

2016 Regular Session

SENATE BILL NO. 165

BY SENATOR ALLAIN

CONSERVATION. Requires landowner notification when an operator transfers an oil or gas well. (8/1/16)

1 AN ACT

2 To amend and reenact the introductory paragraph of R.S. 30:91(A) and (B)(1) and to enact
3 R.S. 30:28(J), relative to the commissioner of conservation; to require notification
4 to certain landowners; to provide for orphaned oilfield sites; to provide for orphaned
5 operators of record; to provide for requirements of drilling permits; and to provide
6 for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. The introductory paragraph of R.S. 30:91(A) and (B)(1) are hereby
9 amended and reenacted and R.S. 30:28(J) is hereby enacted to read as follows:

10 §28. Drilling permits; issuance; fees; location plat; notice and hearing; funds from
11 drilling permit fees

12 * * *

13 **J. No later than thirty days after the issuance of an amended permit to**
14 **transfer a well to another operator, the commissioner shall require that the**
15 **operator identify on a form approved by the commissioner the surface owner**
16 **of lands on which the well site is located. "Surface owner" shall mean the**
17 **person shown in the assessor's rolls of the parish as the current owner of the**

1 **surface rights for the land on which the well site is located.**

2 * * *

3 §91. Orphaned oilfield sites; **orphaned operator of record**

4 A. A site **and its operator of record** may be declared to be an orphaned
5 ~~oilfield site~~ by the assistant secretary upon a finding that:

6 * * *

7 B.(1) Prior to declaring a site **and its operator of record** to be an orphaned
8 ~~oilfield site~~, the assistant secretary shall seek to notify the last operator of record, at
9 his last known address contained in the department records, of the site that is to be
10 declared orphaned and shall publish a notice in the Louisiana Register that the
11 oilfield site ~~is~~ **and the operator of record are** to be declared orphaned.

12 **Additionally, the assistant secretary shall seek to notify the surface owner of the**
13 **site, at the address provided by the operator pursuant to R.S. 30:28(J), that the**
14 **site and the operator of record are to be declared orphaned. Failure of the**
15 **assistant secretary to notify the surface owner of the site shall not invalidate the**
16 **decision to declare a site and the operator of record orphaned.** If resolution of
17 a factual dispute is requested by any owner or operator, the assistant secretary shall
18 hold a fact-finding hearing prior to declaring the site **and the operator of record**
19 orphaned and the assistant secretary shall make any fact determination necessary to
20 resolve the dispute.

21 * * *

The original instrument was prepared by Alan Miller. The following digest,
which does not constitute a part of the legislative instrument, was prepared
by Linda Nugent.

DIGEST

SB 165 Reengrossed 2016 Regular Session Allain

Proposed law requires the commissioner of conservation to require the operator identify on a form approved by the commissioner, the surface owner of lands on which the well site is located, no later than 30 days after the issuance of an amended permit to transfer a well to another operator. Defines "surface owner" as the person shown in the assessor's rolls of the parish as the current owner of the surface rights for the land on which the well site is located.

Present law requires the commissioner to seek to notify the last operator of record, at his last known address contained in the department records, of the site that is to be declared

orphaned and shall publish a notice in the Louisiana Register that the oilfield site is to be declared orphaned, prior to declaring a site to be an orphaned oilfield site. Proposed law retains present law and provides that the operator of record may also be declared orphaned and provides for notification to the surface owner.

Effective August 1, 2016.

(Amends R.S. 30:91(A)(intro para) and (B)(1); adds R.S. 30:28(J))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Natural Resources to the original bill

1. Changes the notification requirements.

Senate Floor Amendments to engrossed bill

1. Provides for the process of an operator being declared orphaned.
2. Defines "surface owner".