

Regular Session, 2013

HOUSE BILL NO. 493

BY REPRESENTATIVES ST. GERMAIN, ADAMS, ARNOLD, BADON, BARRAS, BARROW, BERTHELOT, BILLIOT, WESLEY BISHOP, BROWN, HENRY BURNS, TIM BURNS, BURRELL, CARTER, CHAMPAGNE, CHANEY, CONNICK, COX, DIXON, DOVE, EDWARDS, FRANKLIN, GAINES, GAROFALO, GISCLAIR, GUINN, HARRISON, HAZEL, HENRY, HENSGENS, HODGES, HONORE, HOWARD, HUNTER, JEFFERSON, JOHNSON, JONES, NANCY LANDRY, TERRY LANDRY, LEBAS, LEGER, LEOPOLD, LORUSSO, MONTOUCET, MORENO, JIM MORRIS, ORTEGO, PIERRE, POPE, PRICE, PUGH, PYLANT, REYNOLDS, RICHARD, SCHEXNAYDER, SIMON, SMITH, THIBAUT, WHITNEY, AND WILLMOTT AND SENATOR WARD

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

SALT DOMES: Provides for solution mining injection wells and solution mined caverns

1 AN ACT

2 To enact R.S. 30:3(16) and (17) and 4(M), relative to injection wells and mined caverns; to
3 provide for solution mining injection wells and solution mined caverns; to provide
4 for definitions; to provide for the powers and duties of the assistant secretary and the
5 commissioner of conservation; to authorize the adoption and promulgation of rules
6 and regulations providing for solution mining injection wells and solution mined
7 caverns; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 30:3(16) and (17) and 4(M) are hereby enacted to read as follows:

10 §3. Definitions

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

13 * * *

14 (16) "Solution mined cavern" means a cavity created within the salt stock by
15 dissolution with water.

1 (17) "Solution mining injection well" means a well into which fluids, other
2 than fluids associated with active drilling operations, are injected for extraction of
3 minerals or energy.

4 §4. Jurisdiction, duties, and powers of the assistant secretary; rules and regulations

5 * * *

6 M. The commissioner shall make, after notice and hearing as provided in this
7 Chapter, any reasonable rules, regulations, and orders that are necessary to control
8 the drilling, operating, and plugging of solution mining injection wells, the
9 permitting of such wells, and the resulting solution mined cavern. Such regulations
10 shall provide for, but not be limited to the following:

11 (1) Submission of site assessments and updated site assessments to include
12 a geological, geomechanical, and engineering assessment of stability of salt stock
13 and overlying and surrounding sediment based on past, current, and planned well and
14 cavern operations.

15 (2) Submission of the locations of caverns and proposed caverns in relation
16 to other caverns, including solution caverns, disposal caverns, and storage caverns,
17 and the periphery of the salt stock provided on maps and cross-section depictions
18 based upon best available information and updated at least every five years.

19 (3) Notification by the operator to the office of conservation of a solution
20 mining injection well inactivity or conclusion of mining operations.

21 (4) Setback distance locations for new caverns in relation to the periphery
22 of salt stock.

23 (5) Enhanced monitoring plan implementation for any existing caverns
24 within the mandatory setback distance locations.

25 (6) Permit requirements that include the following:

26 (a) Assistance to residents of areas deemed to be at immediate potential risk
27 in the event of a sinkhole developing or other incident that requires an evacuation.

28 (b) Reimbursement to the state or any political subdivision of the state for
29 reasonable and extraordinary costs incurred in responding to or mitigating a disaster

1 or emergency due to a violation of this Subsection or any rule, regulation, or order
2 promulgated or issued pursuant to this Subsection. Such costs shall be subject to
3 approval by the director of the Governor's Office of Homeland Security and
4 Emergency Preparedness prior to being submitted to the permittee for reimbursement.
5 Such payments shall not be construed as an admission of responsibility or liability
6 for the emergency or disaster.

7 (7) Criteria considered when deciding whether to approve the
8 implementation of the closure plan for a solution mining injection well.

9 (8) Submission and maintenance of an updated post-closure plan to include
10 subsidence monitoring, corrective action, and site remediation, as may be necessary
11 following plugging and closure.

12 (9) Evidence of financial security to be maintained for closure and
13 post-closure costs.

14 (10) Department protocols to ensure that production and well information
15 from all oil and gas activity within the vicinity of a salt dome shall be considered
16 during the permitting process for any solution mine permit.

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)]

St. Germain

HB No. 493

Abstract: Requires the commissioner of conservation to make rules, regulations, and orders to control solution mining injection wells and solution mined caverns.

Proposed law defines "solution mined cavern" and "solution mining injection well".

Proposed law requires the commissioner of conservation to make, after notice and hearings, any reasonable rules, regulations, and orders that are necessary to control solution mining injection wells, the permitting of such wells, and the resulting solution mined cavern.

Proposed law provides that the rules shall provide for, though not be limited to the following:

- (1) Submission of site assessments and updates of the stability of salt stock and overlying and surrounding sediment based on past, current, and future well and cavern operations.

- (2) Submission of current and proposed caverns in relation to other caverns and the edge of the salt stock provided on maps and cross-sections depictions based on best available information and updated every five years.
- (3) Notification of well inactivity and conclusion of mining operations.
- (4) Setback distances for new caverns from the edge of the salt stock.
- (5) Enhanced monitoring of existing caverns within the setback distance from the edge of the salt rock.
- (6) Permit requirements to provide assistance to residents of areas in immediate potential risk due to a sinkhole or other incident that requires evacuation. Permit requirements to reimburse the state or any political subdivision for reasonable and extraordinary cost in responding or mitigating a disaster or emergency due to a violation of proposed law or a rule, regulation, or order promulgated or issued pursuant to proposed law. Such costs are subject to approval by the director of Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) and payments are not an admission of responsibility.
- (7) Criteria considered in deciding to approve the implementation of a closure plan of a solution mining injection well.
- (8) Submission and maintenance of post-closure plans to include subsidence monitoring, corrective action, and site remediation.
- (9) Evidence of financial security to be maintained for closure and post-closure costs.
- (10) Department protocols to ensure that all oil and gas activity within the vicinity of a salt dome shall be considered during the permitting process for any solution mine permit.

(Adds R.S. 30:3(16) and (17) and 4(M))

Summary of Amendments Adopted by House

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

1. Made technical corrections.