

*State of Louisiana*

*OILFIELD SITE RESTORATION*

*COMMISSION MEETING*

*January 21, 2021*

*1:30 p.m.*

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**Oilfield Site Restoration Commission Meeting**  
**Hearing Held on Zoom Video Conferencing**  
**Thursday, January 21, 2021**  
**1:30 p.m.**

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**MEMBERS PRESENT:**

Thomas Harris, DNR, Secretary  
Richard Ieyoub, Commissioner of Conservation  
Steve Maley, LOGA  
Donald Briggs, LOGA  
Barney Callahan, LWF, Sierra, and Audubon Society  
John Connolly, At-Large

**STAFF PRESENT:**

John Adams, Office of Conservation Attorney  
Roby Fulkerson, Office of Conservation, OSR Staff  
Casandra Parker, Office of Conservation, OSR Staff  
Gary Ross, Asst. Commissioner of Conservation  
Brent Campbell, Director, OSR

**OTHERS PRESENT:**

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**Oilfield Site Restoration Commission Meeting**

**January 21, 2021**

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**ROLL CALL**

**SECRETARY HARRIS:**

First of all, thank you all for your participation, Commissioners, staff, and interested parties. Thanks for being here.

I would like to call this meeting of the Oilfield Site Restoration Commission to order.

Would you, please, call the roll, Roby?

**MR. FULKERSON:**

Yes, sir. Tom Harris.

**SECRETARY HARRIS:**

Present.

**MR. FULKERSON:**

Richard Ieyoub.

**MR. IEYOUB:**

Here.

**MR. FULKERSON:**

Actually, the next one is Cynthia Dupree. Cynthia emailed us this morning. She's actually retired or in the process of retiring. She won't make it today, I would guess. We'll have -- we'll eventually get a replacement for her on the board. We've just got to get that sorted out. I believe she came from the Louisiana Landowners' Association, so we'll -- we'll work with that.

1 Donald Briggs. I see him. I see Donald. He's not able to respond,

2 I don't think.

3 **MR. BRIGGS:**

4 (No audible response, but was present.)

5 **MR. FULKERSON:**

6 Lisa Creasman.

7 (No response.)

8 **MR. FULKERSON:**

9 Steve Maley.

10 **MR. MALEY:**

11 Here.

12 **MR. FULKERSON:**

13 Barney Callahan.

14 **MR. CALLAHAN:**

15 Here.

16 **MR. FULKERSON:**

17 John Connolly.

18 **MR. CONNOLLY:**

19 Here.

20 **MR. BRIGGS:**

21 Can you hear me now? I'm having trouble.

22 **MR. FULKERSON:**

23 Was that you, Mr. Briggs? Yes, sir. I believe we can hear you  
24 now. It's low, but we can hear you.

25 Tyler Gray.

1 (No response.)

2 **MR. FULKERSON:**

3 Nathan McBride.

4 (No response.)

5 **MR. FULKERSON:**

6 I believe we have six members, and that should be a quorum,  
7 Secretary.

8 **SECRETARY HARRIS:**

9 Thank you, Roby.

10 **APPROVAL OF MINUTES**

11 **SECRETARY HARRIS:**

12 Our first order of business on the agenda is approval of the  
13 transcripts of the last meeting back in December. Those were sent out by  
14 Casandra on Tuesday morning.

15 Do I hear a motion to approve those -- those transcripts?

16 **MR. CALLAHAN:**

17 Motion. Barney.

18 **SECRETARY HARRIS:**

19 Motion by Mr. Callahan. Is there a second?

20 **MR. CONNOLLY:**

21 I'll second.

22 **SECRETARY HARRIS:**

23 Was that -- was that you, John?

24 **MR. CONNOLLY:**

25 Yes.

1 **SECRETARY HARRIS:**

2 Second by Mr. Connolly.

3 Hearing no objection, those transcripts are approved.

4 **FUND STATUS**

5 **SECRETARY HARRIS:**

6 Our next item of business, Roby?

7 **MR. FULKERSON:**

8 The next item of business is the fund status. If you'll give me one  
9 second, I'll share my screen with you.

10 Currently, the fund status, right now, we have \$1.5 million as our  
11 balance. It's actually \$1,538,978. We have collected \$4,082,853 in gas  
12 tax, \$338,773 in oil tax, just about \$2,000 in interest and in LOGA. The  
13 inactive well assessment has ticked up since the last time we met in  
14 December. It's now \$637,553. We've also had \$685,00 for financial  
15 security called. So our total collections for this year is right around \$5.7  
16 million. I think the \$4.2 is our planned collections for the remainder of  
17 the year. You can kind of look below and see the total encumbrances.  
18 We've got about \$1 million worth of encumbrances currently.

