

MINUTES

OYSTER LEASE DAMAGE EVALUATION BOARD

April 20, 2000

The meeting of the Oyster Lease Damage Evaluation Board was called to order on April 20, 2000 at the Louisiana Division of Administrative Law Building, 654 Main Street, Baton Rouge, Louisiana. Present were Board members Mr. Phillip E. Boydston, Mr. Don Briggs, Ralph V. Pausina and Judge Vivian Guillory, constituting a quorum. Absent were Board member Mr. Mike Voisin. Also present was Katherine Vaughan, Deputy Secretary, Louisiana Department of Natural Resources.

Reading of the minutes of the last meeting was dispensed with a correction of striking the sentence "Mr. Boyston mentioned that if issues arose outside these area where legal input were required, it might be necessary to seek an opinion from the Attorney General." from the last meetings minutes

Ms. Vivian discussed with the board members and biologists the application review procedures, she gave everyone a copy of LA R.S. 49:960. She explained that the biologists board members or anyone that is relating to any case that is pending with the Oyster Board. She also stated that if anyone gets any questions concerning a pending case that they can direct those questions to her. Mrs. Katherine Vaughan also pointed out that oyster cases should not be discussed until the case is completely final, that if an issue is there that needs to be put before the board that is should be presented in formal hearing context with notices going to all parties involved and all board members present to participate. Mrs. Katherine Vaughan also discussed with the board that even though the case has left the board that it is not final and should not be discussed with any parties until it has went to the Secretary and/or the court.

Ms. Vivian suggested that at they should bring this up to their associations.

Mr. Briggs suggested that a packet with the LA R.S. 49:960 information be sent to the biologists and any applicant that files an application before the board. He suggested that a this paragraph A be added to the application or the procedures sheet. Ms. Vivian also suggested that Mr. Viosin add this in the trade associations newsletters.

Ms. Vaughan let them know that before our next quarterly meeting that DNR will establish a website with the regulations, the statues, the application form, meeting notices and agenda's. She thought this might help get the word out.

Ms. Vivian suggested that we include a paragraph in the biologists notification letter.

Mr. Briggs suggested that we put in the packet for the guidelines for the biologists.

Mr. Briggs wanted to discuss what procedure the board could follow that would document if the application has been through all the procedures required, that it's complete and is in compliance with the procedures of the law.

Mr. Pausina agreed with Mr. Briggs that they need more documentation.

Ms. Vivian asked Katherine what procedures are followed. Katherine told the board that the parties request a biologist then the complete application is filed with appropriate filing fee. When paper work is done it is filed and reviewed with the Division of Administrative Law. She suggested that a copy of the certified letter or the be sent to the committee members.

Ms. Vivian asked if anyone at DNR is reviewing the application. Mr. Briggs wanted know if someone at DNR is reviewing and verifying that the application is complete and accurate before it comes before the board. Katherine let them know that they check the application for what is required under the law.

Mr. Boyston said that he agreed that something is in place already and that it is working well.

Mr. Briggs said that he agreed, but he still thought we could have something in writing saying everything is ok.

Mr. Pausina agreed that it is fine, he suggested that DNR have a note for each case to show that everything is ok.

Mrs. Vivian suggested that when DNR sends over the application to the Department of Administrative Law office that they attached the checklist showing that the steps were followed. If any questions about jurisdiction could be brought up before the board.

Ms. Vaughan suggested that the form state that the application has been reviewed for completeness against the regulations and has been delivered to Division of Administrative Law Division.

Ms. Vaughan pointed out that most of the people that come to the board for a biologists never come before the board, and that she thought that it comes as a compliment to this board and that they are resolving these issues without coming before the board.

Ms. Vivian asked when everyone is being notified when a new case is coming up. She wanted to know if the board wanted a copy of the application every time a new case comes up.

Mr. Pausina said it's not necessarily.

Ms. Vaughan suggested that Division of Administrative Law give the board a copy of the parties involved when she logs it in and that DNR will send a copy of the letter we respond to them with the three biologists names on it that way they will know who not to contact.

asked does that mean that the notice that is sent out to the two parties will also be noticed at the board at that time.

Ms. Vaughan said that she didn't think that needed to be sent certified, but that the board should get a copy.

Ms. Vivian said that she will cc the board of all of those.

Ms. Vaughan stated that the Oyster board has no funds and that she appreciated the board supporting the bill for the Oyster board. Katherine stated that the Oyster boards budget is under DNR's budget. The next years budget is estimated to be 15 to 20 thousand dollars.

