SLS 25RS-262

ORIGINAL

2025 Regular Session

SENATE BILL NO. 36

BY SENATOR HENSGENS

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

MINERALS. Provides for carbon sequestration. (8/1/25)

1	AN ACT
2	To amend and reenact R.S. 30:1104(A)(2)(d) and (3) and 1104.2(A), relative to carbon
3	sequestration; to provide for the jurisdiction, powers, and duties of the commissioner
4	of conservation; to provide for the authority to promulgate rules, regulations, and
5	orders; to provide for unitization; and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 30:1104(A)(2)(d) and (3) and 1104.2(A) are hereby amended and
8	reenacted to read as follows:
9	§1104. Duties and powers of the commissioner; rules and regulations; permits
10	A. The office of conservation's actions under this Chapter shall be directed
11	and controlled by the commissioner. The commissioner shall have authority to:
12	* * *
13	(2) Make, after notice and hearings as provided in this Chapter, any
14	reasonable rules, regulations, and orders that are necessary from time to time in the
15	proper administration and enforcement of this Chapter, including rules, regulations,
16	or orders for the following purposes:
17	* * *

Page 1 of 3 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

ORIGINAL SB NO. 36

1	(d) To require the plugging of each abandoned well and the closure of
2	associated surface facilities, the removal of equipment, structures, and trash, and to
3	otherwise require a general site cleanup of such the abandoned wells.

4 (3) Make such inquiries as he the commissioner deems proper to determine whether or not waste, over which he has jurisdiction, exists or is imminent. In the 5 exercise of this power the commissioner has the authority to collect data; to make 6 investigations and inspections; to examine properties, papers, books, and records; to 7 8 examine, survey, check, test, and gauge injection, withdrawal and other wells used 9 in connection with carbon storage; to examine, survey, check, test, and gauge tanks, 10 and modes of transportation; to hold hearings; to provide for the keeping of records 11 and the making of reports; to require the submission of an emergency phone number 12 by which the operator may be contacted in case of an emergency; and to take any 13 action as reasonably appears to him to be necessary to enforce this Chapter.

15

14

25

§1104.2. Unitization

A. In order to promote the orderly development of the state's geologic storage 16 resources, to ensure that these resources are developed in an efficient, fair, and 17 18 equitable manner, and to prevent waste thereof, upon the application of a storage 19 operator, the commissioner is authorized and empowered to enter an order requiring the unit operation of a storage unit, as that term is defined in **Subsection H of** this 20 Section, in addition to any reasonable and necessary areal buffer and subsurface 21 monitoring zones, and in connection with such an order of unit operation, the 22 commissioner shall have the right to unitize, pool, and consolidate all separately 23 24 owned tracts and other property interests within a storage unit for geologic storage.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

SB 36 Original

DIGEST 2025 Regular Session

Hensgens

<u>Present law</u> grants the commissioner the authority to establish rules and regulations for administering and enforcing laws related to carbon sequestration.

<u>Proposed law</u> retains <u>present law</u> and provides for the commissioner's authority to require the plugging of abandoned wells, closure of associated surface facilities, removal of equipment and structures, disposal of trash, and general site cleanup.

<u>Present law</u> grants the commissioner authority to conduct investigations, inspections, and inquiries related to waste prevention and enforcement within carbon storage operations.

<u>Proposed law</u> retains <u>present law</u> and further requires operators to submit an emergency contact phone number for rapid response in case of an emergency.

<u>Present law</u> authorizes the commissioner to approve unit operations for geologic storage to promote efficient development and prevent waste.

<u>Proposed law</u> retains <u>present law</u> and provides that the commissioner may include necessary areal buffers and subsurface monitoring zones in unitization orders, allowing for the pooling and consolidation of separately owned tracts for geologic storage.

Effective August 1, 2025.

(Amends R.S. 30:1104(A)(2)(d) and (3) and 1104.2(A))