19 And, let's see. If we go to the next page as well, as you can see, I -- I  
20 kind of changed some of the setups and the graphs, but I tried to bar  
21 chart this way to see if it kind of made a little bit more sense. We can  
22 kind of see where we're at 5.7 for the total for the year, and kind of how  
23 we compare to the previous years.

24 I've also added this next graph. This is actually monthly OSR  
25 collections. I thought it might be a good way to kind of show you what

1 we average on a collection year -- on a collection basis. So you can see as  
2 we collect over the quarter, the high points or where the large -- you  
3 know, the large collection points. Our next one should be February. The  
4 line for '21 is for -- August was actually mimicking 2020, so that's why  
5 there's actually some overlap there, and then it will break apart as  
6 slightly down in November. So -- and then it hits January, and that  
7 actually is the flat line on bottom there. So we'll see what it is in  
8 February, but right now it looks like it's going to be relatively similar to  
9 what we collected around last year.

10 If there's any questions -- oh, one thing I forgot to mention at the  
11 beginning, but I will be recording this with Michelle, our court reporter.  
12 If someone were to talk, if they don't mind just saying their name first, so  
13 that way when she puts together the transcript, it makes it a little bit  
14 easier on her.

15 **MR. CALLAHAN:**

16 Roby, this is Barney Callahan.

17 **MR. FULKERSON:**

18 Yes, sir.

19 **MR. CALLAHAN:**

20 It's good to see we've got money, after a lot of other things that we  
21 have across the state is paid for. I'm trying to remember back. Is this --  
22 are these dedicated funds here that could be susceptible to the -- every --  
23 in a bad year?

24 **MR. FULKERSON:**

25 It is subject to getting swept, yes, sir. I just spoke with John

1 Adams. We've got about \$1 million in there. We had a couple of change  
2 orders for a few projects, and we've also got three projects outstanding  
3 right now. We released two in north Louisiana this week, one in Monroe  
4 and one in Shreveport, and we've also released one in Lafayette. So the  
5 -- the combination of those was about 80 wells and should probably be  
6 right around \$1.1 million. So we -- we should use up the full from that  
7 fund.

8 **MR. CALLAHAN:**

9 Right.

10 **MR. FULKERSON:**

11 And that's all I have for fund status.

12 I can continue on to program statistics if everyone is ready.

13 **SECRETARY HARRIS:**

14 Yes, if you would, please, Roby.

15 **PROGRAM STATISTICS**

16 **STATISTICAL REVIEW**

17 **MR. FULKERSON:**

18 Okay. Next, I'll continue on to the statistical review of the orphan  
19 sites in Louisiana. So this is actually -- all these numbers should be  
20 through December 30, 2020. We had an increase in, I want to say it was  
21 -- we orphaned 122 wells on December 20th, the large majority being in  
22 Lafayette. There was 100 in Lafayette, 20 in Monroe, and 2 in  
23 Shreveport. That 100 in Lafayette are largely made up of, I believe it  
24 was Mesa -- Alta Mesa went orphaned. I don't quite recall the Monroe  
25 and Shreveport ones. Alta Mesa was probably the biggest ticket item we



1 had in Lafayette.

2 We saw an increase in Lafayette in Priority 1, 2, and 3. Priority 1  
3 went up two, Priority 2 went up one well, and Priority 3 went up one. So  
4 those are the wells we plugged, so we were able to take care of a few  
5 wells there, and Shreveport actually was able to abandon a Priority 3, as  
6 well.

7 **MR. MALEY:**

8 Is that -- excuse me, Roby. This is Steve Maley. Is that why those  
9 numbers are colored red, those are the changes?

10 **MR. FULKERSON:**

11 Yes, sir. I tried to -- I think, if I remember correctly, I tried to  
12 color them red, that way when we look through a sheet, you can kind of  
13 see which ones fluctuated over the year -- over the month -- or the  
14 quarter.

15 **MR. MALEY:**

16 Okay. And I'll correct the record right here. That was Mesa Gulf,  
17 not Mesa.

18 **MR. FULKERSON:**

19 Mesa Gulf, okay. Yeah, got it.

20 **MR. MALEY:**

21 It's two different companies. Mesa Gulf filed bankruptcy.

22 **MR. FULKERSON:**

23 Okay. I apologize for that. I could remember the Mesa in the  
24 name, but there's a handful of them, so it slipped by me.

