

*State of Louisiana*

*OILFIELD SITE RESTORATION*

*COMMISSION MEETING*

*October 21, 2021*

*1:00 p.m.*

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**Oilfield Site Restoration Commission Meeting**  
**Hearing Held on Zoom Video Conferencing**  
**Thursday, October 21, 2021**  
**1:00 p.m.**

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**MEMBERS PRESENT:**

Thomas Harris, DNR, Secretary  
Richard Ieyoub, Commissioner of Conservation  
Donald Briggs, LOGA  
Lisa Creasman, Nature Conservancy  
Steve Maley, LOGA  
Barney Callahan, LWF, Sierra, and Audubon Society  
Nathan McBride, LMOGA  
Timothy Allen

**STAFF PRESENT:**

John Adams, Asst. Commissioner of Conservation  
Roby Fulkerson, Office of Conservation, OSR Staff  
Casandra Parker, Office of Conservation, OSR Staff  
Brent Campbell, Director, OSR  
Blake Canfield, Attorney, DNR

**OTHERS PRESENT:**

Barry Salsbury

Andrew Jacoby

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**Oilfield Site Restoration Commission Meeting**

**October 21, 2021**

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**ROLL CALL**

**SECRETARY HARRIS:**

Good afternoon, everyone. I'd like to welcome you all to this meeting of the Oilfield Site Restoration Commission.

I'll now call this meeting to order.

Roby, would you call the roll, please.

**MR. FULKERSON:**

Yes, sir. Give me one second and I'll share my screen.

Okay. Tom Harris, Secretary.

**SECRETARY HARRIS:**

Present.

**MR. FULKERSON:**

Richard Ieyoub, Commissioner of Conservation,

(No audible response.)

I think I saw the Commissioner on here.

Okay. We'll keep going.

**COMMISSIONER IEYOUB:**

I'm here.

**MR. FULKERSON:**

Okay. We got you now.

**COMMISSIONER IEYOUB:**

1           Okay. Thank you.

2           **MR. FULKERSON:**

3           Donald Briggs, LOGA.

4           (No response.)

5           **MR. FULKERSON:**

6           Elizabeth Lisa Creasman.

7           **MS. CREASMAN:**

8           Present.

9           **MR. FULKERSON:**

10          Noted.

11          Steve Maley.

12          **MR. MALEY:**

13          Here.

14          **MR. FULKERSON:**

15          Thank you, sir. Noted.

16          Barney Callahan.

17          **MR. CALLAHAN:**

18          I'm here.

19          **MR. FULKERSON**

20          Thank you, sir. Noted.

21          Nathan McBride.

22          **MR. MCBRIDE:**

23          I'm here.

24          **MR. FULKERSON:**

25          Thank you, sir.



1 Thank you, Ms. Creasman.

2 So we have a motion and a second.

3 All in favor, signify by saying "aye."

4 (All aye.)

5 All opposed?

6 (No response.)

7 The motion carries.

8 The second item is approval of the July 15, 2021 meeting  
9 transcript.

10 Same, do I have a motion to approve those transcripts?

11 **MR. MALEY:**

12 So moved.

13 **SECRETARY HARRIS:**

14 Moved by Mr. Maley. Thank you.

15 Do I hear a second?

16 **MR. CALLAHAN:**

17 Second.

18 **SECRETARY HARRIS:**

19 We have a motion and a second.

20 All in favor, signify by saying "aye."

21 (All aye.)

22 All opposed.

23 (No response.)

24 Hearing none, the motion carries.

25 **FUND STATUS**

1           **SECRETARY HARRIS:**

2           Our next agenda item, Roby?

3           **MR. FULKERSON:**

4           A little bit before we go ahead, sir, I just saw Mr. Allen join us, so I  
5           just wanted to check in to make sure he was on and maybe give him a  
6           chance to introduce himself.

7           **SECRETARY HARRIS:**

8           Outstanding idea.

9           Mr. Allen, welcome. Would you care to say a few words, sir? The  
10          joys of technology.

11          **MR. ALLEN:**

12          Yes.

13          **SECRETARY HARRIS:**

14          We just wanted to give you an opportunity to introduce yourself.  
15          Certainly, welcome to the Oilfield Site Restoration Commission. We  
16          look forward to your wisdom and expertise. Would you care to  
17          introduce yourself to the -- to the group and to everyone participating  
18          via Zoom?

19          **MR. ALLEN:**

20          Yes. I don't know how much wisdom or expertise I have to give to  
21          this esteemed group, but I can certainly try.

22          I was appointed -- nominated, I guess I should say, by the  
23          Louisiana Landowners Association. I've served as a past president of  
24          that association. I currently work for Apache Corporation. I -- my  
25          office is in Houma. I've been in the oil and gas business, I guess, since



1 around 1990, King (phonetic) Oil and Chemical Company and Castex  
2 Energy previously. I am a land surveyor by profession. I'm -- my  
3 current job, I -- I am the surface land manager for Apache. We are the  
4 second largest coastal landowner in Louisiana, and again,  
5 headquartered there in Houma, Louisiana. So I'm happy to be  
6 working with you guys and hope I can contribute a little something.

7 **SECRETARY HARRIS:**

8 Outstanding, Mr. Allen. Thank you and -- and welcome.

9 **MR. ALLEN:**

10 Thank you.

11 **SECRETARY HARRIS:**

12 Roby, our -- our next agenda item, please.

13 **MR. FULKERSON:**

14 All righty, sir. So next up on the agenda will be the fund status.  
15 So I -- this is an update as of September 1st -- actually, September  
16 30th, I apologize. I'll kind of read through it. If anyone has any  
17 questions, please, stop me. And if -- if there's any comments from the  
18 public, we'll take everything at the end just to kind of keep the  
19 meeting going forward. And then if we need to come back to this slide,  
20 we'd be more than happy to.

21 So, as you can see on the left, we've got collection source, on the  
22 right the amount. So this is just for this fiscal year, so this would've  
23 started July 1st, 2021, and this fiscal year would be July 1st, 2021,  
24 through, I guess, June 30th, 2022.

