

ACT No. 702

2024 Regular Session

HOUSE BILL NO. 516

BY REPRESENTATIVE MACK

1 AN ACT

2 To amend and reenact R.S. 30:1112 and to enact R.S. 30:1103(14) and (15), 1107.2, 1113,
3 and 1114, relative to geologic sequestration of carbon dioxide; to require emergency
4 response plans; to provide definitions; to require recordation of maps; to require
5 notice of recordation; to establish certain siting prohibitions for Class VI wells; to
6 provide for groundwater testing and monitoring; to provide for reporting; to provide
7 for an effective date; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 30:1112 is hereby amended and reenacted and R.S. 30:1103(14) and
10 (15), 1107.2, 1113, and 1114 are hereby enacted to read as follows:

11 §1103. Definitions

12 Unless the context otherwise requires, the words defined in this Section have
13 the following meaning when found in this Chapter:

14 * * *

15 (14) "Area of review" means the region surrounding a geologic sequestration
16 project where underground sources of drinking water may be endangered by the
17 injection activity and is delineated using computational modeling that accounts for
18 the physical and chemical properties of all phases of the injected carbon dioxide
19 stream and displaced fluids and is based on available site characterization,
20 monitoring, and operational data.

21 (15) "Geologic sequestration project" means an injection well or wells used
22 to emplace a carbon dioxide stream beneath the lowermost formation containing an

1 underground source of drinking water or wells used for geologic sequestration of
 2 carbon dioxide that have received an expansion to the areal extent of an existing
 3 Class II enhanced oil recovery or enhanced gas recovery aquifer exemption and
 4 includes the subsurface three-dimensional extent of the carbon dioxide plume,
 5 associated area of elevated pressure, and displaced fluids and the surface area above
 6 that delineated region.

7 * * *

8 §1107.2. Emergency preparedness

9 A. Prior to the commencement of carbon dioxide injection, an owner or
 10 operator of a storage facility shall have in place an emergency and remedial response
 11 plan as required by the administrative rules regarding Class VI injection wells and
 12 shall provide a copy of the plan to the parish president, police jury president, or
 13 mayor-president, depending on the form of parish government, for each parish within
 14 the area of review for dissemination to the office of homeland security, local
 15 emergency preparedness committee, or other appropriate emergency preparedness
 16 or response agencies.

17 B. In addition to any other requirements imposed by administrative rules, the
 18 emergency and remedial response plan shall provide for continuing training
 19 programs for operating and maintenance personnel regarding potential hazards, risk
 20 scenarios, and response actions.

21 C. The owner or operator shall also conduct at least one tabletop exercise for
 22 each storage facility prior to the commencement of injection to simulate emergency
 23 situations and responses thereto in coordination with the appropriate emergency
 24 preparedness and response agencies, as designated by the parish president, police
 25 jury president, or mayor-president, depending on the form of parish government, for
 26 each parish within the area of review.

27 * * *

28 §1112. Notice of geologic storage agreements; notice of Class VI injection well
 29 permits; maps; recordation

30 A. Notice of geologic storage agreement.

1 (1) In lieu of recording an agreement for the geologic storage of carbon
 2 dioxide or any amendment or modification thereof, as provided by Civil Code
 3 Article 3338, a party may record a notice of geologic storage agreement signed by
 4 the grantor who executed the agreement.

5 (2) Recordation of a notice shall make the geologic storage agreement and
 6 any subsequent amendment or modification effective as to third persons to the same
 7 extent as recordation of the instrument.

8 (3) The notice of geologic storage agreement shall contain the following:

9 (a) A declaration that the property is subject to the geologic storage
 10 agreement and the names and addresses of the parties who executed the agreement.

11 (b) A description of the surface and depths covered by the geologic storage
 12 agreement.

13 (c) The effective date of the geologic storage agreement, its term, and the
 14 provisions of any other extensions and renewals of the term provided for in the
 15 agreement.

16 (d) A description of any restrictions on drilling through or otherwise
 17 penetrating the carbon dioxide storage reservoir for purposes of exploring,
 18 developing, or producing minerals from or below the reservoir.

19 ~~B.(1)~~ (4)(a) A change in a geologic storage agreement with respect to any
 20 matter that is required to be included in a notice of geologic storage agreement
 21 pursuant to ~~Subsection A of this Section~~ Paragraph (3) of this Subsection is not
 22 effective as to third persons unless the parties record a signed amendment to the
 23 notice that describes the change.