25 **MR. MALEY:**

1 Right. It -- it -- I'm sorry. It wasn't Alta Mesa. It was Mesa Gulf.

2 **MR. FULKERSON:**

3 Okay. Continuing on to the next part, the other site restoration  
4 activities, we -- there were facilities removed, both in Lafayette and  
5 Shreveport. The next couple of packages, I believe Lafayette has got a  
6 couple of facilities to remove, and I want to say Shreveport may -- or I  
7 think Shreveport may have one or two facilities.

8 Orphan wells remaining, we've got 4569, so 4,569 remaining wells.  
9 We added 122 last month. This month, I don't believe we're adding any  
10 wells, but I think we'll probably see an uptick in February.

11 Are there any questions relating to our statistical review or  
12 anything I can answer on this?

13 (No response.)

14 **SECRETARY HARRIS:**

15 I don't hear any questions, Roby. Please continue.

16 **MR. FULKERSON:**

17 Okay. I'll plow on ahead.

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

19 **MR. FULKERSON:**

20 The next one is our orphan well count versus cumulative wells  
21 plugged by OSR. As you can see, the orphan well count has trended up.  
22 Right now, we're right around, you know, at -- the last page showed 4,569  
23 wells, and we've plugged a total of 3,450 wells. So we're continuing up.

24 To date, we've plugged 80 wells this fiscal year, and we've probably  
25 -- we've got permits or we've got -- a 30-well package, I believe, in

1 Shreveport going right now, and I'll get to some pictures of what those  
2 operations look like here shortly. But between that and then the three  
3 packages we've put out, we're -- we should have about 200 wells out in  
4 packages without the bidder to be P&A'd. Our goal is 225, so you'll  
5 probably see a package or two out of the list to try to reach that 225  
6 before the year end.

7 Our next page is urgent and high-priority scored orphaned wells.  
8 As you can see, we've ticked up. We've gained about 25 wells from 2019-  
9 '20 in high-priority scored. And then the urgent, we've still -- we've  
10 declined about, let's see, 19 wells from 569 to 577. So it looks like we're  
11 taking care of some of those urgent wells and the higher priority wells  
12 with this P&As, and then we try to build packages around wells like  
13 that. So it looks like we're kind of doing a good job of it, I suppose.

14 Carrying on, the orphan wells plugged, so we've got the four  
15 different categories, the orphan well count on top, the wells plugged by  
16 other means which is the red line. Other means could be current or  
17 future owner wants to plug them, past owners. The green line is wells  
18 plugged by OSR funds, and the purple line is total plugged by OSR funds  
19 and other means.

20 Also included in the wells plugged by other means would be Coast  
21 Guard, EPA. We haven't had really any presence from them so far  
22 during -- during the last year, I want to say. The EPA had a couple of  
23 projects out with us, but I think they've put everything on kind of stand-  
24 by until COVID, and I haven't heard an update on them from on when  
25 they may start their normal operations again. And the Coast Guard is

1 making visits, but they haven't really been too active in terms of P&As or  
2 intervening in wells for us.

3 I'll continue on. As I mentioned, our performance indicators  
4 changed this year. We actually only have one performance indicator, and  
5 that's the number of orphaned sites restored during the fiscal year.

6 In the first quarter, we were able to restore 45, the second quarter  
7 38, so we've got a total of 83, and our year-end target is 225.

8 As I've mentioned, we've got about 199 wells packaged out. The 83  
9 are included in those 199, so we'd need about 26 more wells to meet the  
10 225. So we've got packages in Shreveport and Monroe we're looking at  
11 now to see if we can get those issued to essentially hit that marker.

12 **MR. MALEY:**

13 Roby, this is Steve Maley. When -- when you say orphan well  
14 sites, does that include wellbores plugged, as well as facilities removed,  
15 or is there a separate accounting? A well site, does that include  
16 wellbores plus facilities?

17 **MR. FULKERSON:**

18 I'd have to ask on the exact language, but I think the intention is  
19 that -- that means wellbores.

20 **MS. PARKER:**

21 That number right -- the 83 is the actual number of wells that  
22 have been P&A'd.

23 **MR. FULKERSON:**

24 The 225 goal is actually wells or is it well site?

25 **MR. ADAMS:**

1           It's a combined total.

2       **MR. FULKERSON:**

3           Okay. I just spoke with John Adams. It's actually combined.  
4       That's the sites restored and the wellbores plugged, so you would  
5       combine the two numbers, so...

6           We'll check on that. I'll -- I'll check on that, Steve, and get back to  
7       you. We've got a couple of different answers, so I want to make sure I get  
8       the right answer for you.

