracture Stimulation of the Haynesville Shale Zone

1. Produced water, rainwater, drilling, workover, completion and stimulation fluids generated at a wellsite (originating wellsite) that are classified as E and P Waste may be transported offsite for use in hydraulic fracture stimulation operations of the Haynesville Shale Zone at another wellsite (receiving wellsite) provided that the following conditions are met.

a. The originating wellsite and the receiving wellsite must have the same operator of record.

b. All residual waste generated in the treatment or processing of E and P Waste prior to its use in hydraulic fracture stimulation operations must be properly disposed of in accordance with the following.

i. All residual waste generated as a result of treatment or processing conducted at the originating wellsite must be either disposed of onsite at the originating wellsite

in accordance with all the requirements of LAC 43:XIX.311 and 313, except and not including Subsection 313.J, or offsite in accordance with the requirements of LAC 43:XIX.Chapter 5.

ii. All residual waste generated as a result of treatment or processing conducted at the receiving wellsite must be disposed of offsite in accordance with the requirements of LAC 43:XIX.Chapter 5.

c. At the conclusion of hydraulic fracture stimulation operations involving the temporary use of E and P Waste, all E and P Waste associated with the hydraulic fracture stimulation operation must be either disposed of onsite in accordance with all the requirements of LAC 43:XIX.311 and 313, except and not including Subsection 313.J, or disposed of offsite in accordance with the requirements of LAC 43:XIX.Chapter 5.

d. The types and volumes of E and P Waste generated for temporary use along with the well name and well serial number of the receiving wellsite must be reported on Form ENG-16 (Oilfield Waste Disposition) for the originating well and/or other appropriate forms specified by the commissioner depending on the waste types involved.

e. An affidavit of no objection must be provided by the surface owner of the property on which the receiving wellsite is located. The affidavit must be in a format acceptable to the commissioner and attached to Form ENG-16 (Oilfield Waste Disposition) for the originating well and/or other appropriate forms specified by the commissioner depending on the waste types involved.

f. E and P Waste intended for temporary use must be stored at the receiving wellsite in an above ground storage tank or a lined production pit which conforms to the liner requirements and operational provisions of LAC 43:XIX.307.A.

2. The Commissioner of Conservation, the Secretary of the Department of Natural Resources, and the state of Louisiana shall be held harmless from and indemnified for any and all liabilities arising from temporary use of E and P Waste pursuant to this subsection, and the operator of record and the surface owner shall execute agreements as the commissioner requires for this purpose.

AUTHORITY NOTE: Promulgated in accordance with R.S. 30:4 et seq.

HISTORICAL NOTE: Promulgated by the Department of Natural Resources, Office of Conservation, LR 26:2804 (December 2000), amended LR 33:1659 (August 2007), LR 35:

Family Impact Statement

In accordance R.S. 49:972, the following statements are submitted after consideration of the impact of the proposed Rule amendment at LAC 43:XIX.311 and 313, Pit Closure and Pit Closure Techniques and Onsite Disposal of E and P Waste on family as defined therein.

1. The proposed Rule amendment will have no effect on the stability of the family.

2. The proposed Rule amendment will have no effect on the authority and rights of parents regarding the education and supervision of their children.

3. The proposed Rule amendment will have no effect on the functioning of the family.

4. The proposed Rule amendment will have no effect on family earnings and family budget.

5. The proposed Rule amendment will have no effect on the behavior and personal responsibility of children.

6. Family or local government is not required to perform any function contained in the proposed Rule amendment.

A public hearing will be held on Tuesday, September 29, 2009 at 9 a.m. in the LaSalle Building, LaBelle Hearing Room, 617 N. Third Street, Baton Rouge, LA 70802. Interested persons are invited to attend and submit oral comments on the proposed amendments. If accommodations are required under the Americans with Disabilities Act, please advise the Office of Conservation, Engineering Division at P.O. Box 94275, Baton Rouge, LA 70804-9275 in writing within 10 working days of the hearing date. Two hours of free parking are allowed in the Welcome Center parking garage with a validated parking ticket.