25 So the first is LOGA for \$848, a gas tax of \$2,747,000, oil tax of

1 \$107,000. I'm sorry. I've got a period in there, that should be a  
2 comma. Interest of about \$521. Our inactive well fee is about  
3 \$14,000. It's early in the year. I believe they send those out later on  
4 in the year, so that one will be lower until sometime later on this fiscal  
5 year. Nothing in escrow. So, right now, we've collected about \$2.8  
6 million. And then this last item, the projected remaining in the fiscal  
7 year, that's how much they expect to collect. So it -- it should -- you  
8 know, the expectation is just below \$10 million.

9 If anybody has any questions, I'm happy to answer anything  
10 related to this slide.

11 (No response.)

12 **MR. FULKERSON:**

13 Okay. And can everyone see the slides okay? This is a new  
14 computer set up for us, so I'm -- I'm still navigating my way. Can  
15 everyone see everything okay.

16 **MR. MALEY:**

17 Yes.

18 **MR. FULKERSON:**

19 Okay. Perfect.

20 So the next is -- I wanted to add two items on, the balance type  
21 and the amount, just so everyone's kind of aware of the two numbers.  
22 There's encumbrances. We have about \$3.3 million in encumbrances  
23 right now that are some are projects that we've issued that haven't  
24 started yet. And the fund balance is about \$8.3 million. And the  
25 encumbrances are only the projects that have hit accounting. We have

1 additional projects that -- we'll get to these projects shortly, but that --  
2 the encumbrances is what accounting has essentially listed, and any  
3 projects that we don't have listed yet don't show up on there.

4 If there's any questions, I'll keep moving forward.

5 (No response.)

6 **MR. FULKERSON:**

7 All righty. And this is the annual collections graph. I -- you've  
8 noticed, we -- I think about halfway through last year, we kind of  
9 updated it, and it's going to be kind odd for the year 2022. As you see  
10 it kind of dips, but that's just a total amount. So I added the trend line  
11 in there, so you can kind of see what the trend line looks over time.  
12 We're slowly trending up. You know, it started off at the -- at the  
13 beginning of the program in 2011 at about 3 or 4 million, and we've  
14 slowly trended up more and more towards the 10 -- 9 -- \$8, \$9, \$10  
15 million range. So I think expectation wise, we'll collect another 10  
16 million this year.

17 If anybody has any questions related to that, please, let me know.

18 (No response.)

19 **MR. FULKERSON:**

20 Okay. Also, in the fund status, this is a slide we added last year  
21 because I thought it was kind of helpful. There's four draws during  
22 the year when the tax is collected, and so if -- these are all overlaid on  
23 each other. On the bottom, you'll see July through the 13th period,  
24 and the 13th period is just an extra collection period. The -- the big  
25 one is just the months. And as you can see, we have essentially four

1 periods, early August, sometime in November, February, March  
2 timeframe, and then end of the year, May, June. We're a little behind  
3 this time. I -- I think we've had a little bit of turnover in accounting,  
4 and that -- I think it probably all lines up. I think it's just mostly that  
5 draw just shows up based on when we got the numbers out.

6 But, as you can see, this fiscal year, I -- I -- the line is a little bit  
7 blurry or glowed, so you -- highlighted. It's going to fall right in  
8 between fiscal year 2019, and then fiscal year 2021 and 2020 are the  
9 yellow and green kind of overlap, so it -- it's right in between those two  
10 fiscal years. So we'll -- I'll -- I'll continue to track this throughout the  
11 year so you guys can kind of understand how we are collecting in  
12 terms of what we have collected in the previous years.

13 Does anybody have any questions related to this slide?

14 (No response.)

15 **MR. FULKERSON:**

16 Okay. Mr. Secretary, that -- that's the end of fund status. If it's  
17 okay we can -- I can continue all with program statistics, that's our  
18 next Commission agenda item.

19 **SECRETARY HARRIS:**

20 Roby, please, proceed. Thank you.

21 **MR. FULKERSON:**

22 Yes, sir.

23 **PROGRAM STATISTICS**

24 **MR. FULKERSON:**

25 So that -- there is a financial security update. This was a request

1 some time ago that you guys kind of wanted to know where we were in  
2 collections. So financial security collected this fiscal year is about \$1.5  
3 million. A large portion of that, about \$1.2, is a Shoreline collection.  
4 That's not escrow. That -- that's related to a court settlement. So,  
5 essentially, we've got about \$1.5 this year. So total financial security  
6 we've collected a total of \$12 million in financial security.

7 We haven't had to spend any funds up to this year date, that's just  
8 between July 1st and essentially September 30th or the beginning of  
9 this month, but we do have quite a few projects lined up with it.

10 So, for the first -- the Humphreys project began, that's three wells  
11 in Terrebonne Parish. They had about a million dollars in financial  
12 security. We've done three wells. We're finished up the third, which is  
13 an SWD well, and there's a large facility to be removed and that'll eat  
14 up about \$1 million dollars of it.

15 We also have a Mesa Gulf Coast package coming. Mesa went  
16 orphaned sometime last year, and they have quite a bit of money in  
17 financial security, so we're going to -- you'll see us start grabbing a  
18 bunch of wells. These five wells were specifically selected because  
19 there was a leak, and then there's a few other items that are pretty  
20 interesting around these wells, as well.

21 So, as you can see, with the Shoreline money, we've also -- we've  
22 got a little bit left over from the previous Shoreline packages we put  
23 out. I want to say it's probably about \$300,000 or \$400,000, and we  
24 have that \$1.2 million, so you'll see a Shoreline and most likely a  
25 Rabbit Island. Rabbit Island is offshore-offshore. It's probably almost

1 at the end of our three miles, so we'll -- we'll work on that. We're kind  
2 of selecting the most important wells to go to and hitting those.  
3 Because I'm going to say there's -- there's probably like 30 or 40 wells  
4 out there, so I'm not sure if that -- that Shoreline's money will cover  
5 everything, but we -- we'll -- we'll get the ones that are probably the  
6 most distressing.

