

State of Louisiana

OILFIELD SITE RESTORATION

COMMISSION MEETING

December 17, 2020

1:30 p.m.

Oilfield Site Restoration Commission Meeting
Hearing Held on Zoom Video Conferencing
Thursday, December 17, 2020
1:30 p.m.

MEMBERS PRESENT:

Thomas Harris, DNR, Secretary
Cynthia Dupree, LLA
Lisa Creasman, Nature Conservancy
Steve Maley, LOGA
Donald Briggs, LOGA
John Connolly, At-Large
Tyler Gray, Mid-Continent (LMOGA)
Nathan McBride, LMOGA

STAFF PRESENT:

John Adams, Office of Conservation Attorney
Roby Fulkerson, Office of Conservation, OSR Staff
Casandra Parker, Office of Conservation, OSR Staff

OTHERS PRESENT:

Ross Donnes
George Arceneaux

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Oilfield Site Restoration Commission Meeting

December 17, 2020

ROLL CALL

SECRETARY HARRIS:

I'd like to thank everyone for attending, and I would like to call this meeting of the Oilfield Site Restoration Commission to order.

Would you call the roll, please, Roby?

MR. FULKERSON:

Yes, sir. Give me one second. Tom Harris, Secretary.

MR. HARRIS:

Present.

MR. FULKERSON:

Richard Ieyoub, Commissioner of Conservation

(No response.)

MR. FULKERSON:

Cynthia Dupree.

MS. DUPREE:

Here.

MR. FULKERSON:

Donald Briggs.

(No audible response, but was present.)

MR. FULKERSON:

Lisa Creasman.

MS. CREASMAN:

1 Here.

2 **MR. FULKERSON:**

3 Steve Maley. I believe Steve is on here, I thought.

4 **MS. DUPREE:**

5 I thought Steve was --

6 **MR. FULKERSON:**

7 We may have lost him along the way there.

8 **MR. MALEY:**

9 (No audible response, but was present.)

10 **MR. FULKERSON:**

11 Barney Callahan.

12 (No response.)

13 **MR. FULKERSON:**

14 John Connolly.

15 **MR. CONNOLLY:**

16 I'm here.

17 **MR. FULKERSON:**

18 Tyler Gray.

19 **MR. GRAY:**

20 Present.

21 **MR. FULKERSON:**

22 Nathan McBride.

23 **MR. MCBRIDE:**

24 Present.

25 **MR. FULKERSON:**

1 That's six and a quorum, Mr. Harris.

2 **SECRETARY HARRIS:**

3 Outstanding. Thank you, Roby.

4 **APPROVAL OF MINUTES**

5 **SECRETARY HARRIS:**

6 Our first order of business is approval of minutes. I -- I do want to
7 make a note, I think what we received was actually a transcript and not
8 minutes. I know it's a little picky, but I just wanted to make that
9 clarification. Were -- unless I'm mistaken, were there minutes also sent
10 out, or --

11 **MR. FULKERSON:**

12 I have not seen any, no, sir.

13 **SECRETARY HARRIS:**

14 Okay. Well, we -- we do have the transcript. Would anyone care
15 to make a motion to approve or anyone have any comments or corrections
16 on the transcript provided?

17 **MS. DUPREE:**

18 This is Cynthia. I so move to approve.

19 **SECRETARY HARRIS:**

20 Thank you -- thank you, Ms. Creasman. Do I hear a second? Oh,
21 Cynthia -- that was -- I'm sorry. That was Ms. Dupree that made that
22 motion.

23 Do I hear a second?

24 **MR. CONNOLLY:**

25 I'll second. This is John.

1 **SECRETARY HARRIS:**

2 Thank you, Mr. Connolly.

3 We have a motion and a second. All in favor, signify by saying
4 "aye."

5 (All aye.)

6 All opposed?

7 (No response.)

