

August 21, 2023

Carrie Wiebelt
Jonathan Rice
Louisiana Office of Conservation
617 North Third Street, 9th Floor
Baton Rouge, LA 70802

RE: Comments to NOI on Venting & Flaring

Carrie & Jonathan,

As per our recent conversation regarding the Notice of Intent of the state's implementation of the Environmental Defense Fund's (EDF) recommendations on Venting and Flaring (V&F), below are LOGA's comments. While it seems many of our concerns introduced by the Potpourri back in April have been considered and agreed to by Conservation, the following concerns remain from various members. Most comments are concerning broadness, ambiguity, and definition. We would appreciate your consideration of these important bullet points.

- In some instances, for maintenance work, equipment will have to be blown down and isolated. So, if spelling out venting as a result of maintenance activities for producing wells is exempt, that would remove any ambiguity.
- It would be beneficial to see venting for liquids unloading specifically excluded from this rule (perhaps in 3501). The interpretation of the order, as described in 3511, is that its intention is to minimize waste. That is a rather subjective topic. Having that specific exclusion would close that gap on a common practice to keep wells producing when they have fallen below critical velocity, have had corrosion batch treatments, etc.
- The new proposal addresses wells with GORs in excess of 2,000:1. It doesn't seem clear that wells with GORs of less than 2,000:1 will still be allowed to flare without a lot of additional burden and time to prove things beyond today's requirements. If we're adapting to a new mindset that makes it difficult to flare, it should be made clear that there is *NO* change in how wells with GORs of less than 2000 are handled.
- The applicability is too broad in scope. As proposed, it is possible to interpret gas vented during maintenance activities would be subject to the proposed requirements of no venting, request to flare, and reporting. Liquid unloading is another example. Swabbing operations are used to vent gas to tanks in order to try to lift water off of the gas wells. This is a very common practice that pumpers in the field do when necessary, it's not something that is or can be scheduled.

- A pipeline issue could shut operators in as water builds up and there is not enough gas to buck line pressure to get to sales. Water has to be blown off of the top and then the wells will produce normally. When this is done, there is gas that is sent to the water tank and vented. Again, this is not something that can be scheduled but happens.
- Avoiding unnecessary flaring as well as bottlenecks in the approval processes would be beneficial to limiting the scope. We suggest the applicability be limited to primary gas, along with a definition of primary gas.
- If there are specific activities associated with primary gas production that are allowed to be vented or flared, these should be outlined in the rule text, i.e. wildcat wells, delineation wells, stripper wells, and declined oil wells where it's uneconomic to install a gas line.
- *A.3 iii. IV. Other alternative beneficial use that does not result in venting or flaring* could be very problematic. Not only is this a condition to obtaining a drilling permit, it is also a continuing requirement for a producing well pursuant to 3507. B. Because *other alternative beneficial use* is not defined, it could force an operator to make capital investments in activities completely unrelated to oil and gas. This type of ambiguous language allows environmental groups to sue regulators for lack of enforcement. The first thing that came to mind as another beneficial use was bitcoin mining... no thanks. LOGA suggests that A.3 iii. IV be struck or deleted altogether.
- With regards to stripper wells we propose the following suggestions that would help clarify the current form of the NOI. We propose adding language to the "Application to Drill." Language could be added to A.4, that stripper wells are exempt from A.3. The operator can state the well is expected to be a stripper well on the form, then the permit can be granted. We also propose that "Exceptions and Hearing" should be changed to "Exceptions, Exemptions, and Hearing." Lastly, item A.2 could be changed to read "recognized stripper areas and stripper wells certified by the Louisiana Department of Revenue are exempt."

LOGA recognizes the concerns attempting to be addressed in the proposed regulation and hopes that the final rule will be one that operators can comply with and regulators can enforce. We thank all of you at Conservation for understanding the strife and hardships that some of this would cause to Louisiana's oil and gas industry and hope you will consider our recommendations.

Sincerely,



Mike Moncla
President, Louisiana Oil & Gas Association