State of Louisiana

OILFIELD SITE RESTORATION

COMMISSION MEETING

July 22, 2020

1:30 p.m.

Oilfield Site Restoration Commission Meeting

Hearing Held by Zoom Thursday, July 22, 2020 1:30 p.m.

MEMBERS PRESENT:

Thomas Harris, DNR, Secretary

Richard Ieyoub, Commissioner of Conservation

Lisa Creasman, Nature Conservancy

Steve Maley, LOGA

Barney Callahan, LWF & Sierra & Audubon Society

Tyler Gray, Mid-Continent (LMOGA)

Don Briggs, LOGA

STAFF PRESENT:

John Adams, Office of Conservation Attorney

Roby Fulkerson, Office of Conservation, OSR Staff

Casandra Parker, Office of Conservation, OSR Staff

OTHERS PRESENT:

Richard Haik

Nathan McBride, Mid-Continent (LMOGA)

Oilfield Site Restoration Commission Meeting 1 July 22, 2020 2 3 MR. FULKERSON: 4 5 We'll go on and kick it off. We've kind of got a preset time limit on here, but people come and go over here. I've sent out a couple of handouts. 6 I guess we'll start with kind of the meeting agenda. 7 8 First, we appreciate everybody making it on here. It's kind of an odd 9 time for us and -- but it will be a little bit different of a meeting, but we will -- we'll kind of get through it and probably have some learnings from this 10 11 and see if we're going to use this type of meeting the next time depending on what's going on. 12 I guess, first, before we start roll call, we do have Michelle in here. She 13 is recording. She's got an audio recording of it, and she is also going to, I 14 guess, probably type out everything as we go. The one thing that she 15 requested prior to this meeting is, if you speak, please, state your name, if 16 you have a question or if you'd like to talk, that way, she can record who it 17 18 is. **SECRETARY HARRIS:** 19 Roby, we might -- this is Tom Harris. We might as well do this the 20 21 right way. I need to call the meeting to order. MR. FULKERSON: 22 Okay. I'm sorry. 23 **SECRETARY HARRIS:** 24

Oh, no, that's fine. We're -- we're figuring this out as we go.

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1	I want to thank everyone. My name is Tom Harris. I'm the Chairman
2	of the OSR, and I would like to call this meeting to order.
3	Would you, please, call the roll, Roby?
4	MR. FULKERSON:
5	Yes. So for roll call, Tom Harris, you said your name.
6	MR. FULKERSON:
7	Richard Ieyoub.
8	(No audible response.)
9	MR. FULKERSON:
10	Cynthia Dupree?
11	(No response.)
12	MR. FULKERSON:
13	Lisa Creasman?
14	MS. CREASMAN:
15	Here.
16	MR. FULKERSON:
17	Steve Maley?
18	MR. MALEY:
19	Here.
20	MR. FULKERSON:
21	Barney Callahan?
22	MR. CALLAHAN:
23	Here.
24	MR. FULKERSON:
25	John Connolly?

1	(No response.)
2	MR. FULKERSON:
3	Tyler Gray?
4	MR. GRAY:
5	Here.
6	MR. FULKERSON:
7	Okay. That's five, and we should have a quorum then.
8	SECRETARY HARRIS:
9	Excellent. Thank you, Roby.
10	Our our first order of business is approving I believe, on the
11	agenda is approving the minutes from our last meeting. You should have
12	all received those.
13	Do I hear a motion to approve the minutes?
14	MR. BRIGGS:
15	This is Don Briggs, I approve.
16	MS. CREASMAN:
17	This is Lisa Creasman, I second.
18	SECRETARY HARRIS:
19	Excellent. So we have a motion by Mr. Briggs and a second from
20	Ms. Creasman.
21	All in favor, signify by saying "aye."
22	(All aye.)
23	SECRETARY HARRIS:
24	All opposed?
25	(No response.)