8 The motion carries. Thank you.

9 **FUND STATUS**

10 **SECRETARY HARRIS:**

11 Roby, the next order of business is the fund status?

12 **MR. FULKERSON:**

13 Yes, sir, sure is.

14 **SECRETARY HARRIS:**

15 Would you proceed, please?

16 **MR. FULKERSON:**

17 All righty. I'm sharing my screen again. Let me know if anyone
18 has any issues.

19 I believe Steve may be just joining us again right now.

20 The current fund as of November 30, 2020, I guess, the revenue
21 collected from previous years is around \$123 million. From our fiscal
22 year 2021, OSR from LOGA has collected \$1,498. The Oilfield Site
23 Restoration gas tax has collected \$3,654,036. OSR has collected from the
24 oil tax \$313,308. In interest, OSR has collected \$1,426. The inactive well
25 assessment shows 78,375, or \$78,375, that is actually -- that -- that's as

1 of November 30th, but that number has actually gone up where I believe
2 the fees were due mid-December, so those fees are actually closer -- give
3 me one second -- the fees actually should be around \$832,500. They just
4 haven't shown up yet due to timing. The current year financial security
5 escrow reimbursements shows \$500,000. So our total collections are \$4.5
6 million, with our projected collections for 2021 is \$5.4 million.

7 As you can see going down, we've got \$1 million in total
8 encumbrances right now. We're also kind of in the red on emergency
9 reserve. So, currently, our fund balance sits right around \$540,846, and
10 the projected fund balance of just over \$6 million.

11 Are there any questions?

12 We also -- I guess two things that aren't showing up -- or a couple
13 items aren't showing up on here, there's -- we have three emergencies
14 this fiscal year. We had a Creole Offshore, Boston Bayou, and also
15 Kaplan. Kaplan has shown up. I believe Creole has shown up. Boston
16 Bayou has not actually shown up on total encumbrances yet.

17 If anyone doesn't have any questions, I can continue on.

18 (No response.)

19 **MR. FULKERSON:**

20 Okay. You may have to bear with me. I'm going to -- I tried to
21 make these charts a little bit better, so I -- I'll pivot the screen here.

22 So, again, for OSR, the Program's annual OSR collections, again,
23 through November 30th, you can kind of see where we are based on
24 previous years. It does look like we're down a little bit compared to
25 previous years. I'm -- I'm sure it's directly related to oil price and

1 COVID. I think we started out hoping for a higher number this year,
2 and that number has slowly come down. So I -- I think we'll see, as the
3 year progresses, that there will, in fact, be slightly less money available
4 in the fund for abandonment this year.

5 Does anyone have any questions?

6 **MS. CREASMAN:**

7 Not me.

8 **PROGRAM STATISTICS**

9 **STATISTICAL REVIEW**

10 **MR. FULKERSON:**

11 Okay. I'll continue on to the statistical review of the sites. So the
12 orphan -- the orphan wells plugged by the OSR Program now sits at 34 --
13 3,435, and, previously, it was 3,358, so we've -- we've accomplished a good
14 bit of plugging during the months since our last meeting, mostly in north
15 Louisiana. We've plugged two wells recently in south Louisiana in the
16 Russo Field. North Louisiana, we've accomplished quite a bit in the
17 Monroe Field area and also in the Caddo-Pine Island area.

18 In terms of what we've seen out of the federal government, under
19 No. 2, kind of what we've seen from LOSCO, the Coast Guard, and the
20 EPA, I believe they've all been hit pretty hard as well from COVID, and
21 we haven't seen really any participation from any of the three, outside of
22 help with general reporting or overflights letting us know if there's an
23 issue. We haven't had any wells P&A'd outside of the orphan program.

24 Priority wells remaining in the state, as you can see, we've got 59
25 total Priority No. 1; 517, Priority 2; Priority 3, we get closer to about

1 1,700; and Priority 4 is around 2,000. So total wells remaining, we still
2 have right around 4,449 wells. I would think with COVID and kind of
3 the status of the Oilfield currently, you might see that number climb up
4 here shortly. How high it climbs, I'm not quite sure. As you can see, the
5 wells orphaned recently in -- let's see, in October, we're at 84. I think,
6 November, it was just a blip where you didn't see many. And I -- I -- I
7 think in December, we're a few days early, the orphan list actually hits
8 on the 20th of the month where it hits the State Registry and goes listed
9 in the Potpourri, so I think you'll start seeing that probably climb up in
10 the hundreds range, and I'm not -- I'm not sure how long it will stay in
11 that range, but I -- I imagine we'll probably see more, rather than less,
12 coming up.

