The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by J. W. Wiley.

DIGEST

SB 88 Engrossed 2015 Regular Session Adley

Present law authorizes the commissioner to establish drilling unit or units for each pool, except for those pools which, prior to July 31, 1940, had been developed to an extent and where conditions exist making it impracticable or unreasonable to use a drilling unit at the present stage of development. Further provides for the definition of a "drilling unit".

Proposed law changes the definition of "drilling unit" from a "maximum area which may be efficiently and economically drained by one well" to a "maximum area which may be efficiently and economically drained by any well or wells designated to serve the drilling unit as the unit well, substitute unit well, or alternate unit well".

Proposed law defines "cross-unit person", "cross-unit well", "short unit", and "timely objection".

Proposed law authorizes the commissioner to permit the drilling of cross-unit wells.

Proposed law provides that the commissioner cannot authorize or permit a cross-unit well proposed to have less than 500 feet of perforated lateral in any unit to be served by the cross-unit well if one of the following requirements is met:

(1) The preapplication notice and hearing application do not expressly set forth the cross-unit person's right to object to the application.

(2) A timely objection is filed by a cross-unit person who owns an interest in a short unit, and on the date of the application hearing, the short unit either is not producing or is producing only from one or more horizontal laterals with a combined length of perforated lateral of less than 500 feet.

Effective August 1, 2015.

(Amends R.S. 30:9(B); adds R.S. 30:9.2)