7 And then the last one we issued, I actually think it was issued  
8 today, there's a Harvest Group, St. Mary's Parish. They have one  
9 SWD. It's a two-well package, but the -- for one of them, the SWD is  
10 about 1,000'. There's \$443,000 in financial security. So we've issued  
11 that package, and it should be out for bid. I think the bid ends in  
12 December.

13 So these are kind of the upcoming packages we have related to  
14 financial security. We're kind of going to try to grab some of the larger  
15 packages in the financial security. There's a lot of -- there's \$12  
16 million. It looks like a large sum of money, but they're kind of spread  
17 out over, you know, a few hundred wells, and if it's only \$50,000 or  
18 \$60,000, we're kind of working our way for which ones to use, and we'll  
19 -- you'll see us grab the low-hanging fruit first, the larger packages,  
20 the larger amounts, and then we'll kind of move to those smaller  
21 packages and decide how to handle those.

22 **MR. MALEY:**

23 Roby, this is Steve Maley. I have a -- could you clarify what you  
24 said about the Harvest Group?

25 **MR. FULKERSON:**

1 Yes. So the Harvest Group, I believe that is their -- their SSTA --  
2 oh, no, I'm sorry. It's not an SSTA. That is a straight escrow. When  
3 they went orphaned, there was an escrow well, an SWD in St. Mary's  
4 Parish. I think the actual field is the Atchafalaya Basin Field South.  
5 And so they -- they left \$443,000 in financial security for that site.

6 **MR. MALEY:**

7 And did you say there was just one SWD, shallow SWD, to plug?

8 **MR. FULKERSON:**

9 That's correct, yes, sir. It's offshore -- well, it's not really -- it -- it --  
10 it's on water, I guess would be the best way to say it. So, yeah, it -- it  
11 -- I would imagine it would cost much less than \$443,000.

12 **MR. MALEY:**

13 But any overage would just be released back to whoever set up the  
14 account? I mean, what's -- I mean, the overage on that doesn't go into  
15 OSR, does it?

16 **MR. FULKERSON:**

17 I -- I don't remember. I thought it rolled back into us if we -- but  
18 they may go back to the original account holder. I'll double check.  
19 And I don't want to tell you wrong, because I know the SSTAs and  
20 escrows are slightly different.

21 **MR. MALEY:**

22 Right, right. Well, it just seems like a lot of money to -- to plug one  
23 shallow well and clean up the site. Not -- not haven't seen it, but --

24 **MR. CANFIELD:**

25 Whatever is not -- no, whatever is not spent will go back to the

1 holder.

2 **MR. FULKERSON:**

3 Okay. So, you know, this -- this will roll back, Mr. Maley. I'm  
4 sorry. This will roll back to whoever the holder is.

5 **MR. MALEY:**

6 Okay.

7 **MR. CANFIELD:**

8 What is not spent.

9 **MR. FULKERSON:**

10 What is not spent.

11 If there any questions related into this after that?

12 **MR. MALEY:**

13 That answers my question. Thank you.

14 **MR. FULKERSON:**

15 Okay. Thank you, sir.

16 **PROGRAM STATISTICS**

17 **MR. FULKERSON:**

18 Okay. So we've got -- the next graph we have is orphan well count  
19 versus wells plugged. It just kind of trends '95, '96, to 2021, 2022. So,  
20 as you can see, we've plugged about 46 -- we've plugged 3,527 wells,  
21 that's the red line. The blue line is how many orphan wells there are.  
22 As you can see, we actually -- we've plugged almost the same amount  
23 of wells that came on the last month or so. So since July 1st, we've  
24 plugged around 45 wells -- I think it's 45 to 47, and about 45 to 47  
25 came on the orphan list, so that's why the blue lines are very similar.



1           If there's any questions related to this, please, let me know.

2           Otherwise, I'll keep moving on.

3           (No response.)

4           **MR. FULKERSON:**

5           So this is our urgent and high priority. On the red are the urgent  
6           and high-priority wells remaining, and on the -- and the blue is the  
7           cumulative urgent and high-priority wells P&A'd by OSR. So we went  
8           from 672 to 710. And that -- that may be from wells being added, or it  
9           could just be the change in the priority score. You know, if it's a  
10          Priority 2 or 3, over time, it may become a 1 just based on the age,  
11          location, you know, land -- become water, so things of that nature, so  
12          that -- that's kind of where we are right now.

13          If there's no questions here. I'll keep moving along.

14          (No response.)

15          **MR. FULKERSON:**

16          Again, this is just kind of the wells plugged. And so, as you can  
17          see, the only wells we've had plugged recently will be by OSR. Other  
18          means includes the Coast Guard, EPA. The Coast Guard has  
19          intervened in a few things but not plugged any wells. The EPA has  
20          not this first -- first quarter of the year. And I don't believe we've had  
21          any SSTAs as wells -- or not SSTAs, I'm sorry. co-ops with wells  
22          plugged this year.

23          If there's no questions, I'll continue moving on.

24          (No response.)

25          **MR. FULKERSON:**

1 I believe we added this on our last meeting. This is wells  
2 orphaned by month. And so I went back to July 20th, 2019, and broke  
3 it down in the Lafayette, Monroe, Shreveport, and then total wells all  
4 the way on the right, and this is how many wells are orphaned by each  
5 month. Mostly, I did -- they did it at the beginning of COVID, because  
6 I was interested to see if COVID affected anything, and they're kind of  
7 just plotted against each other. And on bottom of that axis is the  
8 years, and I did a 3D because it kind of helps overlay which ones -- you  
9 know, how it all looks.

10 And so, you know, the last couple of months, in July, we had eight  
11 orphans, in Lafayette and Monroe total. In August, we had four  
12 orphaned wells. And then in September, it trended up, we had quite a  
13 few in Monroe. It was 34 out of Monroe for a four total of 43 wells. So  
14 that's kind of how the -- the trends are right now. I'll continue to  
15 watch it. I don't -- I haven't seen anything that stands out, but it's just  
16 an interesting fact.

17 And if there's any questions here, please, let me know.

18 (No response.)