13 Does anybody have any questions on this slide?

14 **MR. MALEY:**

15 Hey, Roby. This is Steve Maley. I just checked in. Can you hear
16 me?

17 **MR. FULKERSON:**

18 Yes, sir, we sure can.

19 **MR. MALEY:**

20 Thanks.

21 **MR. FULKERSON:**

22 We've seen you kind of bounce on and off. We -- we were trying to
23 get you -- as we could.

24 **MR. MALEY:**

25 I'm having problems with my IT department.

1 **MR. FULKERSON:**

2 Understandable.

3 **FISCAL YEAR '20-'21 QUARTER PERFORMANCE**

4 **MR. FULKERSON:**

5 All right. I'll continue on with our graph on the orphan well count
6 versus cumulative wells plugged. As you can see, we've kind of hit -- the
7 total count is still continuing to climb. It is now at 4,449 wells, and the
8 total wells abandoned are 3,435.

9 And the orphan wells plugged -- I'm sorry, this slide is a little busy
10 -- but, essentially, at the top line, what you'll see is the orphan well count
11 which mimics the last page, which was 4,449 wells. The second line is
12 the total plugged by OSR funds and other means, so that would be the
13 wells plugged by OSR, USCG, co-op, really everything combined, and
14 that would be 4,178 wells. The green line in the middle is the well -- the
15 wells plugged by OSR funds, and that would be -- that -- that would be
16 3,435 wells. And the wells plugged by other means, I believe that kind of
17 goes into the Coast Guard, co-op, and other lines, that's 741 wells.

18 Again, the urgent and the high-priority wells, the -- and the higher
19 the priority, the Priority 1 and Priority 2 wells, we kind of still keep track
20 of those. They're not really a performance indicator for us, but they are
21 something we'll still keep track of as the program. So the cumulative
22 urgent and high-priority wells are in blue that have been P&A'd, and the
23 wells remaining are in red. So we've actually P&A'd 631 wells, and we
24 have 576 wells remaining, and that's urgent and high-priority both so
25 that would be Priority 1s and Priority 2s.

1 And I'm going to do a couple screen flips on you.

2 As I said, that was the urgent and high-priority wells. The -- they
3 were previously performance indicators for us. Currently, the -- the new
4 performance indicators as of this fiscal year are just orphan well
5 amounts, total wells.

6 So, in the first quarter, we reported to you guys, we P&A'd 45
7 wells. In the second quarter, we P&A'd 36 wells. So we've got a total of
8 81 total wells P&A'd, and our goal is to hit 225. So, as you can see, with
9 the emergencies, we've kind of got a quite -- quite -- quite a little ways to
10 go here.

11 Are there any questions I could answer related to this slide?

12 **SECRETARY HARRIS:**

13 Roby, it's -- it's not directed to this slide, but how are we doing as
14 far as the ten percent in north Louisiana that -- that moved to plug more
15 of the -- of the shallow Cotton Valley and other wells in those fields?
16 We're at the midpoint of the year.

17 **MR. FULKERSON:**

18 We are not quite there yet. There is a couple of packages out there
19 that will put us to meet both the -- the dollar amount and the -- I believe
20 the amount of wells, so we -- our goal is to hit that. It's just going to kind
21 of depending on the -- how much funding we have from this point
22 forward, I guess would be the best way to put it, sir.

23 **SECRETARY HARRIS:**

24 Thank you. Thanks for the update.

25 **OILFIELD SITE RESTORATION PROGRAM PROJECTS**

1 **COMPLETED AND ACTIVE CONTRACTS**

2 **MR. FULKERSON:**

3 Okay. And speaking of that, I -- we kind of -- if you'd go on to the
4 next slide, it will kind of go through our active oil -- Oilfield Site
5 Restoration projects. So I'll zoom in a little bit. You may lose a little bit
6 on the corners, but you might be able to look on your own slides there.

7 Okay. So for -- the first one is Monroe Field, PA 18-005, that's one
8 we've carried over a few years. Unfortunately, it seems like every year it
9 gets delayed due to a weather window. Believe it or not, north Louisiana
10 with the weather, they're not able to reach some of these sites due to
11 flooding, and, again, it looks like this year those sites won't be able to
12 reach due to flooding.

13 The Emergency 18-003, I believe, again, is -- is something just
14 kind of ongoing, and we continue to carry that.

15 Let's see. So the first one, we've got PA 20-006, Caddo-Pine
16 Island, Elm Springs. We've got one well remaining, that was a carryover
17 from last year.

18 We've got PA 21-001,, Morehouse Field with Elm Springs, that one
19 has been delayed a little bit. It's a smaller well package. It's four. That
20 one has also been delayed due to weather.