24 ~~(2)~~ (b) Notwithstanding ~~Paragraph (1) of this Subsection~~ Subparagraph (a)
 25 of this Paragraph, if the change is a transfer of a party's rights, the parties may do
 26 either of the following:

27 ~~(a)~~ (i) Record an amendment to the notice signed by the transferor and
 28 transferee evidencing the transfer.

29 ~~(b)~~ (ii) Record the instrument transferring the party's rights.

1 ~~C.~~ (5) The effect of recordation of a notice of geologic storage agreement
 2 ceases on occurrence of either of the following:

3 ~~(1)~~ (a) Upon recordation of an instrument signed by the parties to the
 4 agreement or their successors declaring that the geologic storage agreement has
 5 terminated.

6 ~~(2)~~ (b) On the date that the geologic storage agreement may finally terminate
 7 as set forth in the notice of geologic storage agreement.

8 ~~D.~~ (6) The provisions of this ~~Section~~ Subsection authorizing the filing of a
 9 notice of geologic storage agreement are remedial and shall be applied retroactively
 10 to any notice of geologic storage agreement ~~theretofore~~ filed for record prior to June
 11 16, 2023, which is in substantial compliance with the provisions of this Subsection
 12 ~~A of this Section~~, and such a notice shall affect third persons as of the date of
 13 recordation.

14 ~~E.~~ (7) The grantee of any recorded notice of geologic storage agreement shall
 15 notify the governing authority of the parish in which the instrument is recorded
 16 within thirty days after recordation. Notice may be made by electronic mail to the
 17 parish president, police jury president, or mayor-president, depending on the form
 18 of parish government.

19 B. Notice of Class VI injection well permit.
 20 After the issuance of a Class VI injection well permit, the owner or operator
 21 of the storage facility shall record a notice of the permit with the clerk of court for
 22 any parish included in the area of review for the permit application. The notice shall
 23 include the office of conservation permit number and the serial number of the Class
 24 VI injection well associated with the permit.

25 C. Maps.
 26 After the issuance of a Class VI injection well permit, the owner or operator
 27 of the storage facility shall record with the clerk of court for each parish within the
 28 area of review a map or maps bearing the office of conservation permit number
 29 containing the location or proposed location for the following items, but only to the
 30 extent this information is also required under Statewide Order 29-N-6:

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

- 1 (a) Injection wells.
- 2 (b) Monitoring wells.
- 3 (c) Producing wells.
- 4 (d) Abandoned and orphan wells.
- 5 (e) Plugged wells and dry holes.
- 6 (f) Known and suspected faults.
- 7 (g) Water wells.
- 8 (h) Surface bodies of water.
- 9 (i) Natural springs.
- 10 (j) Aquifers.
- 11 (k) Structures intended for human occupancy.
- 12 (l) Roads.
- 13 (m) State and parish boundaries.

14 (2) The owner or operator shall notify the governing authority of each parish
 15 in which the maps are recorded within thirty days after recordation. Notice may be
 16 made by electronic mail to the parish president, police jury president, or
 17 mayor-president, depending on the form of parish government.

18 §1113. Siting requirements

19 No Class VI injection wellhead shall be located within five hundred feet of
 20 the following:

- 21 (1) Inhabited dwellings not owned by the storage operator or any owner in
 22 interest bound by a contract with the storage operator that allows for location of a
 23 Class VI injection well within five hundred feet of an inhabited dwelling.
- 24 (2) Schools.
- 25 (3) Health care facilities.

26 §1114. Groundwater quality monitoring

27 The owner or operator of a storage facility shall conduct periodic testing and
 28 monitoring of ground water quality above the confining zone and shall report the
 29 testing and monitoring conducted to the commissioner semi-annually.

1 Section 2. This Act shall become effective upon signature by the governor or, if not
 2 signed by the governor, upon expiration of the time for bills to become law without signature
 3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
 4 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 5 effective on the day following such approval.

6 Section 3. The Louisiana State Law Institute is hereby authorized and directed to
 7 alphabetize and renumber the definitions contained in R.S. 30:1103 and to correct any
 8 cross-references to the renumbered paragraphs if necessary, consistent with the provisions
 9 of this Act.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____