

JOHN BEL EDWARDS
GOVERNOR

State of Louisiana

THOMAS HARRIS
CHAIRMAN

Oilfield Site Restoration Commission
Post Office Box 94275 Baton Rouge, Louisiana 70804-9275

RICHARD IEYOUB
VICE CHAIRMAN

MEETING MINUTES

LaSalle Building
617 North Third Street
Thursday, October 18, 2018
1:30 p.m.

MEMBERS PRESENT:

Thomas Harris, Department of Natural Resources
Cynthia Dupree, LLA
Donald Briggs, LOGA
Steve Maley, LOGA
Barney Callahan, LWF, Sierra and Audubon Society
Tyler Gray, Mid-Continent

OTHERS PRESENT:

Brent Campbell, Director OSR
Matt Simon, Manager, OSR Program
Casandra Parker, OSR Staff
Blake Canfield, DNR Attorney
John Adams, Office of Conservation Attorney

I. Roll Call:

Matt Simon called the roll. There were five members in attendance, constituting a quorum.

II. Approval of the Previous Meeting Minutes:

Barney Callahan made a motion to approve the minutes.
Don Briggs seconded the motion.
No objections from the Commission.
The minutes were approved.

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III. Fund Status:

Matt Simon reported that through the first quarter oil and gas collections totaled approximately \$1.77 million. The OSR Fund received approximately \$500,000 from the inactive well assessment. The total collections and reimbursements for this quarter is \$1.8 million. The OSR Fund closed out the first quarter with approximately \$2.3 million spent on projects, and \$4.5 million encumbered. There is approximately \$4.7 million cash available in the Fund account.

A graphical representation was presented demonstrating the annual fees collected per fiscal year since 2011. The collections were separated by oil production collections and gas production collections.

There are currently 72 Site-Specific Trust Accounts administered by the Program covering 1,756 active wells secured with a combination of cash and various financial instruments, totaling approximately \$219 million.

IV. Program Statistics:

A. Matt Simon discussed in detail the Program statistics.

The left column represents statistics of orphan sites in Louisiana through this quarter. The Program has plugged and abandoned 3,159 orphan wells.

There were 723 orphan wells plugged by means other than the OSR Program though the first quarter totals which consists of wells plugged by the operator of record and wells plugged through co-ops with the Commissioner of Conservation.

Currently, there are 4,001 orphan wells remaining statewide at the end of the first quarter.

There were 442 wells added this quarter. In July, 80 wells were added, 137 wells were added in August, and 225 wells were added in September. In July, Stinson Gas Company, LLC, accounted for 56 of the 80 wells. In August, Louisiana Gas Production, LC, accounted for 126 wells. In September, Luffy-Stinson Gas Corporation accounted for 220 wells.

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IV. Program Statistics (continued):

A. A graphical representation was presented demonstrating the current orphaned well count in the state (4,001) versus the cumulative wells plugged using the OSR Fund (3,159) since the Program's inception.

A graphical representation was presented demonstrating the number of plugged urgent and high-priority scored wells versus the number of remaining urgent and high-priority wells to be plugged.

B. Fiscal Year 2018-2019 First Quarter Program Performance

Through this quarter, the Program plugged 24 urgent and high-priority wells.

The percentage of revenue spent on urgent and high-priority wells for this fiscal year is 82 percent. A total of 117 wells were plugged this quarter.

V. Oilfield Site Restoration Program Projects:

Matt Simon discussed in detail the current Oilfield Site Restoration Program projects.

A. and B. Active and Completed Projects:

Matt Simon reported on the completed projects. Emergency project 18-003 is estimated at \$2.4 million.

Project EMER 19-001 is a slow leaking well in the Poole Field.

Project EMER 19-002 is a show in Breton Sound Block 31.

During this quarter, \$1.2 million was spent on wells in north Louisiana per the mandate, consisting of 170 wells.

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VI: Federal and Third-Party Activity:

At present, there is no third-party activity.

VII: Old Business/New Business:

A. Proposed New Contractors:

Loe Enterprises, Inc., were purged at the last meeting, and they have reapplied to be placed on the approved contractors' list.

Matt Simon confirmed that the application is in proper order, and requested that the Commission approve this contractors to be added to the approved contractors' list.

Cynthia Dupree made a motion to approve the new contractor.

Steve Maley seconded the motion.

No objections from the Commission.

The motion was approved.

B. Presentation by Titan Oil Recovery, Incorporated:

Spyro Contogouris, Mike Hillman, and Joe Martin discussed a Team Up for Louisiana presentation regarding organic oil recovery. All members were given a packet containing the details. During the presentation, questions were asked and answers were provided.

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VIII: Date of Next Meeting:

January 17, 2019, is the tentative date set for the next Commission meeting, at 1:30 p.m. in the LaSalle Building hearing room.

ADJOURN:

Barney Callahan made a motion to adjourn.
Cynthia Dupree seconded the motion.
No objections or further comments from the Commission.
The meeting was adjourned.