21 PA 21-005, various in Caldwell Field -- Parish, so that's actually in
22 Monroe, 21 wells. That project should be starting here shortly.

23 PA 21-004, Caddo-Pine Island, Caddo Parish, a 36-well package,
24 that project is ongoing. We're still sending out daily reports. I think
25 weather hampers them slightly, but that -- that is ongoing actively being

1 worked.

2 We've got four bid packages out currently. We have not awarded
3 them yet. They have all gone -- had the bid walked. The bids have been
4 received. We have not issued the bid -- essentially issued a winning
5 bidder yet, and that's in Welsh, so that's Jefferson Davis Parish and
6 Lafayette, and that's 14 wells, and it's got two high-priority wells there.

7 Monroe would be 21-006 in Ouachita Parish, that's got 20 wells,
8 and one high-priority.

9 We've also got another package in Caddo-Pine Island. It's got 42
10 wells, with five wells in high-priority.

11 And then the last one is Humphrey's Field, that's three wells.

12 And, again, those last four, we've got the bid packages out and bids
13 received. We just have not awarded them yet.

14 And the projects completed since our last meeting, we've
15 completed Emergency 20-001, Kaplan Field. If you'll remember, just
16 before the hurricanes came through, we had a tank battery in Kaplan
17 Field that was actually overflowed. The tank battery threw the firewall
18 into the ditch. It looked like it had some oil and probably saltwater
19 mixed. We remediated that site and declared it an emergency. That was
20 around \$1 million by the time we cleaned up the saltwater, the oil, and
21 completed the remediation project and disposed of some of the
22 equipment. I believe we also found some NORM on that site as well.

23 Our next emergency was the one we put forth to this Committee
24 last meeting in October, that was Boston Bayou. That project just
25 wrapped up last week. That was the one, it was a leaking well on Boston

1 Bayou. The -- essentially, the master valve was slightly leaking, and so
2 was the upper (phonetic) master valve. After one of the two hurricanes
3 came through, the leak worsened to the point the valve had frozen over
4 but was still emitting gas. We declared an emergency there. Currently,
5 you'll see \$233,000 listed. That number will go up slightly. I'd expect
6 probably two or three times that amount. We haven't gotten the final bill
7 in from that yet, but the project was wrapped up last week. I want to say
8 it was last week.

9 The next one is Emergency 21-003, and that's in Creole Offshore
10 Field. Immediately after the meeting last time -- last week -- or not last
11 week, in October, we had another emergency. BSEE and the Coast Guard
12 found in overflights there was a sheen coming off of one of the platforms
13 in Creole Offshore Field. We put together a bid package and repaired the
14 platform, stopped the leak, and moved anything that could fly off in
15 terms of debris. It looked like the storm had actually come through and
16 pulled a bunch of the piping off. One of the separators was actually
17 hanging off the side of the platform. Our contractor was able to get out
18 there, pull the separator off, and essentially stop the leak. That was
19 around \$195,000.

20 And the last two we completed was Russo Field, that was two
21 wells by Lone Oak. That was quoted to be \$335,000 but will probably go
22 a little over that.

23 And then PA 21-002, with Elm Springs, it was a 21-well package
24 in Caddo Parish.

25 As for our north Louisiana mandate, as you can see, we've got

1 21-001, with Elm Springs for the four wells for \$63,000. We've also got
2 PA 21-003, Caldwell Parish with Womack Brothers with 21 wells and
3 \$221,000. And the Caddo-Pine Island, Caddo Parish, Womack Brothers,
4 is 36, for \$159,000. So, if you'll look at the two packages we've got
5 outstanding, we believe that should get us over the mandate for north
6 Louisiana.

7 **MS. PARKER:**

8 Roby, this is Casandra.

9 **MR. FULKERSON:**

10 Yeah.

11 **MS. PARKER:**

12 The 21-002, the Rodessa and CPI should be down in that north
13 Louisiana mandate too. I didn't catch that when we were going through
14 it.

15 **MR. FULKERSON:**

16 Okay. I apologize. So we've got a few more to add into the north
17 Louisiana mandate, just overlooked there.

18 **MS. DUPREE:**

19 Hey, Roby -- Roby, this is Cynthia Dupree.

20 **MR. FULKERSON:**

21 Yes, ma'am.

22 **MS. DUPREE:**

23 Regarding the bid process, once -- you said you were -- you haven't
24 awarded the bids to do the work for some of the jobs. How long does it
25 take to actually award the bid once the bids are received?

