
DIGEST

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HB 451 Original

2016 Regular Session

Jim Morris

Abstract: Decreases fees and fee caps and repeals fees collected by the office of conservation, and creates an expedited permit process.

Present law authorizes the office of conservation in the Dept. of Natural Resources to collect annual fees from operators of capable oil and gas wells based on a tiered system and on injection wells and facilities.

Proposed law decreases the caps on these annual fees beginning Fiscal Year 2016-2017 as follows:

	<u>Prior Fee</u>	<u>New Fee</u>
Capable oil and gas wells	\$3,675,000	\$2,450,000
Class I wells	\$1,000,000	\$ 400,000
Class II, III, and storage wells and type A and B facilities	\$2,187,500	\$ 875,000

Present law authorizes the office of conservation to collect application fees in a form and schedule prescribed by the office and, in addition to the fees charged on July 1, 2015, authorizes the collection of the following fees:

Application for alternate unit well, exception to 29-E, exception to 29-B, severance tax relief, downhole combinations, well product reclassification, selective completion, pilot projects, waiver of production test, or critical date order	\$ 504
Application for work permit - minerals	\$ 75
Application to amend permit to drill - minerals (lease unit well, stripper, incapable, other)	\$ 50
Operator registration	\$ 105
Annual compliance review fee - class III solution mining cavern	\$ 2,000
Annual compliance review fee - class II	\$ 2,000

hydrocarbon storage and exploration and production waste cavern		
Class III carbon dioxide enhanced recovery project	\$ 5,000	
Community saltwater disposal system initial notification	\$ 125	
Application for work permit - injection or other	\$ 125	
Work permit to plug and abandon a well utilized for naturally occurring radioactive waste disposal	\$ 500	
Requests to modify well permit	\$ 300	
Class V permit waiver or exemption request	\$ 250	
Witnessed verification of mechanical integrity tests	\$	250
Transfer stations regulatory fee for exploration and production waste	\$ 2,500	
Request to transport exploration and production waste to commercial facilities or transfer stations	\$ 150	
Authorization for after-hours disposal of exploration and production waste	\$ 150	
Exploration and production waste determination	\$ 300	
Commercial facility transfer station application	\$ 1,500	
Commercial facility application exclusive of an associated well	\$ 3,000	
Commercial facility annual closure plan and cost estimate review	\$ 300	
Commercial facility reuse material applications	\$ 300	
Reuse material applications not associated with a commercial facility	\$ 400	

Proposed law repeals the authorization to charge the fees in present law that are in addition to the fees charged on July 1, 2015.

Proposed law authorizes the increase of fees charged before July 1, 2015, through the Administrative Procedure Act, not to exceed 8.5% of the fees charged on July 1, 2002.

(Amends R.S. 30:21(B)(1)(a), (b), (c), and (d)(intro. para.); Repeals R.S. 30:21(B)(1)(d)(i) -(xxii))