19 **MR. FULKERSON:**

20 And the next slide is our current orphan level. This is the -- the  
21 difference -- or the -- kind of the change in orphan counts since the last  
22 meeting. And you'll see the priority score, wells that have not been  
23 inspected, and wells that not have not been prioritized. The change is  
24 just the change since the last meeting. A positive number will be wells  
25 added. A negative number would be well subtracted.

1           So, for instance, Lafayette subtracted 25 wells, but added 31  
2 Priority 2, so I'm going to guess they probably had a lot of Priority 3s  
3 move up to Priority 2s.

4           You can also see how many wells were missing in terms of  
5 inspection in each district, as well.

6           So that -- that's kind of a breakdown of everything we've got and a  
7 total amount of wells. You'll notice the total amount of wells is one  
8 number off. It was 4,612 on one slide and 43 -- 4,613. I think that's  
9 just when these numbers were run. I think this was probably run post  
10 -- at -- at -- that 4,612 was probably run earlier and then another well  
11 was orphaned or P&A'd, and that -- that SONRIS was slightly  
12 afterwards.

13           If there's any questions with this slide, please, let me know.

14           (No response.)

15           **OILFIELD SITE RESTORATION PROGRAM PROJECTS**

16           **MR. FULKERSON:**

17           Okay. So we had a total of three emergency projects this year. I  
18 believe I've emailed everybody on all three of them.

19           The first one we'll get to later, but that -- it -- it was in north  
20 Louisiana, in Shreveport. The operator ended up responding after we  
21 sent the emergency, so the operator responded and took care of  
22 everything, and the wells are back in their name. So that -- that --  
23 that accounts for Emergency No. 001 of the year.

24           Emergency No. 002 was Breton Sound, two wells. There were two  
25 wells leaking off the coast in Breton Sound Block 33. They were

1 discovered by the Coast Guard, I believe originally. One well was  
2 leaking oil. When we were able to make it out on a boat ride, they  
3 found another well leaking saltwater. The total bid came in about  
4 \$964,000. We are in the process of still responding. We -- we initially  
5 went out and the initial contractor wasn't able to respond to the  
6 project, so we -- we've got a second contractor going out to respond to it  
7 now. The leak is, I believe, on both are stopped or one of them may.  
8 The saltwater may be slightly going on. We're in the process of  
9 working our way through that. But those two wells -- that project is  
10 still ongoing.

11 And then Emergency 22-003, Masters Creek, we're currently  
12 working on that. We found a -- I believe I shared the pictures with you  
13 guys, but we -- we found a well in Monroe District, it was a -- it was a  
14 Yuma well, and it was leaking through a casing valve. It looked like it  
15 had either been leaking for a while or it was quite a bad leak. It had  
16 quite a bit of drilling mud on location. The contractor was able to  
17 respond. The leak has been stopped, and they're going about the P&A  
18 now. It's a deeper Austin Chalk well, so the P&A is a little bit more  
19 complicated. The -- I believe we're about 9,000', and a contractor is  
20 moving a rig on location now to either begin full tubing or to complete  
21 the P&A, but the lower section of the wellbore has been P&A'd, and  
22 we're kind of working our way up the well to verify the integrity of the  
23 well.

24 But, in total, this year, we've got about three emergency projects  
25 for \$1.2 million.

1 **MR. MALEY:**

2 Hey, Roby. This is Steve Maley again. I had a question. Are --  
3 are -- the Breton Sound emergency, was that post-Ida?

4 **MR. FULKERSON:**

5 Yes, sir, it was. That was an inspection by the Coast Guard post-  
6 Ida.

7 **MR. MALEY:**

8 Was there any discussion about Coast Guard taking responsibility,  
9 financial responsibility, for plugging the well?

10 **MR. FULKERSON:**

11 I think we try to broach that subject with them, but the Coast  
12 Guard mostly is willing to stop a leak. They haven't been interested in  
13 P&A'ing wells. I'm not going to say it's not -- it's the case that they'll  
14 never do it, but they usually respond to help stop a leak and look to us  
15 to P&A the well.

16 **MR. MALEY:**

17 Thank you.

18 **MR. FULKERSON:**

19 No problem.

20 Are there any other questions?

21 (No response.)

22 **MR. FULKERSON:**

23 Okay. So this is a breakdown of our current projects. These are  
24 essentially projects that are ongoing currently or will begin work here  
25 pretty quickly. The first -- we're carrying quite a few wells, about 80

1 wells, over from last year in north Louisiana. The contractor hasn't  
2 been able to make it out there due to weather. So Monroe, the 21-001,  
3 003, 006, 007, and 009 -- actually, and 010 are all carried forward from  
4 last year. Two of the projects have one well remaining. 007 and 003  
5 should be completed here pretty quickly. 003, they had again issues  
6 getting out there, so I believe they're going to put mats and try to P&A  
7 that last well. And Caddo Pine Island had one well left, and they were  
8 also having issues making their way out to it. But we've got about 80  
9 wells carrying forward to the next year, I believe, to complete a P&A.

10 The 21-011, Freshwater Bayou, that is the Black Elk SWD  
11 package in Freshwater Bayou. I want to say that's Jefferson Davis  
12 Parish, but I might be wrong. That's about \$517,000. That was the  
13 one previously where I showed you the tank had blown a few miles  
14 away. There's only one SWD there. The P&A is not really the difficult  
15 part. It's just a really large facility.

16 And we all also have Humphreys, which should be completed  
17 pretty quickly. The P&A should, I believe, be completed now. That  
18 one, they had quite a few issues on the last one, the SWD that they --  
19 they essentially found the wellhead not quite what was turned in, and  
20 then the tubing was, for some reason, they welded some 3.5 on top of  
21 the 2-7/8ths tubing, so they kind of had to find a way through the  
22 wellhead there.

23 And the last package is Golden Meadow, that's 14 wells, that's in  
24 Lafourche. Those are shallower wells. They -- they're -- I think there  
25 may be one deeper, but those shallower wells, essentially, a lot of them

1 don't have wellheads on them. They've got some surface  
2 contamination, so we wanted to take care of those while we can.

3 Are there any questions related to our current projects?

4 (No response.)

