

# ACT No. 368

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 SENATORS MILLS AND WARD

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

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.

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

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

2 \* \* \*

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

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

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

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

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

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

23 (6) Permit requirements that include the following:

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

26 (b) Reimbursement to the state or any political subdivision of the state for  
27 reasonable and extraordinary costs incurred in responding to or mitigating a disaster  
28 or emergency due to a violation of this Subsection or any rule, regulation, or order  
29 promulgated or issued pursuant to this Subsection. Such costs shall be subject to  
30 approval by the director of the Governor's Office of Homeland Security and

1           Emergency Preparedness prior to being submitted to the permittee for reimbursement.  
2           Such payments shall not be construed as an admission of responsibility or liability  
3           for the emergency or disaster.

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

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

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

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

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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PRESIDENT OF THE SENATE

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_