
HOUSE COMMITTEE AMENDMENTS

Amendments proposed by House Committee on Ways and Means to Original House Bill No. 713 by Representative Greene

1 AMENDMENT NO. 1

2 On page 1, line 4, after "requirements;" and before "to" insert "to provide for applicability;"

3 AMENDMENT NO. 2

4 On page 1, delete lines 17 through 19 in their entirety and on page 2, delete lines 1 through
5 3 in their entirety, and insert the following:

6 "(cc) Severance tax shall not be required to be paid from the date production
7 begins from horizontal wells if the well operator files, prior to first production, a
8 preliminary application for well status determination along with a directional survey
9 demonstrating that the well meets the requirements of a horizontal well with the
10 Louisiana Department of Natural Resources, office of conservation, and the office
11 of conservation certifies that the well meets the horizontal well requirements.
12 Additionally, within two hundred seventy days of first production, the well operator
13 shall complete and file an amended application for well status determination with the
14 office of conservation which shall include the date the well commenced production
15 and the detailed itemized well cost statement in order for severance tax obligations
16 to be suspended from the date production begins from qualified horizontal wells.
17 Well operators shall continue to file severance tax returns with the corresponding
18 lease detail reports for these wells during the severance tax suspension period. When
19 filing the lease detail reports, the operator shall insert the well serial code in place
20 of the lease code. If production from the well is attributable to a state lease, the
21 operator shall be required to pay royalty to the state throughout the severance tax
22 suspension period. Failure to file an amended application for well status
23 determination with the office of conservation within two hundred seventy days of
24 first production shall not affect the qualified well's suspension status provided that
25 the amended application is received within twenty-four months or until payout of the
26 well is achieved, whichever comes first."

27 AMENDMENT NO. 3

28 On page 2, line 13, after "first." delete the remainder of the line in its entirety and delete
29 lines 14 through 24 in their entirety and insert the following:

30 "Severance tax shall not be required to be paid from the date production begins from
31 deep wells if the well operator files, prior to first production, a preliminary
32 application for well status determination, along with a directional survey
33 demonstrating that the well meets the requirements of a deep well with the Louisiana
34 Department of Natural Resources, office of conservation, and the office of
35 conservation certifies that the well meets the deep well requirements. Additionally,
36 within two hundred seventy days of first production, the well operator shall complete
37 and file an amended application for well status determination with the office of
38 conservation which shall include the date the well commenced production and the
39 detailed itemized well cost statement in order for severance tax obligations to be
40 suspended from the date production begins from qualified deep wells. Well
41 operators shall continue to file severance tax returns with the corresponding lease
42 detail reports for these wells during the severance tax suspension period. When
43 filing the lease detail reports, the operator shall insert the well serial code in place
44 of the lease code. If production from the well is attributable to a state lease, the
45 operator shall be required to pay royalty to the state throughout the severance tax

1 suspension period. Failure to file an amended application for well status
2 determination with the office of conservation within two hundred seventy days of
3 first production shall not affect the qualified well's suspension status provided that
4 the amended application is received within twenty-four months or until payout of the
5 well is achieved, whichever comes first.

6 * * *

7 Section 2. This Act shall become effective January 1, 2015, and shall be applicable
8 to any claim of refund filed with a return due on or after January 1, 2015."