

## NOTICE OF INTENT

### Department of Natural Resources Office of Conservation

#### Termination of Units (LAC 43:XIX.3105)

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 Department of Natural Resources, Office of Conservation hereby gives notice of its intent to amend LAC 43:XIX and Subpart 13 (Statewide Order No. 29-L-3) Chapter 31 (Termination of Units) to codify policy established by memorandum. Specifically, the additions clarify when an operator of record should apply for a hearing if production is reestablished in a terminated unit, establishment of new units overlapping terminated units, and termination of units subsequent to dissolution.

#### Title 43

#### NATURAL RESOURCES

#### Part XIX. Office of Conservation—General Operations

#### Subpart 13. Statewide Order No. 29-L-3

#### Chapter 31. Termination of Units

#### §3105. Order

A. – A.4 ...

a. Any well which was not officially plugged and abandoned on the effective date of unit termination which is sidetracked around junk to the same bottomhole location and brought back on production shall require the operator of record to be subject to the requirements of §3105.A.4.

b. Any well which was not officially plugged and abandoned on the effective date of unit termination which is sidetracked to a different bottomhole location shall be considered a new well and the operator of record shall not be subject to the requirements of §3105.A.4.

c. The re-entry of a well which was officially plugged and abandoned on the effective date of unit termination shall be considered a new well and the operator of record shall not be subject to the requirements of §3105.A.4.

B. – E. ...

F. Establishment of Unit(s) Overlapping Terminated Units

1. An application for a public hearing to create a drilled or undrilled unit(s) overlapping a terminated unit(s) for what the applicant considers to be the same or a different pool or for a multiple pool zone which overlies and includes lands within a previously terminated unit(s), shall be allowed.

2. The vertical extent of any zonal, multi-pool defined unit interval shall be based upon industry and Office of Conservation accepted economic, efficient and safe operation reasons and such reasons shall be stated by the applicant at the public hearing to create such unit(s).

G. Any party desiring to terminate a unit previously dissolved by Order of the Commissioner shall apply for a public hearing in accordance with the Rules of Procedure (30-day legal notice) to accomplish same.

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 15:741(September 1989), amended LR 19:776 (June 1993), repromulgated LR 19:1030 (August 1993), amended LR 21:1084 (October 1995), LR 30:255 (February 2004), repromulgated LR 30:437 (March 2004), LR 49:.

#### **Family Impact Statement**

The proposed Rule is not anticipated to have an impact on family formation, stability, and autonomy as described in R.S. 49:972.

#### **Poverty Impact Statement**

The proposed Rule is not anticipated to have an impact on poverty as defined by R.S. 49:973.

#### **Small Business Analysis**

The proposed Rule is not anticipated to have an adverse impact on small businesses as described in R.S. 49:965.6; therefore, a Small Business Economic Impact Statement has not been prepared.

#### **Provider Impact Statement**

The proposed Rule is not anticipated to have an impact on providers of services funded by the state as described in HCR 170 of the 2014 Regular Legislative Session.

#### **Public Comments**

All interested persons are invited to submit written comments on the proposed regulation. Persons commenting should reference "Termination of Units." Such comments must be received no later than Tuesday, November 21, 2023, at 4:30 p.m., and should be sent to F. Jonathan Rice, Office of Conservation, Executive Division, P. O. Box 94275, Baton Rouge, LA 70804-9275; hand delivered to 617 North Third Street, 9<sup>th</sup> Floor, Baton Rouge, LA 70802; by email to [jonathan.rice@la.gov](mailto:jonathan.rice@la.gov); or by fax to (225) 342-2584.

#### **Public Hearing**

If requested, a public hearing will be held on Tuesday, November 28, 2023 at 9:00 a.m. in the LaSalle Building, LaBelle Hearing Room, 617 N. Third Street, Baton Rouge, LA 70802. 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 ten (10) working days of the hearing date.

Monique M. Edwards  
Commissioner of Conservation

### **FISCAL AND ECONOMIC IMPACT STATEMENT FOR ADMINISTRATIVE RULES** **RULE TITLE: Venting and Flaring of Natural Gas**

#### **I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENTAL UNITS (Summary)**

There is no anticipated direct material effect on state or local governmental expenditures as a result of the proposed rule change.

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

The proposed rule change will have no effect on revenue collections of state or local government units.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS, SMALL BUSINESSES, OR NON-GOVERNMENTAL GROUPS (Summary)

There are no anticipated cost increases associated with the proposed amendment, nor any economic benefits of note.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

There is no anticipated effect on competition and employment.