

2026 Regular Session

HOUSE BILL NO. 637

BY REPRESENTATIVE JACOB LANDRY

ENERGY/OIL & GAS: Provides for oilfield site restoration fees

1 AN ACT

2 To amend and reenact R.S. 30:87(F)(2), relative to oilfield site restoration fees; to provide
3 for the calculation of oilfield site restoration fees on reduced rate production wells;
4 to provide for an effective date; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 30:87(F)(2) is hereby amended and reenacted to read as follows:

7 §87. Oilfield site restoration fees

8 * * *

9 F. The site restoration fee shall be the following:

10 * * *

11 (2) Reduced rate production such as stripper wells and incapable wells. The
12 site restoration fee for ~~each respective category of oil or gas hereunder shall be in the~~
13 ~~same proportion to the respective full rate production fees as the reduced rate~~
14 ~~severance tax to the full rate severance tax for each respective category.~~ reduced rate
15 production wells shall be as follows:

16 (a) The fee for oil produced from certified incapable oil wells as defined by
17 R.S. 47:633(A)(3)(b) shall be fifty percent of the fee imposed by Subparagraph
18 (1)(b) of this Subsection.

- 1 (b) The fee for oil produced from stripper oil wells as defined by R.S.
2 47:633(A)(3)(c)(i) and (ii) shall be twenty-five percent of the fee imposed by
3 Subparagraph (1)(b) of this Subsection.
- 4 (c) The fee for gas produced from low pressure oil wells as defined by R.S.
5 47:633(A)(5)(b) shall be forty percent of the fee imposed by Subparagraph (1)(c) of
6 this Subsection.
- 7 (d) The fee for gas production from incapable gas wells as defined by R.S.
8 47:633(A)(5)(c) shall be seventeen and one-half percent of the fee imposed by
9 Subparagraph (1)(c) of this Subsection.
- 10 Section 2. This Act shall become effective on July 1, 2026.
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DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, 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)]

HB 637 Engrossed

2026 Regular Session

Jacob Landry

Abstract: Establishes reduced rate oilfield site restoration fees.

Present law establishes a calculation of oilfield site restoration (OSR) fees for reduced rate oil and gas wells based on the percentage by which the severance tax rates for such wells are reduced.

Proposed law repeals the calculation used in present law and provides for the following reduced fee rates:

- (1) For oil produced from a certified incapable oil well, the OSR fee will be 50% of the fee for full rate production oil.
- (2) For oil produced from a certified stripper well, the OSR fee will be 25% of the fee for full rate production oil.
- (3) For gas produced from a low pressure oil well, the OSR fee will be 40% of the fee for full rate production gas.
- (4) For gas produced from incapable gas wells, the OSR fee will be 17.5% of the fee for full rate production gas.

Effective July 1, 2026.

(Amends R.S. 30:87(F)(2))