1 **MR. FULKERSON:**

2 I believe we have up to 60 days by the Louisiana bid law to award
3 the bid.

4 **MS. DUPREE:**

5 Okay, okay. So we're in line with the 60 days in regards to Jeff
6 Davis and those other areas?

7 **MR. FULKERSON:**

8 Yes, ma'am. They would be coming up towards the end of this
9 month or next month.

10 **MS. DUPREE:**

11 Good. Okay.

12 **MR. FULKERSON:**

13 Yes, ma'am. We're -- we're definitely aware of that, because the
14 Louisiana bid law is very specific on timing and what happens if we don't
15 meet that timing, so we -- it's something we -- we try to be very cognizant
16 of.

17 **MS. DUPREE:**

18 Thank you so much.

19 **MS. PARKER:**

20 Hello. This is Casandra again. If you want to know the exact date
21 on those projects, the Welsh project is January 12th for our 60 days, and
22 the Monroe project and the Caddo-Pine Island project is January 25th.

23 **MS. DUPREE:**

24 Okay. Thanks, Casandra.

25 **MS. PARKER:**

1 You're welcome.

2 **MR. FULKERSON:**

3 Okay. If there's no more questions, I'll carry on. Let me rotate us
4 back around here.

5 Essentially, at the end, I just wanted to throw in a couple of
6 completed projects for us. The first one is Russo Field. This one was
7 actually pretty important to us. It was somewhat in a populated area. It
8 was leaking. As you can see, it wasn't quite what we like as the state to
9 have. It also had a little bit of NORM out there. Just last week, they
10 were able to complete the site removal, P&A'd both wells. It was an
11 SWD and a primary producer, P&A'd them both. It was not a
12 conventional P&A as, essentially, every valve on the tree leaked and they
13 had 2,000 or 3,000 pounds on both the tubing. I believe the casing had a
14 couple thousand pounds on it as well. The District did a really great job
15 in terms of working the issues, and they were able to get it done, a little
16 bit over budget but safely and without any environmental issues. But
17 not quite a cut-and-dry well. It was pretty complicated.

18 And then Boston Bayou, I threw a couple pictures in here. It was
19 actually a pretty complicated well for us. We had -- we really struggled
20 with the weather conditions. Many times they had less than a foot of
21 working water depth to work with there. As you can see, those barges
22 are actually sitting on bottom, so if the winds went out of -- essentially,
23 depending on the wind direction, was how much water we had in the
24 Bayou. So there were many times we had essentially boats waiting to
25 get into the Bayou due to the water height. But we were actually able to

1 P&A these -- this one probably less than what I had initially expected,
2 and they did a pretty good -- it was a safe job, no major spills. And if you
3 guys can remember the initial picture with the wellhead frozen over and
4 gas coming out at a pretty high rate, it went pretty well.

5 And that's kind of all I have. We have a second meeting after this.
6 We've got ten additional minutes if we were to run over, but I -- I'll hand
7 it back to Mr. Harris right now, I guess.

8 **MR. HARRIS:**

9 Very good. Do we have any federal or third-party activity to
10 report?

11 **MR. FULKERSON:**

12 No, sir. Largely, the only federal activity we've seen lately is
13 overflights from the Coast Guard. They will call in and let us know if
14 something is leaking offshore. Most of that occurred post-hurricane.

15 **MR. HARRIS:**

16 And, as far as our new contractors for approval, are they going to --
17 are they on the call, or they -- did they want to say a few words? I'm just
18 looking at the meeting agenda.

19 **MR. FULKERSON:**

20 Yep. I'm sorry. I -- I guess I left the list off. I apologize for that.
21 Give me one second and I'll share the list. I completely left that off. I
22 apologize.

23 **MR. HARRIS:**

24 No worries.

25 **INTRODUCE FOR APPROVAL NEW OSR CONTRACTORS**

1 **MR. FULKERSON:**

2 Let's see. Okay. We actually have three new contractors up for
3 approval. The first is Pegasus Mineral, LLC, and the contact is Jerome
4 Sedgwick. They're based out of Belcher, Louisiana. And they applied to
5 work on land wells up to 10,000 feet.