1	SECRETARY HARRIS:
2	That motion carries. Thank you.
3	Our our next agenda item, Roby.
4	MR. FULKERSON:
5	The next item on the agenda is the fund status for OSR.
6	MS. PARKER:
7	Roby, this is Casandra, give me just a second. Before we start, I just
8	wanted the record to show that Don Briggs is here. He was skipped in
9	the roll call.
10	MR. FULKERSON:
11	Oh, I'm sorry. I thought I
12	MR. BRIGGS:
13	This is Don Briggs. I was hurt almost, but I got over it.
14	MR. FULKERSON:
15	I'm sorry. He's not listed on our OSR Commission thing. I didn't
16	realize that. We'll have to add his name to the list.
17	SECRETARY HARRIS:
18	Well, he is he is absolutely a member, so we'll do that.
19	MR. FULKERSON:
20	I'm sorry. No, he is on there. The spacing is got messed up on the
21	transfer somewhere along the way, so I Donald Briggs, yes, sir, I
22	apologize.
23	MS. PARKER:
24	Okay. I'm sorry. Move forward, please. This is Casandra again. I
25	just wanted to make sure that was on record.

MR. FULKERSON: 1 Okay. The next thing in the agenda is the OSR balance -- or the --2 3 the fund status. MR. GRAY: 4 5 Secretary Harris, this is Tyler Gray. Just another -- as we're talking about members present, we also have Nathan McBride present from 6 7 LMOGA. I know we've tried a couple of times to try to get him 8 appointed in that second spot for LMOGA. I believe that the record still 9 shows that it's Grant Black, but we are working, and Nathan McBride is present, and will hopefully eventually be the appointee from LMOGA. 10 11 **SECRETARY HARRIS:** And -- and thanks for pointing that out, Tyler. I will reach out to the 12 fourth floor and see if we can get that expedited or certainly before the 13 next meeting. 14 MR. GRAY: 15 16 Thank you, Mr. Secretary. I appreciate that. **SECRETARY HARRIS:** 17 Thank you. 18 MR. FULKERSON: 19 Okay. I -- I distributed it prior to the meeting, but if you go to the 20 21 second page of your handout -- it's not letting me share the screen right 22 now with it, but it's the second page of the .pdf, the "Current Balance of The Oilfield Restoration Fund," so the total collected revenue is \$113 23 million, I believe, prior year financial reimbursements is \$4.4 million. 24

So the total collections for 2020 are \$10,425,394. So the next year,

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we've -- we've got a few deductions from previous statutory deductions. We've got expended funds. We have a couple of projects that are carried over from 2018, 2019, and 2020 that are related to essentially weather delays in north Louisiana. And so we've got a few encumbrances as well, which are projects that are outstanding. So right now the current OSR Fund balance is \$1.6 million, a little bit over that, that's cash in the bank right now is my understanding.

Let's see. And if everybody is -- if there's no questions there, we can keep going on to the Program Statistics if y'all are ready.

If we'd go to Page 3 of the same handout, the OSR Restoration Program collections, again, you see where it's over \$10 million, and -- I'm sorry -- total collected. And then the oil and gas fees are just over \$8 million. The inactive well assessments and the OSR oil fees are right around a million for 2020.

And we'll go to the next page, which will be Page 4, it goes through a review of the orphan sites in Louisiana, what we've plugged so far in each District on priority, recently orphaned wells -- (unintelligible) -- so if you'd see, if you look at we've orphaned, let's see, 39 wells in Monroe, 50 in Shreveport, and 92 total, I believe.

If there's any questions on that page, let me know. If not, we'll keep on going.