5 **MR. FULKERSON:**

6 Okay. And upcoming projects, I should have pulled Golden  
7 Meadow out of here, but Golden Meadow, the bid has been awarded. I  
8 believe we're in the contract phase of that.

9 The next few we've got are Tigre Lagoon. Those are -- that should  
10 be four wells and one large facility. We kind of went over that the last  
11 meeting. Those are deeper wells largely falling apart, and they're  
12 largely all high-pressure wells. It'll be a complicated project. There's  
13 a large facility there. Some of it went into the water due to a  
14 hurricane last year. We also have a well that -- from the recollection  
15 of the CES (phonetic), they put a -- sunk up. They put a tank over the  
16 well to mark where the well is, and so we have to pull the tank out of  
17 the way to see if there's a well there or not. So that -- that'll be a  
18 bigger, more expensive project. It is all on water.

19 We also have Caddo Pine Island, a 31-well project. Lake  
20 Hermitage, that is Mesa Gulf Coast, Ledestro - Shreveport, Union  
21 Parish - Monroe, that's another north Louisiana package. And, as you  
22 can see, these site -- site visits were all pretty -- pretty close here, so  
23 we've had almost site visits every other week, it feels like. So we've  
24 got a site visit in November for Lake Hermitage. That was pushed  
25 back, I believe. I -- I think it was somewhat due to the storm and also

1 some requirements on what we listed in the newspaper. St. Mary  
2 Parish, those were just advertised today. Those -- that is the Harvest  
3 Group. Lacassane, which I'll show you guys shortly. And then  
4 Shoreline. So the -- kind of the next two projects we're looking at are  
5 Lacassane and Shoreline. There's a third project, a Red River project  
6 in north Louisiana, that's going to be about 14 Wells. We're working  
7 with the Monroe District about how much we need to do. There's a lot  
8 of flow line out there, and it -- it's essentially some of the flow lines  
9 running over the river, so we need to flush the flow line and cut and  
10 cap some of it to -- to essentially keep that hazard of the way and then  
11 P&A this well. So that -- that that'll be the third project we're working  
12 on, as well. But that those are all deeper wells, 8,000 to 10,000'. So  
13 that that's kind of our next set of projects coming up.

14 If there's no questions here, I'll keep going.

15 **MR. MALEY:**

16 Well, Roby, as usual, I have a question. This is Steve Maley again.  
17 On the -- on the Tigre Lagoon thing, I -- I think we're talking about the  
18 same well. There's the -- the well that's got a separator over the --  
19 apparently, it has a separator over the -- over the well. I -- I dug into  
20 its SONRIS file a little bit, and it looks like a -- it was a producing well  
21 that got out of control on them and they killed it and plugged it and  
22 they left the facility in -- in the shape it's in. But the operator name  
23 that was on it was Coastal States and Columbia Gas. And just to kind  
24 of make an editorial comment, I -- I don't know what happened to  
25 those companies in terms of legally, but there -- there has to be some



1 legacy company that acquired interest in those -- in those companies.  
2 And I don't know, kind of -- kind of toss it out there for the -- for the  
3 legal staff, if -- you know, even -- even if it -- even if title can't be  
4 connected, the dots can't be connected, or -- or one of the entities went  
5 through a bankruptcy, those -- whoever owns that pipe, it's -- it's  
6 connected to Henry Hub and they're still making money in the state of  
7 Louisiana, and it's, you know -- you know, it's a 50-year-old problem  
8 that everybody just conveniently forgot about, and there it sits and it's  
9 for us to clean up now. So, anyway, that -- that's just kind of a  
10 comment, for what it's worth, so people know what's going on. And  
11 some of these entities, I think, ought to step up and -- and -- and help  
12 out to -- to pay for some of the legacy problems.

13 **MR. FULKERSON:**

14 Yes, sir, I agree with you. I -- so just kind of our process, on the  
15 OSR side, we'll -- we'll send out letters to all the previous operators,  
16 and if we can find title (phonetic) to a new operator, we'll send it out to  
17 the new operator, as well, and ask them to respond. And if they don't,  
18 then we'll -- we'll essentially cc Mr. Harris's office and Blake Canfield  
19 and hand it over from -- to Blake from there, and he -- I know they  
20 definitely pursue it. And it's usually all of these are at different levels  
21 of pursuit, kind of where we're at with it, and they work with the AG  
22 on it. I'd like -- you know, I'd probably defer to Blake on where they're  
23 at with most of them, but if y'all want an update on that, that's  
24 something we can definitely work with Blake with and Mr. Harris to  
25 see if we can kind of go through those.

1 **MR. CANFIELD:**

2 Yeah, Roby. This is Blake. So, you know, we look at it after the  
3 money is already spent for reimbursement standpoint, but I think  
4 what y'all are doing on the front end to try to see if somebody will step  
5 up prior to spending the money is -- is definitely the right -- right first  
6 step. I'm happy to reach out to the AG's Office to see if they think  
7 prior to spending money, if -- if there's any ability to go after those  
8 companies. But I know the Secretary's authority is sort of limited to  
9 going back for reimbursement of money already spent.

10 **MS. CREASMAN:**

11 Yeah. I mean, this is Lisa Creasman. I don't know if that's  
12 typically our purview to say where there's justifiable evidence to get  
13 the AG's Office involved, if there's something that triggers that  
14 typically, but -- but, based on what Steve said, it does seem like if -- if  
15 there's still active in the state and there's a -- a chain of -- of evidence  
16 there or title or such that could be pursued, it -- it does seem like it's  
17 worthy of that consideration.

18 **SECRETARY HARRIS:**

19 Well, I don't know if that information helps, or are there any other  
20 -- and I -- and I can tell you, we do, you know, within -- within the law,  
21 we do use all the tools at our disposal to try to recover the money, but  
22 within the Office of the Secretary, we are limited to recovering monies  
23 that have already been spent.

24 **MS. CREASMAN:**

25 Uh-huh, uh-huh.

1 **MR. MALEY:**

2 That was kind of a stone in my shoe, and, you know, we can -- we  
3 can move along. I'm not looking for a resolution obviously here, just  
4 information, for what it's worth.