6 The second is Select Oilfield Services, contact Barry Salsbury, and
7 they're out of Belle Chasse, Louisiana. And they applied to work on all
8 wells of all depths on water and land.

9 Chalmers is the -- the third well (sic) is Chalmers, Collins, and
10 Alwell Consulting Petroleum Engineers, contact is Richard Chalmers,
11 and they're based out of Lafayette, Louisiana. And they applied to work
12 on all wells of all depths on land only though.

13 **MR. HARRIS:**

14 Very good. I would like to note for the record that Mr. Briggs
15 appears to be on the line. Good afternoon, Don. Either that or I was
16 seeing things.

17 **MS. DUPREE:**

18 He may not have his audio on.

19 **MR. HARRIS:**

20 Quite -- quite possibly. At any rate, I just wanted to note that for
21 the record.

22 Roby, are any of these three contractors on -- on the call today?

23 **MR. FULKERSON:**

24 I -- I'm not quite sure. If anybody is on, please, speak up and let
25 us know.

1 **MS. PARKER:**

2 Hey, hey.

3 **MS. DUPREE:**

4 Hey, Casandra.

5 **MS. PARKER:**

6 Everything just went away. I'm sorry.

7 **MS. DUPREE:**

8 All I have is you.

9 **MS. PARKER:**

10 Okay.

11 **MR. FULKERSON:**

12 Oh, I'm sorry. I stopped screen sharing there.

13 No, sir. It doesn't -- it doesn't appear we have any of the
14 contractors on.

15 **MR. HARRIS:**

16 Very good. Do we need to approve these individually or --

17 **MS. PARKER:**

18 Last time -- last time, I think that's what we did is, we approved
19 each contractor individually. I know in the past we have set it up to
20 where we just approved all at the same time. It depends on how you
21 want to do it.

22 **MR. HARRIS:**

23 Well, the pleasure of the Commission, do I hear any motions?

24 **MR. BRIGGS:**

25 I move to approve all of them.

1 **MR. HARRIS:**

2 I'm sorry. I didn't catch who that was.

3 **MR. BRIGGS:**

4 Don Briggs.

5 **MR. HARRIS:**

6 Well, good afternoon, Mr. Briggs. Would you care to make a
7 motion?

8 **MR. BRIGGS:**

9 Yes. I -- I move that we approve all the new contractors.

10 **MR. HARRIS:**

11 We have a motion on the table. Do I hear a second?

12 **MR. MALEY:**

13 Second. It's Maley.

14 **MR. HARRIS:**

15 All right. We have a motion by Mr. Briggs, a second by Mr. Maley.

16 All in favor of approving all three of these new OSR contractors,
17 signify by saying "aye."

18 (All aye.)

19 **MR. HARRIS:**

20 All opposed?

21 (No response.)

22 **MR. HARRIS:**

23 That motion carries. Thank you very much.

24 Do any of the Commission members have any new business or
25 other comments, questions, alibies?

NEW BUSINESS/OLD BUSINESS

MR. MALEY:

This is Steve Maley. I -- I've asked in the past and kind of gotten general answers. I -- I would request a specific answer to my question about when a subcontractor works through a contractor, what does the contract call for the primary contractor to add -- you know, how much are they allowed to add on to a subcontractor's invoice when they bill it to the State? Does my question make sense?

MS. PARKER:

I understand what you're saying.

MR. FULKERSON:

Give us one second. I've got John Adams with me. We're -- we're talking about it.

MR. ADAMS:

Hi, Mr. Maley. This is John Adams.

MR. MALEY:

Hi, John.

MR. ADAMS:

The -- I don't believe that the -- our contracts have a standard formula for that. Generally, the contractor is going to be bound by the terms of the contract that he signs with us, regardless of whether he has to sign -- or has to contract with a subcontractor or not, so it would be up to him to -- to pay that subcontractor in his agreement.

The difference would be if there is a change order that he brings on a subcontractor like -- I'm assuming that you're talking about the

1 situation to where we -- we find out that a well is under high pressure
2 and a snubbing unit has to be brought in and the general contractor has
3 to hire the -- the company that -- that has a snubbing unit. I -- I'm sort of
4 assuming that's the -- the question that you're really asking. And the
5 answer is, that has to be approved at the time as part of the -- the -- the
6 change order.

7 **UNIDENTIFIED SPEAKER:**

8 It's got to be included in the cost of the change order.

9 **MR. ADAMS:**

10 Right. It -- it has to be included in the cost of the change order,
11 and they have to demonstrate the need for it and -- and justify it.

