

---

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by McHenry Lee.

---

## DIGEST

Murray (SB 325)

Proposed law provides legislative findings.

Proposed law voids any provision in an oilfield site or exploration and production site agreement that provides defense or indemnity against a person who is responsible for environmental damage caused by his negligence or fault.

Proposed law defines "agreement", "operating agreement", and "farmout agreement".

Proposed law provides no affect on any insurance contract and will not deprive an owner, or co-owner, or usufructuary of a surface estate of the right to secure an indemnity from any lessee, operator, contractor, or other person conducting operations for the exploration or production of minerals.

Proposed law provides no affect on the validity of an operating agreement or farmout agreement to the extent that such an agreement purports to provide for defense or indemnity.

Proposed law provides that any agreement which requires waivers of subrogation, additional named insured endorsements, or any other form of insurance protection are void. Further provides an exception for a party who physically performs certain activities.

Proposed law does not deprive a person who has transferred land, with a reservation of mineral rights, of the right to secure a defense or indemnity agreement from any lessee, operator, contractor, or other person conducting operations for the exploration or productions of minerals in connection with the reserved mineral rights provided that such person does not retain a working interest or an overriding royalty interest convertible to a working interest in any production obtained through activities conduction on an oilfield site or an exploration and production (E&P) site.

Proposed law does not apply to loss or liability for damages, or any other expenses, arising out of or resulting from bodily injury or death to persons occurring on an oilfield site or an exploration and production (E&P) site.

Proposed law provides that whoever intentionally violates proposed law will be liable to any person who suffers damage arising from such violation and that any person aggrieved of an intentional violation will be entitled to treble damages.

Proposed law provides that the provisions of proposed law will be given retroactive application.

Proposed law provides that the provisions of proposed law will not apply to certain contracts or agreements related to claims under R.S. 30:29 that have been settled in principle.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Adds R.S. 30:29.2)