9       **MR. MALEY:**

10           Thank you.

11       **MR. ROSS:**

12           This is Gary Ross. The 225 would be wellbores plugged. In  
13       association with those wells plugged, the facilities and -- and sites would  
14       be restored also.

15       **MR. MALEY:**

16           Right. This is Steve again. On the -- somebody needs to mute  
17       their computer. Maybe it's me.

18           When we did the statistical review, one of the red numbers was  
19       orphaned sites -- or no -- yeah, that page -- the facilities removed under it  
20       too, and that had changed. I just didn't know if that was being counted  
21       in addition to what -- wellbores plugged. Presumably, those are facilities  
22       with no accompanying well.

23       **MR. ROSS:**

24           Those would be facilities associated with -- those -- those counts  
25       right there are not within the -- are not within the performance indicator,

1 and these would be facilities that are removed separately from which  
2 possibly there was no well, or we may have removed the facility and not  
3 plugged the well.

4 **MR. MALEY:**

5 Right, okay. Thanks for the clarification, Gary.

6 **MR. ROSS:**

7 You're welcome.

8 **MR. FULKERSON:**

9 Any other questions here?

10 (No response.)

11 **SECRETARY HARRIS:**

12 Please continue, Roby. Thanks.

13 **OILFIELD SITE RESTORATION PROGRAM PROJECTS**  
14 **COMPLETED AND ACTIVE CONTRACTS**

15 **MR. FULKERSON:**

16 Yes, sir. And this one, I apologize, it's a little hard to read, but  
17 there's a lot of information on there.

18 So for our completed -- well, the active Oilfield Site Restoration  
19 projects, we've got the Caddo-Pine Island. There's -- there's essentially a  
20 couple we're carrying over to just due to weather in north Louisiana.  
21 And we also have -- essentially, they'll end up getting carried over again,  
22 because, essentially, the weather has been such that they can't get to the  
23 wells out there.

24 So for this year, fiscal year '21, we've got 21-001. There was a  
25 small number of wells there. There was a leaking well in Monroe, so we

1 built a small package around that. We were able to stop the leak, but we  
2 went on and put it in a package to abandon. We haven't been able to get  
3 out there to that site either due to weather.

4 PA 21-003 is Caldwell Parish.

5 We've got PA 21-004, Caddo-Pine Island, Caddo Parish. That one  
6 is ongoing. I think that Womack Brothers should -- should be wrapping  
7 up that one soon. The weather has been pretty difficult on it. I've got a  
8 couple of pictures at the end with what they're dealing with.

9 And the three packages I just discussed, we've got PA 21-005,  
10 Welsh in Jefferson Davis Parish. That's a 14-well package in kind of just  
11 outside of Lafayette.

12 The next one is 21-006 in Monroe, so that's a 20-well package.

13 And then our Caddo-Pine Island in Caddo Parish, that's a 42-well  
14 package.

15 So, as we discussed, that million bucks will kind of go pretty  
16 quickly. The \$1.5 million, we've got -- the three packages there should  
17 add up to right around \$1 million, and then we have a couple of change  
18 orders coming in for our emergencies we did.

19 As you can see on our completed project, we were able to complete  
20 two emergency projects recently. The first one was PA 21 -- I'm sorry --  
21 Emergency 21-002 and 21-003.

22 The first one, 21-002 is Boston Bayou. If you'll remember  
23 correctly, I think when we met in October, it was -- that was the well that  
24 was leaking well gas, and valve was actually frozen on the wellhead. We  
25 were able to intervene in that and P&A it. That was a dual well, that's

1 why you see two wells show up on there.

2       Emergency 21-003, that was in Creole Offshore Field. We had  
3 Coast Guard or the BSEE reported a leak on that site. We made a site  
4 visit, and there was essentially just production equipment hanging off  
5 the side of the platform due to hurricanes. Drilling Partners was able to  
6 go out there and secure -- essentially remove anything that was damaged  
7 and then secure any leaks.

8       And the last one was Russo, that was -- that was a package we put  
9 together around a well that had lost a good bit of wellbore integrity. It  
10 was also in a neighborhood, so that -- that -- those three packages were  
11 pretty large packages, but all three were taken care of. And they took  
12 about \$1.8 million worth of funds.

13       For our north Louisiana mandate, we are -- I took a look at the  
14 numbers yesterday. I think we're just below the 100 wells, and we  
15 should be just below the \$1 million spent. So, with the two packages  
16 we're going to release in north Louisiana here in the next week or so, we  
17 should meet both of those pretty easily.