12 But I don't believe there's a fixed minimal or maximum under
13 State bid law for that.

14 **MR. MALEY:**

15 Okay. That strikes me as unusual.

16 But I guess the second part of the question, is there an update of
17 the activity at Thornwell, that emergency well that was -- had the
18 snubbing unit on it, and I think Pioneer had agreed to come in and do
19 some diagnostic work.

20 **MR. FULKERSON:**

21 I don't believe there have -- there is any updates. We've had some
22 depositions since the last meeting, but I don't believe any site work has --
23 has occurred, and I don't know that any is planned.

24 **MR. MALEY:**

25 So these depositions, that implies that there's ongoing legal

1 activity there?

2 **MR. FULKERSON:**

3 That's correct, yes, sir.

4 **MR. HARRIS:**

5 At this point, are there any other questions?

6 (No response.)

7 **PUBLIC COMMENTS**

8 **MR. HARRIS:**

9 Any questions from the public?

10 **MR. DONNES (phonetic):**

11 Yes, sir. This is Ross Donnes (phonetic). I had a specific question
12 about one of the current bids that are -- that are set out, the one
13 pertaining to the Humphrey's Field. I didn't know if now would be the
14 appropriate time to bring that up.

15 **MR. HARRIS:**

16 I believe so.

17 **MR. DONNES (phonetic):**

18 So the bid proposal is 431-PA 21-008. I'm an attorney here in
19 Baton Rouge. I represent the landowners in that case. That property is
20 subject to a Legacy lawsuit right now. There's been extensive sampling
21 done in and around the proposed activity sites. Documented exceedances
22 of 29-B includes true total barium, arsenic, zinc, lead. I was wondering if
23 -- my question is, does that bid encompass a remediation of the sediment
24 in that area?

25 **MR. ADAMS:**

1 Mr. -- Mr. Donnes, this is John Adams with the Office of
2 Conservation. As -- as you and I discussed earlier today, the answer to
3 that question is, no. The bid packages that we sent out were for the
4 removal of equipment only, and -- and for the plugging and abandonment
5 of the wellbore itself. It does not include a -- a bid for remediation of soil
6 or groundwater in the area.

7 **MR. DONNES:**

8 Okay. And was the condition of the sediment taken into account
9 when that project was put out for bid?

10 **MR. ADAMS:**

11 I do not know.

12 **MR. DONNES:**

13 Was any consideration given in any of the bids that were received
14 to the potential for migration or mobilization of the contamination in the
15 sediment in that area?

16 **MR. ADAMS:**

17 I do not know.

18 **MR. DONNES:**

19 Have the bids been received?

20 **MR. ADAMS:**

21 The bids have been received.

22 **MR. DONNES:**

23 And, prior to the award of those bids, is -- is that going to be
24 reviewed; is that issue going to be taken into account?

25 **MR. ADAMS:**

1 I do not know.

2 **MR. DONNES:**

3 Okay. If the -- do you know what the -- the value or the amount
4 that the bids received were for? Are they in excess of the SSTA?

5 **MR. ADAMS:**

6 I do not know. That information will be made publicly available
7 once a bid package has been accepted.

8 **MR. DONNES:**

9 Okay. If the -- if the amount exceeds the SSTA, will money be
10 diverted from the OSR general fund for this project?

11 **MR. ADAMS:**

12 Yes, it will.

13 **MR. DONNES:**

14 Okay. Is a permit required from the Coastal Use -- from the
15 Coastal Zone prior to this work commencing?

16 **MR. ADAMS:**

17 I do not know.

18 **MR. DONNES:**

19 Okay. Was any consideration --

20 **MR. HARRIS:**

21 Excuse me. This is getting almost to the point of a deposition
22 during a public meeting. Do you think -- I think it may be more -- I'm
23 very open to any and all public questions, but is -- is there -- are we
24 drawing to a close, sir?

25 **MR. DONNES:**

1 Yes, sir.

2 **MR. HARRIS:**

3 Okay. Go ahead.

4 **MR. DONNES:**

5 And I'm just kind of curious if when the wells were declared
6 orphan, was there any research to determine if the last operator of record
7 had any working-interest partner?