MR. MALEY:

It looks like, Roby, from the activity -- I've got to flip back and forth here -- this is for the January through March quarter of 2020. It looks like there were five wells plugged in the Shreveport District, that's -- is

that correct? That's the sum total of what happened in that quarter. Did 1 2 activity pick up in the fourth quarter? MR. FULKERSON: 3 Yes, sir. Activity picked up -- when COVID kind of started, I think 4 5 that shut down most of the operations. I want to say at the beginning of May, probably end of April, everything kind of shifted and picked up 6 7 again in terms of rigs operating. We had some in Shreveport operating, 8 Monroe picked up again, and then Lafayette started Timbalier Bay. 9 MR. MALEY: Okay. Now, I noticed you had -- geez, I lost my train of thought, not 10 11 unusual -- oh, in -- in the latest *Register*, the July *Register*, you had over 100 wells orphaned from two operators in Monroe; is that --12 MR. FULKERSON: 13 That's correct, yes, sir. I've forgotten the names of the two operators, 14 but there was a pretty big amount in July. 15 MR. MALEY: 16 Okay. I guess we'll talk about that next, huh? 17 MR. FULKERSON: 18 19 Yes, sir. We -- that -- that would be the -- the next quarter, or I 20 guess first quarter of '21, I guess, is where we would carry that at, so 21 we'll -- that will be on the next update. Hopefully, we won't have too 22 many more to add to that list. If y'all would like to talk about it at this time, we'll certainly -- you 23 know, we could certainly bring it up. 24 If y'all would like to continue on, we can go to the orphan well count 25

on Page 5. The total orphan count is 4,260, so a 300 well increase from '18-'19. And we've plugged 3,351 wells, so that was an increase from 3,219 from the year before.

If there's no questions there, we'll -- we can keep going to Page No. 6 with our orphan well count. Again, you -- you'll see the orphan well count at 4,260, and then the -- the plugged by OSR funds and other means. This quarter, we've essentially -- really since COVID started, the EPA and Coast Guard shut down, so there -- there hasn't been activity on that side. Right around the time we shut down, the EPA was scheduled to begin a couple of P&As. I don't think we have anything scheduled for the Coast Guard, but the EPA had a couple of wells planned to P&A in south Louisiana, I think one in Jefferson Parish. Those have been put on hold. I actually haven't spoken with the EPA regarding what their timing looks like, but I -- I imagine it's probably post-COVID would (unintelligible) would be my likely guess. We have nothing outstanding with the Coast Guard right now, so they -- we don't have anything on the agenda for them. And that's kind of what we're looking at.

We have the funds for continuing the orphan program on our side, and we're plowing ahead there. We'll get into the -- kind of the projects that we've got ongoing.

If anyone has any questions on that, we'll keep going to Page 7. So the urgent and high-priority scored orphan wells, so the cumulative urgent and high-priority scored wells P&A'd by OSR and then urgent and high-priority wells remaining.

And if anybody has any questions there, just let me know.

SECRETARY HARRIS: 1 I -- I do -- I do have one question. This is Tom Harris. Is it set up 2 where members of the public who are obviously attending remotely can 3 ask questions, or -- or is the mic only open to Commission members at 4 5 this time? MR. FULKERSON: 6 7 Ideally, we'd kind of save most of -- if there's questions from the 8 public till the end, but if they -- you know, if someone were to ask 9 something now, you know, we'll do everything we can to answer the question. 10 11 **SECRETARY HARRIS:** 12 Okay. MR. FULKERSON: 13 If there's anything outside of what we're talking about now, we'd ask 14 to save it till the end, that way we'll kind of continue in order. 15 **SECRETARY HARRIS:** 16 Sounds good. Carry on. Thanks. 17 MR. FULKERSON: 18 Okay. I think some of it got cut off, it looks like, when we moved it 19 over. I'm sorry. I apologize for that. I just noticed it when I was looking 20 21 at the -- the .pdf. 22 But for '19-'20, there's 609 urgent and high-priority wells, that's an increase from 581 from the year before, from '18 and '19, and I'll update 23

that and send it out. I apologize. And the orphan scored wells

remaining, so we had 570 in '18 and '19. In '19-'20, we have 596, so we

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had a 26 well increase.