5 **MR. FULKERSON:**

6 Yes. No -- but very fair points, and I think it's something we're all  
7 concerned about on different levels, so I -- you know, maybe we can do  
8 a little bit of research and get back to you guys on it, but, you know, I  
9 can't say I disagree with you guys.

10 Okay. Moving on from upcoming projects to the estimated OSR  
11 funds for fiscal year 2021-22, it's just a pie chart of what the funds  
12 we've spent and then some of the upcoming ones. Some of them are  
13 estimates, as you can see, in like the Iberia and Vermilion Parish,  
14 that's Tigre Lagoon. They put in about \$1.5 million, that's -- that's an  
15 estimate. We're not quite sure how much that's going to cost until we  
16 get the quotes, but we'll -- we'll throw in some estimates there, that  
17 way we have placeholders on how much money we've got to spend and  
18 how much we've spent.

19 As you can see, we've got a lot of -- you know, as -- as we saw last  
20 year, you see a lot of little pie sections going to north Louisiana, but  
21 the bulk of the money is going to south, the three biggest projects  
22 being Iberia and Vermilion, that's Tigre Lagoon, Golden Meadow, and  
23 Humphreys Field. Humphreys Field will be reimbursed with that  
24 SSTA, so we will have those funds. The way the SSTA works is, we  
25 spend the money and then we can reimburse ourselves from the SSTA,

1 and those funds go back to the work -- go -- go back to the orphan fund.

2 **MR. CALLAHAN:**

3 Hey, Roby.

4 **MR. FULKERSON:**

5 Yes.

6 **MR. CALLAHAN:**

7 This is Barney Callahan. I love the graphics. Everything is  
8 working fine with identifying and labeling the upcoming work or  
9 ongoing work. Is there anywhere in probably like the -- the previous  
10 slide that you could put a column in there for recognizing that -- which  
11 land -- which one of the -- these wells or on dry land or wet land?

12 **MR. FULKERSON:**

13 Yes, I sure can. I can definitely add that to every single package.

14 **MR. CALLAHAN:**

15 Or open water, maybe just a one, two, three category of some kind.

16 **MR. FULKERSON:**

17 Yeah, that won't be any problem at all. The next meeting, I'll have  
18 all that put together in there for you.

19 **MR. CALLAHAN:**

20 Yeah, because when -- it -- it's a whole different animal when  
21 you're talking wetland or backwoods.

22 **MR. FULKERSON:**

23 Yes, sir, it certainly is when you have to deal with marshes --

24 **MR. CALLAHAN:**

25 Yeah.

1 **MR. FULKERSON:**

2 -- building roads in a marsh or oysters. So, yeah, it -- I -- I -- I  
3 completely understand. I'll -- I'll add that to our -- our table there.

4 **MR. CALLAHAN:**

5 Okay. Thank you.

6 **MR. FULKERSON:**

7 No problem.

8 If there's any questions of this slide, please, let me know. If not,  
9 we'll move forward.

10 (No response.)

11 **MR. FULKERSON:**

12 Okay. So our north Louisiana mandate, I don't anticipate being a  
13 problem. We've got quite a few projects from last year we're carrying  
14 over and from this year. Just this year, we've got four projects for 89  
15 wells. We've already gotten, you know -- those projects, I don't think  
16 all the quotes or numbers are in yet, but even the emergency should  
17 count towards it, and that's \$250,000. So we -- we've got quite a few  
18 projects in north Louisiana, so I don't anticipate us reaching that goal  
19 being a problem. The only thing that may slow us down would be  
20 similar to last year with weather (unintelligible), but in terms of  
21 projects, wells, and money, that -- all of them will be there. We try to  
22 balance it out pretty well.

23 If there's any questions related to this, please, let me know.

24 (No response.)

25 **MR. FULKERSON:**

1           Okay. These are just a couple of the upcoming projects. I -- I kind  
2 of like to show you guys what we're looking at, what our thoughts are,  
3 and what we've got coming. The Lacassane Wildlife Refuge, this was a  
4 well owned by William (unintelligible). They P&A'd the well, I want to  
5 say in the '80s, maybe '90s, buried below ground level. We found a  
6 seep at surface. We dug it out and found the wellhead cut and capped  
7 as they're supposed to, but if you notice -- let's see, the left picture is a  
8 little bit farther away. If you look at the two pictures on the right, the  
9 cap they welded on it is bowed outward from pressure below it. So  
10 essentially there's -- there's some type of surface pressure migration  
11 that caused that -- that cap -- that metal to bend outward. We're not  
12 sure how much pressure, and we're not really sure what -- what we're  
13 going to be able to do about it. But we're going to tie it back. We'll  
14 probably release a package for that here shortly, and that would be  
15 our next one. It will probably be a pretty short and sweet package,  
16 have a well control company come out and look at it and tie it back,  
17 and we'll just make a decision from there. The P&A of this one, it  
18 won't be easy. There's about -- I remember right, there's 1,500' of  
19 cement at surface. For some reason, when they left the well, whether  
20 they had issues or not, they set a 1,500' surface plug. So there may be  
21 a tie back, and we will have to evaluate what we do with it from there,  
22 but this was kind of a more complicated one, and it'll probably -- you  
23 know, I don't see any way you can (unintelligible) to the tie back. It  
24 will not be -- not be easy.

25           If there's any questions related to this one, please, let me know.

1 (No response.)

2 **MR. FULKERSON:**

3 This is the Mesa Gulf Coast package we discussed, the ones that  
4 we have some escrow for. The -- we found that there was a leaking  
5 well at -- it -- it actually wasn't leaking well, I'm sorry, it's a leaking  
6 tank. It looked like someone had actually shot the tank is what our  
7 field rep said, and it was leaking oil while we're out there. So that --  
8 the Coast Guard actually responded. The Coast Guard has emptied  
9 the tanks and disposed of all the fluid. That kind of goes into your  
10 question, Mr. Maley. So they -- they disposed of all the fluid, and  
11 they're looking to us for the P&As. So we we've got the P&As set up.  
12 The tanks are empty. We should have the site visit here shortly, I  
13 believe.

