

Regular Session, 2013

HOUSE BILL NO. 493

BY REPRESENTATIVE ST. GERMAIN 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.

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.

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

20 \* \* \*

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

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

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

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

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

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

20                    (6) Permit requirements that include the following:

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

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

1        Such payments shall not be construed as an admission of responsibility or liability  
2        for the emergency or disaster.

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

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

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

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

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#### 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)]

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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.