
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 75 Engrossed

2025 Regular Session

McCormick

Abstract: Establishes minimum per acre compensation for non-consenting landowners within a carbon dioxide storage unit and requires unit operators to compensate non-consenting mineral owners within a unit for the value of stranded minerals or reimburse them for the additional costs required by the Department of Energy and Natural Resources to drill through the unit.

Present law (R.S. 30:1104.2(C)) requires a unitization order to provide for just and equitable compensation for all owners in interest and the storage operator. Present law also requires the order to provide for the method, formula, or other basis to determine the just and equitable share of the benefits.

Proposed law retains present law but also sets a minimum for any per acre compensation paid to a non-consenting unit participant, so that non-consenting owners in interest cannot be paid less than the average per acre compensation to all other owners in interest in the unit.

Present law (R.S. 30:1104.2(D)) authorizes the operator of a proposed storage unit or any owner in interest who has not entered into a contract with the proposed storage unit operator to have the court review whether the purpose for the storage unit is public and necessary, whether the compensation is just, and, if not, the amount of just compensation due. Specifies that the court's review in those instances is limited to the compensation affecting the specific owner in interest seeking review. Specifies that a jury trial on the matter may be requested, and the proceeding shall be conducted by preference.

Proposed law retains present law and permits the court to request information necessary to determine compensation for an owner in interest.

Present law (R.S. 30:1104.2(I)) provides that the formation of a carbon dioxide storage unit does not prevent mineral interest owners from drilling through the storage unit if the drilling complies with rules established by the commissioner of conservation.

Proposed law retains present law and further provides that a mineral owner must be reimbursed for additional material costs required by the dept. to drill through the storage unit or compensated for the value of stranded minerals by the storage unit operator.

(Amends R.S. 30:1104.2(C), (D), and (I))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Natural Resources and Environment to the original bill:

1. Make technical changes.
2. Add a new proposed law provision requiring a unit operator to compensate non-consenting mineral owners within the unit for the value of their stranded minerals or reimburse them for the additional material costs, as required by the department, to drill through the plume.
3. Change the minimum per acre compensation required from the maximum per acre compensation received by any owner in interest in the unit to the average per acre compensation received by all other owners in interest.
4. Make the minimum per acre compensation requirement applicable to non-consenting owners in interest only.