With that, I'll continue on to Page 8 for the number of urgent and high-priority orphan well sites restored during this year. In the first quarter, there were six; in the second quarter, ten; third quarter, zero; and the fourth quarter, twelve. We had a total of 28, and a year-end target of 43.

The percentage of Program revenue utilized to restore urgent and high-priority orphan well sites during the fiscal year, the first quarter showed 34 percent, the second quarter showed 31, the third quarter showed 27, and the fourth quarter showed 27. Our year-end target was 60 percent.

The number of orphan well sites restored during the fiscal year, the first quarter was 48, the second quarter was 30, the third quarter was five, and the fourth quarter was 52. We have 135 total, with a year-end target of 157.

The safety incidents involving orphan wells sites, public safety incidents, zero for the first, second, third, and fourth quarter for a cumulative of zero for the year.

You'll kind of see a drop off in the third quarter for most of these, that was probably directly related to COVID. Most of the operations shut down just based on uncertainty on what to do trying to follow the Governor's mandate.

Fourth quarter, I think the activity has definitely picked up, and going into the first quarter of this year, we've definitely tried to pick up the activity as much as possible.

One thing that also hampered us last year is, we had some larger projects. If you guys remember correctly, in -- in south Louisiana to the west, we had a blow

1	out on a well, the G,A. Lyons. We'll update that at the end, but that that blow
2	out, I think consumed like \$6 million, I want to say, a little over \$6 million, and
3	Wild Well was involved in that. So that that was a pretty big project and ate a
4	pretty good substantial sum of the orphan program up.
5	MR. MALEY:
6	Roby, this is Steve Maley. I have a question about the second one on
7	Page 8.
8	MR. FULKERSON:
9	Okay.
10	MR. MALEY:
11	Twenty-seven, I guess, is the cumulative through through year end that
12	was spent on urgent and high-priority versus a a planned target of 60? I mean,
13	is that
14	MR. FULKERSON:
15	I'm going to guess that is cumulative, yes, sir. I've noted (phonetic) the
16	numbers, but from the way it's looks like as it's rolling down, my guess would be
17	that would be a cumulative amount for the fourth quarter, so, yes, sir.
18	MS. PARKER:
19	Yeah. This is Casandra Parker. It is a cumulative amount.
20	MR. MALEY:
21	Now, is that indicating plans changed during the year or if 60 percent of
22	the budget was to be targeted to work urgent and high-priority wells, did did
23	that get diverted like into these emergency projects or other things?
24	MR. FULKERSON:
25	That would be my estimate, yes, sir. I mean, if we're if we're working

1	with around \$10 or \$13 million a every year, and we ate up with \$6 million on
2	one well when that well is not completely P&A'd, my guess would be that that
3	just kind of really hampered that number there.
4	MR. MALEY:
5	So so that emergency didn't count as a urgent or a high-priority
6	MR. FULKERSON:
7	I don't know if we scored it, to be honest with you, because the
8	essentially, the day it went orphaned, we moved on it immediately.
9	MR. MALEY:
10	Right.
11	MR. FULKERSON:
12	And we didn't actually P&A it, so we probably didn't get any credit for it
13	either, so
14	MR. MALEY:
15	I see.
16	MR. FULKERSON:
17	I think it kind of worked against us in multiple ways.
18	MR. MALEY:
19	Thank you.
20	MR. FULKERSON:
21	If there's no questions, I'll keep going to slide No or Page No. 9. So the
22	synopsis of what we've got, we've got a few active oilfield restoration projects.
23	As you can see, we carried one over from 2018 in Monroe Field. We've also got
24	a carryover in Bethany-Longstreet Field, and then a handful in Caddo-Pine
25	Island and Monroe Field and South Timbalier. Those are carrying forward.

some wells in this next year. Some of those projects should wrap up earlier on in this quarter.

Let's see. Projects completed since the last meeting, we have project 20-002 in Monroe Field and 20-008 in Athens Field. And then we've got the north Louisiana mandate up -- down below. We've P&A'd a total of 119 wells for \$1.2 million, close to \$1.3 million.

