

NOTICE OF INTENT

Department of Natural Resources Office of Conservation

Requiring two well Tests per under Statewide Order No. 29-B (LAC 43:XIX.121 and 137)

The Department of Natural Resources, Office of Conservation proposes to amend LAC 43: XIX.507 in accordance with the provisions of the Administrative Procedure Act, R.S. 49:950 et seq., and pursuant to the power delegated under the laws of the state of Louisiana. The proposed rule change in Section 121 codifies the long standing practice of requiring oil and gas operators to conduct two well tests per year. Additionally, as a result of low or no production, wells drilled to or completed in the Monroe Gas Rock or stripper oil lease wells shall not be required to conduct well tests. The proposed rule change in Section 137 updates language to reflect the proposed rule change being made in Section 121.

Title 43

NATURAL RESOURCES

Part XIX. Office of Conservation – General Operations

Subpart 1. Statewide Order No. 29-B

Chapter 1. General Provisions

§121. Production, Production Records, Production Tests

A. – D. ...

D.1. Each operator shall conduct semi-annual tests on all producing/service wells and shall report the results on the approved forms DM-1-R - Oil Well Deliverability Test or DT-1 - Gas Well Deliverability Test or other method prescribed by the Office of Conservation no later than the first day of May and November of each year. Well tests shall be conducted a minimum of 60 days prior to the required filing date. All wells which are shut in shall also be shown on this form and the date of last production or date the service well ceased to be used shall be indicated.

2. The requirements of LAC 43:XIX.121.D.I shall not be applicable for wells drilled to or completed in the Monroe Gas Rock or stripper oil lease wells.

~~D.1. Every producer shall make and report to the district managers production tests of each of his oil wells by the tenth of February, April, June, August, October and December. The data collected shall include the daily rate of production, size choke, percent B.S. and W., tubing pressure, casing pressure, gravity at 60 degrees F, or observed gravity and temperature, gas/oil ratio and volume of gas produced, which shall be recorded on the daily gauge report on or before the above date. A signed record of such tests shall be filed with the district manager.~~

B. §137. Plugging and Abandonment

A. All wells wherein production operations or use as a service well have ceased on or after the effective date of this order shall continue to be reported on the ~~Form DM-1-R or Form DT-1~~ Forms DM-1-R – Oil Well Deliverability Test or DT – 1 Gas Well Deliverability Test or other method prescribed by the Office of Conservation no later than the first day of May and November of each year with the appropriate notation that the well is off production or no longer in use as a service well along with the date of last production or date the service well ceased to be used; and, after six months, if such a well has not been restored to

production or use as a service well, it shall thereafter be reported by the operator on the semiannual Inactive Well Report, Form INACT WR-1 (1974) which report shall be filed with the ~~Department~~ Office of Conservation showing the status of such well as of ~~May April-1 and November October 1~~ of each year ~~(report to be filed no later than April 25 and October 25)~~. Such wells shall continue to be reported on the Form DM1-R or Form DT-1 showing the date of last production or the date the well ceased to be used as a service well, together with a notation showing the well is carried on the Form INACT WR-1 (1974), Inactive Well Report, until the well is plugged and abandoned.

Family Impact Statement

In accordance with RS 49:972, the following statements are submitted after consideration of the impact of the proposed Rule amendments 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 are not required to perform any function contained in the proposed Rule amendment.

Poverty Impact Statement

In accordance with R.S. 49:973, the following statements are submitted after consideration of the impact of the proposed rule amendments on child, individual, or family poverty in relation to individual or community asset development.

1. The proposed Rule amendment will have no effect on household income, assets, and financial security.
2. The proposed Rule amendment will have no effect early childhood development and preschool through postsecondary education development.
3. The proposed Rule amendment will have no effect on employment and workforce development.
4. The proposed Rule amendment will have no effect on taxes and tax credits.
5. The proposed Rule amendment will have no effect on child and dependent care, housing, health care, nutrition, transportation, and utilities assistance.

Provider Impact Statement

In accordance with House Concurrent Resolution 170 of 2014, the Department of Natural Resources, Office of Conservation has determined that these amendments will have no estimated effect on organizations that provide services for individuals with developmental disabilities.

Small Business Statement

In accordance with R.S. 49:965.6, the Department of Natural Resources, Office of Conservation has determined that these amendments will have no estimated effect on small businesses.