14 One interesting thing, and I'm not sure if it's been moved or not,  
15 the company left the lift boat attached to the well, and I'm not quite  
16 sure how long it's been there, but the -- we -- what kind of concerned  
17 me is the lift boat is literally around the well. So if something were to  
18 blow the lift boat off the location, it may -- I don't think it'll take the  
19 well with it, but I don't know what damage it'll do. We were -- we  
20 were able to work with the Coast Guard to trace the lineage of the lift  
21 boat, and they issued an order for the owner to move it. We don't go  
22 out and check it regularly, so I'm not sure if the boat's still there or  
23 not, but I -- you know, I just -- I guess I wanted to show you what the  
24 package is, what it looks like, and kind of some of the reasons why we  
25 selected these specific wells, but that -- that -- that's the first one

1 where I've seen someone left the lift boat on the well for a while.

2 **MR. SALSBURY:**

3 Hey Roby. This is Barry. That's the M&M Martin's lift boat.  
4 That Mississippi River Bank there at Belle Chase is foreclosed on, and  
5 the owners kind of skipped down, so it's an interesting situation. And  
6 I only know, because we went and looked at the lift boat.

7 **MR. FULKERSON:**

8 Well, thank you. I didn't realize all that. Now it makes sense. So  
9 it's probably still out there.

10 If there's any questions related to this one, please, let me know.

11 And thank you for adding that, Mr. Salsbury.

12 (No response.)

13 **MR. FULKERSON:**

14 This was the first emergency this year, the one where we declared  
15 it an emergency at Shongaloo Field, Webster Parish. The operator  
16 responded, pumped everything out and cleaned it up. The well is back  
17 in their name, so we kind of closed out that. We don't really want  
18 more orphan wells, and the operator took care of it, so we kind of  
19 moved it off our list and gave it back to them, so that -- that's the end  
20 of that one.

21 **FEDERAL AND THIRD-PARTY ACTIVITY**

22 **MR. FULKERSON:**

23 So, for the federal and third-party activity for the year, and this is  
24 just since July, mostly it's just hurricane response, on the left is the  
25 Breton Sound well that was leaking. We had issues. So one of the



1 things that kind of -- we can do is, we can complete an assessment is  
2 what it's called, and we can go to a well site and intervene and stop a  
3 leak for up to \$5,000. If you go over \$5,000, it goes to public bid. So  
4 the Coast Guard was able to get out there -- grading. You can't tell the  
5 grading was actually pulled up around it and you couldn't land the  
6 boat on it, so we thought we were going to have to get a lift boat out.  
7 The Coast Guard was able to stop the leak. We're going to continue on  
8 with the P&A of the well, because I don't think the well has a very  
9 good condition. But, essentially, intervening in some of these offshore  
10 wells for anything less than 5 Ks can be pretty difficult.

11 And then on the right is the tank from Lake Hermitage. They  
12 pumped out those tanks and disposed of all the fluid for us. So we've --  
13 we've been working with them, and they -- they've actually been very  
14 helpful in some of these items, for instance, the lift boat and other  
15 items.

16 If there's any questions, please, let me know.

17 (No response.)

18 **MR. FULKERSON:**

19 EPA wise, I haven't heard much or seen much out of them since  
20 COVID. I know they're starting to get moving in north Louisiana, but  
21 I haven't -- I haven't seen a large presence of them. They -- they had  
22 two or three projects going for us in south Louisiana, but I don't -- they  
23 haven't started those up yet. I haven't really seen (unintelligible).

24 If there's any questions here, please, let me know; otherwise, I'll  
25 keep going.

1 (No response.)

2 **MR. FULKERSON:**

3 This one, I'll just -- I want to kind of keep you guys updated on  
4 how much money we spend every year in it. These are the  
5 assessments. Essentially, we call it -- I call it surface interventions. If  
6 we find a leak on the wellhead, we'll go out and stop the leak and clean  
7 up the well. On the left, you'll just see some -- a leaking -- surface  
8 leak, so we'll -- we'll send a wellhead rep out there. They'll inspect it,  
9 repair the leak. On the right, we -- we find some things like this  
10 where they left some -- you know, left some equipment on site. The  
11 equipment's leaking. We'll go out, scrape everything off, stop the leak,  
12 and dispose of everything appropriately. So we've done about 17 of  
13 those so far this year for about \$25,000. And essentially --

14 **MR. MALEY:**

15 Roby, those are -- those are all orphan wells. I mean, if you found  
16 this on a non-orphan well, you'd expect the operator to --

17 **MR. FULKERSON:**

18 Yes. So -- no -- the Inspection and Enforcement Department  
19 issues a compliance order and asks them to respond. These are only  
20 orphan wells.

21 **MR. MALEY:**

22 Okay.

23 **MR. FULKERSON:**

24 All right. Do we have any questions here? If not, I'll keep going.

25 (No response.)

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**CONTRACTOR APPROVAL**

**MR. FULKERSON:**

Okay. We have no new OSR contractors for this quarter, so I'll just keep moving there.

**UNDERWATER OBSTRUCTIONS**

**MR. FULKERSON:**

Underwater obstructions, so our plans for this year is just to use those funds for site clearance activities for Breton Sound or for Lake Hermitage. We'll work with Coastal Management and those guys on that. I know Breton Sound is around an oyster seeding ground, but I believe it's not active.

**PERFORMANCE INDICATORS**

**MR. FULKERSON:**

And for our performance indicators for the year, so I believe we're still at 225. I need to verify that number for 225 well sites restored. The first quarter, we've got 45 total, and, hopefully, we'll see that number trend up. We've got quite a few projects in north Louisiana rolling -- rolling out. South Louisiana, we've got the only one package where you've got quite a few wells for, but most of the ones in south Louisiana are kind of more problem child on water.

**PUBLIC COMMENTS**

**MR. FULKERSON:**

Okay. And this would be our last slide, Mr. Secretary. It was just going to open the floor to questions, discussions, anything we can answer from the OSR side.