8 **MR. ADAMS:**

9 I do not know.

10 **MR. DONNES:**

11 Okay. That's all I had. I -- I appreciate y'all -- y'all taking the
12 time to take my questions.

13 **MR. HARRIS:**

14 Thank you.

15 **MR. BRIGGS:**

16 Let me ask a question. This is Don Briggs.

17 **MR. HARRIS:**

18 Please go ahead.

19 **MR. BRIGGS:**

20 What is -- who is he with?

21 **MR. DONNES:**

22 Mr. Briggs, are you talking to me?

23 **MR. BRIGGS:**

24 Yes. Who -- who are you with?

25 **MR. DONNES:**

1 Sure. I work for Talbot, Carmouche, and Marcello.

2 **MR. BRIGGS:**

3 Oh.

4 **MR. ARCENEUX:**

5 If -- if I may interject. This is George Arceneaux. I don't see
6 where to raise my hand, but I'd like to be recognized in due course.

7 **MR. HARRIS:**

8 Please go ahead.

9 **MR. ARCENEUX:**

10 I'll say simply that Mr. Donnes and I, of course, are lawyers in
11 private litigation relating to matters in the Humphrey's and Orange
12 Grove Fields, and -- and, as Mr. Secretary recognized, there -- there was
13 this deposition quality to some of the questions which we don't intend to
14 get into. Our view -- I represent Atlantic Richfield Company. There are
15 a number of lawyers representing other defendants in that case who are
16 monitoring the proceedings, and they may speak, but we don't think that
17 this is the -- the forum to litigate private rights. We believe there is a
18 site-specific trust account that is funding by private money for the
19 purpose of performing work that this Commission routinely oversees, and
20 we would not want to interfere with -- with that work.

21 **MR. BRIGGS:**

22 Thank you, George.

23 **MR. HARRIS:**

24 Thank you. Are there any other questions or comments today?

25 (No response.)

1 Hearing none, I -- I believe it's probably time to entertain a motion
2 to adjourn.

3 What -- I do have one question, Roby. What is -- do we have a date
4 for our next meetings next year, or will those be forthcoming in the next
5 month or so?

6 **MR. FULKERSON:**

7 We've sent out dates, but I haven't seen a response on availability
8 yet, so I don't -- I can't give you a sure thing. I can send out an email in
9 the next week or so and just make sure it's on everyone's calendar for the
10 next year and go ahead and schedule them all out.

11 **MR. HARRIS:**

12 Outstanding. Thank you, sir.

13 Do I hear --

14 **MR. FULKERSON:**

15 I -- I did -- I'm sorry I didn't mean to interrupt. I just -- would y'all
16 prefer to continue to have Zoom meetings, or would you rather go back to
17 in-person? I thought I'd ask before the next one just to make sure?

18 **MS. DUPREE:**

19 After I get my vaccine, I'll go back.

20 **MR. FULKERSON:**

21 Okay. That sounds like Zoom. Okay. I just want to make sure
22 everyone is still happy.

23 **MR. HARRIS:**

24 Very good. Do I hear a motion to adjourn?

25 **MR. BRIGGS:**

1 You need a motion, I'll make this one. This is Don Briggs, and
2 we're adjourned.

3 **MR. HARRIS:**

4 Thank you, Mr. Briggs.

5 We have a motion to adjourn. Is there a second?

6 **MS. DUPREE:**

7 Second.

8 **MR. HARRIS:**

9 I'm sorry. I didn't catch who that was.

10 **MS. DUPREE:**

11 Cynthia.

12 **MR. HARRIS:**

13 Oh, Cynthia. Thank you so much.

14 Hearing no objection, this meeting is hereby adjourned.

15 Merry Christmas and Happy Holidays to all. Thank you very
16 much.

17

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21 **THE MEETING WAS ADJOURNED**

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23

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CERTIFICATE

I, MICHELLE S. ABADIE, Certified Court Reporter in and for the State of Louisiana, as the officer before whom this meeting was taken, do hereby certify that the Oilfield Site Restoration Commission Meeting, held by the Zoom Video method, on December 17, 2020, by the Department of Conservation, Baton Rouge, Louisiana, was reported by me, was prepared and transcribed by me; that the foregoing pages, numbered 1 through 30, inclusive, is a true and correct transcript to the best of my ability and understanding; that I am not related to any parties herein, nor am I otherwise interested in the outcome of this proceeding.

MICHELLE S. ABADIE, CCR #24032
CERTIFIED COURT REPORTER

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