18       Does anybody have any questions?

19 **MR. ROSS:**

20       Roby, this is Gary again. With regards to what you have  
21 highlighted in yellow down there, the Louisiana mandate, I noticed those  
22 same bid packages are included up at the top in the project. You're only  
23 isolating and reinforcing below that those are strictly north Louisiana  
24 projects; is that right?

25 **MR. FULKERSON:**



1 Yes, sir. That -- that is strictly to show that those are the north  
2 Louisiana projects, and those are the ones that go towards the mandate  
3 of \$1 million.

4 **MR. ROSS:**

5 Okay. Thank you.

6 **MR. MALEY:**

7 Roby, this is Steve Maley.

8 **MR. FULKERSON:**

9 Yes, sir.

10 **MR. MALEY:**

11 There was quite a bit of discussion in the last meeting about this  
12 package in Humphreys Field.

13 **MR. FULKERSON:**

14 Yes, sir.

15 **MR. MALEY:**

16 I see the bids have been open but not awarded yet. Is there -- has  
17 that slowed down for a reason or are bids being evaluated or what's --  
18 what's the status there?

19 **MR. FULKERSON:**

20 Largely, the status was related to funding. Those three wells were  
21 actually a pretty large sum of money, much larger. To P&A those three  
22 was closer to \$1 million, and just fund status, we didn't quite have the  
23 funds to pay \$1 million right now. We wanted to release the three before  
24 it. the Welsh, Monroe, and Caddo-Pine Island. When we got to  
25 Humphreys, the three wells were \$1 million. We're just not quite sure

1 we have enough money in the bank to cover that. And it's actually  
2 covered by financial security, but in order to get this financial security,  
3 we have to spend the money and then they reimburse us for it. So we'd  
4 actually have to spend the money and then get a reimbursement for it.

5 **MR. MALEY:**

6 Thank you.

7 **MR. ROSS:**

8 This is Gary, again. Steve, you asked a good question. There's --  
9 we've faced this problem before is, we have to expend the money out of  
10 the OSR Fund and deplete -- and finish that job before we get the  
11 reimbursement. So your worse-case scenario is, you get near the end of  
12 the year on a high-dollar project like this, you've tied up OSR funds, and  
13 then at the end of the year you show that you remain having that high-  
14 dollar OSR Fund because you had to wait on the reimbursement for -- for  
15 the financial security. And that may be something we want to look into  
16 to see if there's a possibility within the Program to -- to not encumber the  
17 OSR dollar but to be able to expend the financial security dollar directly.

18 **MR. FULKERSON:**

19 I'll continue on, unless anybody else has a question.

20 (No response.)

21 **SECRETARY HARRIS:**

22 Please proceed, Roby. Thanks.

23 **MR. FULKERSON:**

24 All right, sir.

25 The next order of business would be our -- technically, we've got

1 the federal and third-party activity, but we've actually not had any  
2 federal or third-party activity this fiscal year, so I've got no updates  
3 there.

4 **INTRODUCE FOR APPROVAL NEW OSR CONTRACTORS**

5 **MR. FULKERSON:**

6 The next section will be introduce for approval of new OSR  
7 contractors, and we have one this month. It's Cudd Pressure Control, the  
8 contact is Bhavesh Ranka, and they're based out of The Woodlands,  
9 Texas. They applied to work on wells in all depths on land and water.

10 I believe we actually have to have -- if I remember correctly, the  
11 last couple Zoom meetings, we -- you guys actually have to verbally  
12 approve them.

13 **SECRETARY HARRIS:**

14 Before we do that, does anyone have any questions regarding this  
15 new contractor up for approval?

16 (No response.)

17 **SECRETARY HARRIS:**

18 At this time, I -- I guess we need to consider this as a motion. Do I  
19 hear a motion to approve Cudd Pressure Control as an OSR contractor?

20 **MR. IEYOUB:**

21 So move.

22 **SECRETARY HARRIS:**

23 We have a motion by Commissioner Ieyoub. Do we have a second?

24 **MR. CALLAHAN:**

25 I'll take the second. But I have a quick question. How many

1 contractors do we have on our approved list right now? Are we -- are we  
2 just taking people for them because they send in a request, or are we --  
3 (unintelligible) a number that we would maintain?

4 **MR. FULKERSON:**

5 So we -- we actually allow anyone to join the list, they just have to  
6 meet certain requirements. It's actually available on the website. So, if  
7 a company or a contractor wanted to join the list, they visit the website,  
8 complete the forms. We go through the checklist to make sure they meet  
9 certain requirements, and if they meet those requirements, we put them  
10 before you guys. So we don't really have a certain limit. Right now, I'm  
11 showing we've got about 47 contractors, so this one, I guess, would be the  
12 forty-eighth. Really, it's just open to anyone that wants to bid. I think  
13 we're just kind of the opinion if anyone that can, you know, provide a  
14 good bid and do a good job, we're kind of always open -- the doors are  
15 always open for us.