Updating you guys, moving into the next year, I -- I think we'll comfortably meet that \$1.1 -- or the \$1 million mandate. We've got quite a few packages going out in Shreveport and Monroe. So we're -- we're trying to -- with the weather window they've got, our goal has been to kind of balance out as many of those projects as we could early on in the year, and we'll probably see more out of Lafayette here shortly. They've got a little bit larger weather window, so we'll -- we should hit that \$1 million pretty comfortably.

If there's any questions here, just let me know.

MR. MALEY:

This is Steve again. Down under the -- the block for the north Louisiana mandate, there's an emergency that I don't recog -- I don't remember having discussed in Logansport Field.

MR. FULKERSON:

No. I don't remember that one.

Casandra, do you happen to remember, or, Brent, the Bogle, I don't -- I don't -- I'm not familiar with that one.

MR. MALEY:

Was that associated with the other DeSoto Parish issue?

MS. PARKER:

1	No, sir. If I'm mistaken, this one was completed in early I want to say
2	early fiscal year '20, so let me let me look just for a second, and I can tell you
3	exactly when it was plugged.
4	MR. MALEY:
5	Yeah. I just didn't remember any discussion of the emergency declaration
6	and all that kind of stuff.
7	MS. PARKER:
8	I think that one got put out maybe before the the new law was instituted.
9	MR. MALEY:
10	I see.
11	MS. PARKER:
12	Yes, sir. That well was (unintelligible) September of '19, September 4th. If
13	I'm not mistaken, it was like a quick repacking (phonetic) project, if I'm not
14	mistaken.
15	MR. FULKERSON:
16	Okay. If there's no further questions, we'll kind of go on to a few updates
17	on projects we've got outstanding and some a little bit of photos of what we're
18	trying to accomplish here so far.
19	MR. BRIGGS:
20	This is this is Don. I'd like to say something. You know, under
21	the circumstances of what we've been going through and what you've
22	been going through, I think you've done pretty darn well this quarter.
23	Thank you.
24	MR. FULKERSON:
25	I think, overall, they the the Districts have done pretty good,

1	and, you know, our contractors has done well, as well. I I was pretty
2	impressed Timbalier Bay started. They actually COVID tested everyone
3	on the way out to the rig, and we never had a shut down. You know, we
4	had multiple contractors and operators all working on an offshore
5	platform in close quarters, and we never had a COVID-related outbreak
6	or shut down that, you know, anyone reported to us. They you know,
7	other than weather delays, it it went about as well as we could hope, I
8	guess.
9	MR. MALEY:
LO	Who is the contractor there? I did I didn't recognize the name
l1	Diamond.
L2	MR. FULKERSON:
L3	So Diamond did the was the bidder, and Crescent, I believe, was the
L4	subcontractor. So Crescent provided I think Diamond may have provided the
L5	lift boat, and Crescent provided some of the services.
L6	MS. PARKER:
L7	Crescent Energy, not Crescent Drilling, just to
L8	MR. FULKERSON:
L9	That's correct. I'm sorry. Crescent Energy.
20	MR. MALEY:
21	Is that Tom Jahncke's company?
22	MR. FULKERSON:
23	Yes.
24	Okay. Segueing to that, if you go to Page 10, we've got a few photos of
25	of Timbalier Bay. It was a four-well package, and we had a large platform

offshore and a satellite. These wells are about -- essentially at the end of our jurisdiction, between us and the federal government, so it -- it's about as far in the Gulf as we get. I believe it was about 50' of water depth. We kind of threw in some pictures that were pretty neat that they shared with us during the site.

The first one is coiled tubing rigged up over the wellbore. Most of these wells were left in pretty poor shape. We had quite a few issues. We had to bring coiled tubing in on a couple to clean out scale. We had to bring it on one because they had multiple downhole plugs in the well. We're not quite sure what the plugs were, but we ended up having to mill on one plug, I want to say for three or four days, before they were able to get below 400'. In addition to that, we also had to -- they had to deal with NORM. I believe all the pipe -- all but one -- I think the pipe came out hot.