1       **SECRETARY HARRIS:**

2           Thank you, Roby.

3           At this time, are there --

4       **MR. MALEY:**

5           Yeah, I --

6       **SECRETARY HARRIS:**

7           Go ahead.

8       **MR. MALEY:**

9           I -- I had a question about something we talked about I think it  
10          was the last meeting. The Well Done Foundation that was stepping  
11          up. Is -- is there anything ongoing with that relationship? Do you  
12          have any comments to make about it?

13       **MR. FULKERSON:**

14          Sure. So they'll first co-op it out (phonetic). They're still in the  
15          process of testing the wells. I'm unfamiliar with how long that testing  
16          process works. They haven't issued a co-op or haven't requested a  
17          co-op for a P&A yet. From what I understood from what they -- the  
18          way they do, they -- they -- they go about their process is, they observe  
19          the well, measure the amount of emissions for a certain amount of  
20          time. If it meets the criteria they're looking for, they'll P&A it. But  
21          they haven't begun any P&As yet. They're still in the process of  
22          determining the emissions. So that that's kind of where we've gotten  
23          with them. I'm not sure how many they'll end up P&A'ing, but I think  
24          our view on it was if they P&A one, it's good for us. So we -- we'll --  
25          we're going to kind of keep tracking it, but I'll give you guys an update

1 at the next meeting to see if they've P&A'd any wells and kind of how  
2 it's going.

3 **MR. MALEY:**

4 Okay. Thank you.

5 **SECRETARY HARRIS:**

6 Sorry, everyone. My signal keeps dropping. Are there -- at this  
7 point, are there any other questions from Commission members?

8 **MR. MALEY:**

9 It looks like you have a question on chat. I'm sorry.

10 **SECRETARY HARRIS:**

11 Do we have any questions or -- or comments from -- from the  
12 public?

13 **MR. JACOBY:**

14 This is Andrew Jacoby. Can y'all hear me? I've just got a quick  
15 comment.

16 **MS. CREASMAN:**

17 Yes.

18 **MR. JACOBY:**

19 Thanks. I appreciate the -- the -- the -- all this great information.  
20 Maybe this is more of a question. I know that this is really -- this  
21 situation is set up for comments and not questions, and you don't have  
22 to answer if you don't know. But, Roby, when you send a letter, I  
23 think you said you send a letter to all the former operators, am I  
24 correct, that -- that a letter -- when a well is going to be orphaned, a  
25 well -- a letter goes out to every single one of the former operators?

1 And, if so, are you telling them that each one of them is responsible for  
2 the well, and then it just doesn't get called up or you provide it to  
3 Blake thereafter, or can you maybe explain how that process goes a  
4 little bit?

5 **MR. FULKERSON:**

6 Okay. Sure. So that -- that -- we don't actually send letters when  
7 they're orphaned, so that you don't orphan everyone in the chain.  
8 Inspection and Enforcement will issue a compliance order or -- you  
9 know, for anything, but the -- the -- the last company goes orphaned  
10 that owns the well.

11 Now, when we go to P&A the well in the OSR Program, before we  
12 start the work, we'll send a letter to everyone in the lineage notifying  
13 them of the work and that if they don't respond, then we have the  
14 right to pursue the funds from them later on, after the money is spent.  
15 And then -- and we kind of work in liaison with Blake Canfield notify  
16 him when we're sending the letters, and we'll -- we'll kind of stay in  
17 touch throughout that process. And at the end of the project, we kind  
18 of -- we -- we'll put together an accounting and kind of sit together  
19 with Blake, you know, kind of hand over everything to the Secretary's  
20 Office and assisting them in the way of collecting the funds.

21 Blake, do you want to kind of take it from there or --

22 **MR. CANFIELD:**

23 Sure, Roby. So, after that point, then we have to send out notice to  
24 the last operator and the past operators basically stating how much  
25 money was spent, how much we're seeking to recover, and then,

1 depending on whether or not we get a response, if we need to take  
2 further action, we then coordinate with the AG's Office and potentially  
3 look at litigation.

4 **MR. JACOBY:**

5 Okay. Thanks very much, y'all.

6 **MS. PARKER:**

7 One quick note, it's got to meet the \$250,000 threshold for regular  
8 -- for regular projects, and then it -- but that doesn't apply to  
9 emergency projects, right?

10 **MR. FULKERSON:**

11 I believe that is correct, Casandra, yes.

12 Okay. I think we -- we -- we've kind of answered that one, I hope.

13 If you have any further questions, please, let me know, Andrew,  
14 and I -- we can either answer it here or offline, whatever you need.

15 **MR. JACOBY:**

16 Okay. Thanks very much.

17 **SECRETARY HARRIS:**

18 Thank you. Do we have any other questions, comments?

19 (No response.)

20 **SECRETARY HARRIS:**

21 Hearing none, at this time, I think that's our last agenda item. If  
22 there are no other questions or comments, I guess it's time to entertain  
23 a motion to adjourn.

24 **ADJOURN**

25 **MR. CALLAHAN:**

1 Motion to adjourn right here.

2 **SECRETARY HARRIS:**

3 We have a motion on -- on the floor from Mr. Callahan.

4 Do we hear a second?

5 **COMMISSIONER IEYOUB:**

6 Second.

7 **SECRETARY HARRIS:**

8 Second by Commissioner Ieyoub.

9 Hearing no questions or comments, all in favor, signify by saying  
10 "aye."

11 (All aye.)

12 **SECRETARY HARRIS:**

13 All opposed?

14 (No response.)

15 **SECRETARY HARRIS:**

16 Hearing no objections, the motion carries. This meeting of the  
17 OSR is adjourned. Thank you all.

18 Roby, when is -- when is our next scheduled meeting?

19 **MR. FULKERSON:**

20 Give me one second. I'll pull it up. I think -- I think I send meeting  
21 invites out to everybody. But the next meeting should be in January, I  
22 believe. It's the third Thursday, so it's January 20th should be our  
23 next meeting.

24 **SECRETARY HARRIS:**

25 Outstanding. Thank you all. See you next time.



1

THE MEETING WAS ADJOURNED

**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 October 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 40, 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

MICHELLE S. ABADIE, CCR  
CERTIFIED COURT REPORTER