16 **MR. CALLAHAN:**

17 Yeah. Well, I'm wondering because do they have a high rate of  
18 experiences because they're from out of town, an out-of-town based?  
19 When they -- when they bid on projects, does that -- do we take that into  
20 consideration that a local contractor that might do better (unintelligible)  
21 moneywise?

22 **MR. FULKERSON:**

23 So, actually, the -- the way our bidding process works is, so we'll  
24 release the bid online, and then we set up a site visit with our CES and  
25 we'll walk through the site and give them all of the information on the

1 P&As. And then they all bid on the same thing. So everyone walks in  
2 with the same information. They make a bid on it, and then that bid is  
3 kind of the binding number. So they should -- if -- if they have a higher  
4 rate than, say, someone local, then the local person may have -- would,  
5 more likely than not, win the bid because they have the lower bid. So it  
6 should all be kind of incorporated into the bidding process already. So  
7 they may end up having a higher rate. They may not. It just -- it just  
8 kind of depends, but it all should be kind of incorporated in their bid  
9 number, so that's kind of -- it's all taken -- it's all taken into account  
10 there.

11 **MR. MALEY:**

12 Roby, this is Steve Maley, again. I'm going to say a couple of  
13 words in -- in your support here. I was bumped offline temporarily, so I --  
14 I hope I'm not plowing ground that's been covered before.

15 But as far as the number of contractors you have, you have a half  
16 dozen or so that are kind of full-blown P&A contractors that handle  
17 everything soup to nuts or are capable of subcontracting themselves. We  
18 have a large number who specialize in one aspect of the jobs, and they're  
19 qualified, but they typically don't bid on a soup to nuts. They -- they're --  
20 the number of companies that are actually winning bids is -- is relatively  
21 small.

22 One of the problems that we've talked about in the past -- and  
23 Cudd Pressure Control, they have a specialized service that they do,  
24 which is handling high-pressure wells. If we rely on a current contractor  
25 of OSR to go and -- and get a specialist like that as a third party, we're

1 going to pay all those costs plus ten or fifteen percent, whatever the  
2 contracted amount is, just for passing our invoice through. So I think it's  
3 great that Cudd is stepping up to be a direct contractor for OSR, and for  
4 some of these high-dollar jobs in the future, they can -- they can deal  
5 with OSR directly as a contractor without the intermediary. So I'm -- I'm  
6 fully in support.

7 I would move they be approved, if they haven't been moved  
8 already.

9 **MR. CALLAHAN:**

10 I --

11 **SECRETARY HARRIS:**

12 Steve, thank you for providing that information. That's -- that's  
13 very useful.

14 Mr. Callahan?

15 **MR. CALLAHAN:**

16 Yes. I'm - I'm in favor of it. I'm just asking a question so that -- it  
17 will probably never come up, but as far as having -- offering jobs to  
18 people. We have a lot of people here in Louisiana that are hurting, and  
19 the public, as a whole, really doesn't know what we go through to get our  
20 business done here in this -- in this program.

21 If Cudd -- if Cudd gives us an advantage to getting it right, then,  
22 to me, that justifies us using an out-of-state contractor.

23 **MR. MALEY:**

24 As far as I know, I -- I don't know if they even have any direct  
25 competitors in Louisiana anymore. And if they did, I would welcome

1 them to apply as -- as contractors.

2 **MR. CALLAHAN:**

3 Yeah. Okay. I second.

4 **MR. MALEY:**

5 I mean, one of the problems that operators have these days,  
6 Barney, is that, with the dwindling activity, we're seeing the support  
7 from the service companies. I mean, we've had to call in stuff from  
8 Laurel, Mississippi, and Victoria, Texas, or Longview, because the  
9 infrastructure is just disappearing on us in south Louisiana.

10 **MR. CALLAHAN:**

11 Yeah. Okay. Thank you.

12 **SECRETARY HARRIS:**

13 Very good. So we have a motion by Commissioner Ieyoub to  
14 approve Cudd Pressure Control as an OSR contractor, and we have a  
15 second by Mr. Callahan. All -- all in favor, signify by saying "aye."

16 (All aye.)

17 **SECRETARY HARRIS:**

18 All opposed?

19 (No response.)