Mr. Briggs concerns for budget are technical, legal and clerical, and also brought up were hearing costs. He wanted to know what to do when he needs technical support. Ms. Vaughan states that by law that is how the technical information will be given. That in legal issues DNR's lawyers give advice. Mrs. Vivian provides for the arbitration hearings. There is really no other function that the board needs to provide.

Mr. Briggs brought up the Mineral Board compared to the Oyster Board, that they have technical, legal and clerical support. He wanted to review this board and see if the Oyster Board can get the same support. She also stated that the Mineral Board was very different.

Ms. Vaughan stated that her secretary is the clerical staff for the board. That unless they get the legislature to pass the bill. That the Oyster board will have to stay under DNR's budget and will not have the technical support.

Mr. Briggs suggested that they deal with the legislation and the budget and maybe look at some other boards and compare what they do and what kind of budgets they have.

Ms. Vaughan suggested to Mr. Briggs that he get with Mrs. Vivian to see how she handles other agencies/boards.

Mr. Boyston suggested that we need to take a serious look at the budget to see what we need to do to get the board funded and get it off of DNR's budget.

Ms. Vaughan suggested that they might want to look at a copy of fees from the last meeting. She would give them a copy at the next meeting.

Ms. Vivian brought up the presentation by the Oil and Gas Industry.

Mr. Boyston suggested that they not have a formal meeting

Mr. Pausina suggested that they have them do a presentation at the annual meeting with the oyster conference that they have each year.

Mr Briggs agreed that it would be good to have a meeting and have some presentations for the oil and gas and the oyster industry to get together and mingle.

Mr. Pausina suggested that the oil and gas industry give the presentation to the board and then decide if they want to bring it to the oyster people.

Mrs. Vaughan suggested that they have a presentation of the SidesScan Sonar also.

Mr. Pausina stated that the Oyster industry meeting would probably be around March, April of next year.

Mr. Boyston wanted to know in the presentation do they want (from the day they shoot 3D to buying leases to putting the package together to selling the deal, getting rates, drilling the well) or do they want a break down of what they do from day one to completion.

Ms. Vivian stated that she thought they would want to know why the oil companies decide where to drill and why they decide to drill in that area. What causes the damage to the Oyster beds.

Mr. Richard Waldron stated that it was the movement of the rigs and the laying of the pipe that causes the damage to the oyster beds.

Ms. Vivian closed with this subject suggesting they have more discussion on the date and agenda at a later meeting.

The agenda item "possible presentation by the Oil and Gas Industry on developing a location for oil & gas" was deferred to another meeting since it was Mr. Viosin's agenda item and he was not present.

Ms. Vivian asked about the SideScan Sonar.

Mr. Waldron explained that the Sonar was very expensive and that most biologists could not afford the equipment. But his opinion was that the sonar did give detailed pictures of the water bottom.

Ms. Vaughan suggested that LSU do a presentation for them to show how the Sidescan Sonar works.

Mr. Briggs suggested that we have a presentation at the next meeting.

Mr. Michael Rayle stated that the Sidescan Sonar's have been around a long time, but recently with the computer software available today, they can shoot a picture and put it on a map to show what could be a potentially productive Oyster bottom.

Mr. Pausina stated that he thought that the sonar's could be good for the Oyster leasers to make more intelligent decisions.

Ms. Vivian decided to look at this further when Mr. Viosin came back.

Mr. Pausina suggested that we discuss with LSU that the OLDEB would like to hear them. And maybe set it up for the next meeting.

Mr. Pausina said that they could discuss the Proper Percentage for 2nd and 3rd year crop estimates at the annual meeting.

Mr. Briggs thought that an annual meeting with the biologists to acquaint them with the procedures and to standardize approaches to their surveys.

Mr. Waldron thought that the procedures needed some work, that he had problems with the Cults Currency Matrix

Ms. Vivian suggested that we put out a call to all biologists to give agenda items for the annual meeting in regard to the board.

Ms. Vivian let them know that Cockrell Oil was their next case.

Ms. Vaughan suggested that they pick a hearing date for the next meeting.

Mr. Briggs suggested that they have the next meeting on Friday, while the legislature is in session.

Mr. Boyston suggested that the board be contacted when they are ready and that the board would work around their schedules.

Mr. Briggs asked if they have any questions about the hearing if they are to direct them to John Waitz?

Ms. Vaughan stated that they are to contact her or John if they have questions about the

procedures or the application process.

Ms. Vivian stated that if it's a question concerning the hearing for them to have them contact her.

Ms. Vivian adjourned the meeting.