All interested persons are invited to submit written comments on the proposed regulation. Persons commenting should reference "Proposed Amendment of LAC 43:XIX.311 and 313". Such comments must be received no later than Friday, September 11, 2009, at 4:30 p.m., and should be sent to Mr. Chris Sandoz, Office of Conservation, Engineering Division, P.O. Box 94275, Baton Rouge, LA 70804-9275; hand delivered to 617 North Third Street, Ninth Floor, Baton Rouge, LA 70802; by email to chris.sandoz@la.gov; or by fax to (225) 342-2584.

This proposed regulation is available on the Internet at <http://dnr.louisiana.gov/cons/conserv.ssi> and is available for inspection at the following DNR office locations from 8 a.m. until 4:30 p.m.: 617 N. Third Street, Ninth Floor, Baton Rouge, LA 70802; Brandywine III, Suite 220, 825 Kaliste Saloom Road, Lafayette, LA 70508; State Office Building, Suite 668, 1525 Fairfield Avenue, Shreveport, LA 71101; 122 St. John Street, Room 228, Monroe, LA 71201.

James H. Welsh
Commissioner

FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES

RULE TITLE: Pit Closure and Onsite Disposal of E and P Waste

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

There are no implementation costs or savings to State or Local government units anticipated due to the proposed rule amendments.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There is no effect on revenue collections of state or local government units anticipated due to the proposed rule amendments.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

The primary group impacted by these rule changes will be Exploration and Production (E and P) companies. There are no anticipated cost increases associated with the proposed amendment and all required documentation will be provided on existing paperwork.

The amendment may result in substantial cost savings for certain E and P companies with high levels of activity in the

Haynesville Shale Area. Fresh water costs are estimated at \$0.25 per barrel and manufactured brine costs are estimated at \$11.00 per barrel. A typical multi-stage fracture stimulation requires between 108,000 to 126,000 barrels of fresh water and 36,000 to 42,000 barrels of manufactured brine which equates to potential cost savings of between \$423,000.00 and \$493,500.00 per stimulation. E and P waste disposal costs are estimated at \$2.00 per barrel, resulting in additional potential cost savings of \$288,000.00 and \$336,000.00 per stimulation. These savings are offset only by the cost of treating and transporting the E&P waste which is estimated at \$2.50 per barrel or between \$360,000.00 to \$420,000.00 per stimulation. Total potential cost savings are estimated to be between \$351,000.00 and \$409,500.00 per stimulation.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There is no anticipated effect on competition and employment.

Gary P. Ross
Assistant Commissioner
0908#103

Robert E. Hosse
Staff Director
Legislative Fiscal Office

NOTICE OF INTENT

Department of Public Safety and Corrections Liquefied Petroleum Gas Commission

Insurance Requirements (LAC 55:IX:107)

The Department of Public Safety and Corrections, Liquefied Petroleum Gas Commission, in accordance with R.S. 40:1846 and with the Administrative Procedure Act., R.S. 49:950 et seq., hereby amends LAC 55:IX:107, Requirements. This text has been amended to allow other forms of proof of insurance to Liquefied Petroleum Gas Commission as was ordered by full vote of the Liquefied Petroleum Gas Commission on June 17, 2009.

Title 55

PUBLIC SAFETY

Part IX. Liquefied Petroleum Gas

Chapter 1. General Requirements

§107. Requirements

A. - A.2. ...

3. Must have on file in the office of the director, proof of insurance, on a commission proprietary certificate of insurance, or one substantially equivalent, issued by a Louisiana licensed agent, in the minimum sum of \$1,000,000, in the classes of insurance as required by the commission. This certificate of insurance must show kinds and amount in force. This certificate of insurance will meet the proof of insurance as required by the commission. Said certificate shall be considered evidence of liability insurance coverage; said certificate must bear the clause that in the event the insurance company intends to cancel, the insurance company will attempt to notify the director of the Liquefied Petroleum Gas Commission 10 days prior to the date of cancellation. A binder of insurance coverage, within date, will be acceptable as proof of insurance until the policy is issued and a certificate of insurance can be issued. The \$1,000,000 requirement shall be effective on the first proof of insurance required after November 1, 2003. The