20 **SECRETARY HARRIS:**

21 That motion carries, and Cudd Pressure Control is now an OSR  
22 contractor.

23 Our next agenda item, Roby?

24 **OTHER BUSINESS**

25 **MR. FULKERSON:**

1           The next part of our agenda, I threw in a slide for underwater  
2 obstructions. It's part of the OSR Program, but not directly funded out of  
3 the OSR Fund. It's just something that we've kind of been passed with,  
4 and there's a certain amount of money we receive every year for  
5 underwater obstructions. Conventionally, we use it on -- to remove  
6 (unintelligible) platforms or cribbing around wells after a P&A package.

7           This year, it was requested that we use the funds on a couple of  
8 islands just north of Grand Isle. There -- during Macondo, B.P. placed  
9 some anchors around two -- I guess it's not two, but three, islands.  
10 There's Beaugard Island. The second arrow is pointing to Mendicant  
11 Island. I think Google Earth has actually got a -- you'll notice the one up  
12 north is called Mendicant, but I think Google Earth may actually have  
13 that nomenclature incorrect. But that -- those two islands were selected  
14 for anchor removal. During Macondo, they placed anchors out there and  
15 netting to keep, I guess, the hydrocarbon from reaching the shore. Since  
16 then, the anchors are still there. Previously, the -- the Wildlife and  
17 Fisheries group removed some anchors.

18           Between the two islands on the far -- on the right, there's a smaller  
19 island. I believe it's called Queen Bess. They removed the anchors from  
20 Queen Bess Island. They removed around 12 anchors.

21           So next week, we should get the bids in for the removal of the  
22 anchors around Beaugard and Mendicant Island, and then we'll go out  
23 with the (unintelligible) sometime shortly after that to remove the  
24 anchors. I'm not exactly sure how many anchors are there, so the first  
25 bid is actually for a survey to determine the points that need to be



1 removed and then include that into a bid.

2 That's kind of all I've got on underwater obstructions.

3 I did add a couple of photos here at the end. A couple of projects  
4 that the -- that Cassandra Parker works on pretty well with the Districts  
5 is, when she prioritizes all the wells, if we'll find anything that leaks and  
6 we send it to the District. This is a recent one in Lafayette area. It was  
7 within 200 feet of a home. So it was actually leaking gas, so we were  
8 able to get a wellhead rep with the site inspector out there that -- I  
9 believe almost the same day that Cassandra found it, and get it repaired.  
10 So when we get the prioritizations through, we work with Shreveport,  
11 Monroe, and Lafayette to repair or cleanup all the sites as we go. So we  
12 try to get -- kind of try to maintain everything the best of our abilities.

13 The next one as well, you can see that's a cleanup we're -- we've  
14 kind of got ongoing. We get a certain amount of -- we can go up to \$5,000  
15 to spend on project so we can go ahead or do it from there. So we've got a  
16 handful of those. It seems relatively very often, it seems.

17 And then the last picture, I received this from the Shreveport  
18 District, and the new District Manager Patrick Raley sent these. So this  
19 is just kind of what they're dealing with in north Louisiana. It seems  
20 kind of odd that we always say that they put it off for weather, but, as  
21 you can see, moving equipment in and out of sites like that, even in the  
22 oilfield, is not the easiest thing to do in the world. So this just kind of  
23 shows you the -- the locations and the location roads that the fellows  
24 have to work with to get their equipment in and out. As you can see, a  
25 lot of times they're -- they're using heavy equipment to pipe off a location

1 with trailers or -- a pick-up truck or an 18-wheeler is not going to make it  
2 back there.

3 And that's really all I have.

4 **SECRETARY HARRIS:**

5 Very good. Thank you, Roby. By the way, that map of -- that map  
6 you put up there made me want to plan a fishing trip. I appreciate that.

7 **NEW BUSINESS/OLD BUSINESS**

8 **SECRETARY HARRIS:**

9 The next agenda item, is there any old or new business from any of  
10 the members?

11 (No response.)

12 **SECRETARY HARRIS:**

13 Hearing none, I guess it's time for public comments.

14 **PUBLIC COMMENTS**

15 **SECRETARY HARRIS:**

16 First, we'll go with Commission -- Commissioners, are there any  
17 comments, alibies, questions, at this point?

18 **MR. CALLAHAN:**

19 I -- I don't really have a question about it, but looking at some  
20 working areas, the Wildlife and Fisheries is putting together a -- a team  
21 of -- a committee for oyster fisherman. We're assessing values on oyster  
22 leases that could be affected by their hurricane protection work, and it  
23 just kind of hit me that when we set the -- one of these wells that may be  
24 in the middle of an oyster bed or that could affect oyster production, do  
25 we have any specialized or a priority that we could -- we could put on --

1 on a well like that, or do we have any like that, that we know of, that's  
2 actually going to be a possibility to do some damage to the oyster bed  
3 getting into it?

4 **MR. FULKERSON:**

5 So we've -- since I've been here, we've come across a couple where  
6 we've got wells near oyster leases or oyster seeding grounds.  
7 Conventionally, the contractor handles that. They will put it in their bid  
8 package. Usually, they have to negotiate some sum of money with the  
9 oyster lease. To be completely honest with you, we try to do the least we  
10 can to -- we try to minimize the impact on oyster leases just due to costs.  
11 If we were to disturb a seeding ground or an oyster lease, it's a large sum  
12 of money. I -- I think we had one of our contractors come back and say  
13 the last time they -- that they ended up disturbing one, it cost them \$7  
14 million. So our goal is to kind of minimize that as much as humanly  
15 possible.

16 **MR. CALLAHAN:**

17 My point -- my point exactly. And I'm just wondering, I don't  
18 believe we've had any interface from your position to the task force, are  
19 they -- could they supply this information to -- to avoid a \$7-million  
20 headbanging?

21 **MR. FULKERSON:**

22 So when we actually go out with a package, we can -- all the oyster  
23 leases are actually on SONRIS. So we'll actually review SONRIS and it  
24 will show the oyster leases in the area, and it lists all the contacts. So we  
25 -- you know, when we let the operators know about it, they'll -- they'll

1 contact them -- I'm sorry -- the bidders know about it, they -- they usually  
2 handle the contact.

3 I think when an operator conventionally goes through -- outside  
4 OSR, but through conventional -- working through other programs, I  
5 think Wildlife and Fisheries sends them a letter saying it is an oyster  
6 lease in the area and that they will have to negotiate with them. So  
7 there is some checks and balances within the Department -- with the -- I  
8 guess that there's like an understanding that we'll work with each other  
9 on that.

10 **MR. CALLAHAN:**

11 Yeah. I -- I didn't go to any of their meetings, but it's been a lot of  
12 news about it, and it's just another step of managing the -- our -- our  
13 wetlands.

14 **MR. FULKERSON:**

15 Yes, sir. I think that we actually left one wellhead in place. We  
16 P&A'd the well, but the location due to the oyster leases, we -- we weren't  
17 able to successfully mechanically cut it where we had to leave the  
18 wellhead in place because the -- the amount of money for removing the  
19 well, we would have had to have excavated around there, and,  
20 essentially, we just didn't have the funds to excavate an oyster-leased  
21 area. So the P&A'd well just remained there.

22 **MR. CALLAHAN:**

23 Yeah. Okay. Just wanted to bring that up as a matter of thought.

24 **SECRETARY HARRIS:**

25 Thank you, Mr. Callahan.

1           If there are no other questions or comments by the Commissioners,  
2 I believe it's time to open it up to public question or comment.

3           (No response.)

4 **SECRETARY HARRIS:**

5           Hearing none, it's time to consider a motion to adjourn until the  
6 next meeting.

7           But before I do that, one question, Roby, and you may have sent it  
8 out and I may have just missed it. Do we have a schedule for the  
9 remaining OSR meetings -- meeting dates for 2021?

10 **MR. FULKERSON:**

11           I believe so. I believe Jen emailed them and we confirmed the  
12 room location, but I think I -- I need to -- I'll double-check with Jen and  
13 I'll send it to everyone, but, yes, the dates have been confirmed and the  
14 room reserved.

15 **SECRETARY HARRIS:**

16           Outstanding. Thank you.

17 **ADJOURN**

18 **SECRETARY HARRIS:**

19           At this time, are there -- is there a motion and a second to adjourn  
20 until next -- until our next meeting?

21 **MR. CALLHAN:**

22           Motion. Barney.

23 **SECRETARY HARRIS:**

24           Motion by Mr. Callahan.

25           Is there a second?

1 **MR. BRIGGS:**

2 Don Briggs. I'll second.

3 **SECRETARY HARRIS:**

4 Thank you, Mr. Briggs.

5 We have a motion to adjourn by Mr. Callahan, and a second by Mr.  
6 Briggs.

7 All in favor, please, signify by saying "aye."

8 (All aye.)

9 **SECRETARY HARRIS:**

10 All opposed?

11 (No response.)

12 **SECRETARY HARRIS:**

13 This meeting is adjourned. Thank you all and see you next time.

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17 **THE MEETING WAS ADJOURNED**

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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 January 21, 2021, 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.

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MICHELLE S. ABADIE, CCR #24032  
CERTIFIED COURT REPORTER

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