They just finished that four-well package here a few weeks ago. The -- Diamond is scheduled to go back offshore and complete the removal of the casing and the jackets here probably in the next week or two is what they told me. So that -- that project should wrap up here -- it's carrying forward into the first quarter of this fiscal year, but it -- it should wrap up quickly.

We also -- I threw in a completed site in Caddo-Pine Island. Shreveport was nice enough to supply a few pictures for us, and I thought this was a good one. It's an old -- we hit the high-priority list, but we also try to hit the ones in neighborhoods and -- you know, if we're able to take care of any around the homes or around people's -- you know, waterways, that's kind of something we definitely want to put a priority on.

And then for upcoming projects, I thought this was pretty interesting during the review. An upcoming orphan project in Monroe Field in Monroe, you can

actually see the well inside that fencing. It looks like it can't be more than five, maybe ten, feet from that house, so that -- you know, it's pretty incredible the things we see, so I just thought that would something kind of neat to share with you guys, because it's -- that's not something you see every day, and it will be an interesting project and actually helping out a neighborhood there.

We are -- let's see. In addition to that, I wanted to add, we've got a few bids moving forward. We've got a few -- let's see if I can find them. We have four projects bidding that we'll -- you'll see in the next quarter. We've got PA 21-001, PA 21 -- the first one is in Monroe Field in Morehouse Parish, that's going to be four wells. The bid opening is tomorrow.

We've got PA 21-002 in Rodessa and Caddo-Pine Island Fields, that's going to be 21 wells, and the bid opening is going to be tomorrow.

PA 21-003 in Caldwell Parish, it's -- that will be various fields, and that's going to open on July 30th.

And then PA 21-004 in Caddo Parish, that's going to be 36 wells, and that will open on August 20th.

So, in Monroe and Shreveport, we're trying to roll out as much as we can quickly in order to hit the weather windows, and hopefully, we can get those out pretty -- you know, we can get those bid and move on before the weather kind of shuts down any operations up there.

Does anybody kind of have any questions related to projects we've got ongoing, you know, ongoing, carried forward, bidding?

MR. MALEY:

Are -- are you going to talk about -- this is Steve again. Are you going to talk about the Monroe Field, the -- the emergency up there with -- it's a saltwater

1	leak at the surface?
2	MR. FULKERSON:
3	The yeah, the Shreveport and DeSoto Parish one?
4	MR. MALEY:
5	No. This is one that it's in Morehouse Parish.
6	MS. PARKER:
7	This is Casandra. Steve, that that well is included in the very first Monroe
8	package that we rolled out for this year.
9	MR. MALEY:
10	Oh, okay. So does that take it out of the emergency
11	MR. FULKERSON:
12	I I believe the well is not leaking any longer, and so it it moved out of
13	emergency status, but we went on and added it to the the first Monroe package
14	is only four wells, and really we put that out first just to take care of that well,
15	but it shouldn't be an emergency because it's no longer leaking.
16	MR. MALEY:
17	Okay. Yeah. I I just had questions back at the time when it happened. It
18	was and and I think I asked Casandra about it. The operator was was
19	pretty identifiable from the information on that well, and I'm wondering whether
20	the Commissioner or somebody has the authority to it's a it's a Memphis-
21	based utility that, I guess, 30 or 40 years ago was in the oil and gas business in
22	Louisiana.
23	But I think, Casandra, you told me that the Attorney General's Office had
24	been notified. I'm wondering if there's a limitation on the Commissioner's

authority to just pick up the phone and tell somebody to clean a well like that

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up?

MS. PARKER:

I don't -- I don't know the legality of that. I know that, after we work on it, we -- we will be going after the -- you know, because that's a law now, we have to go after past operators. But that -- that was -- that information was given to our attorney, and I think he passed it on to the Attorney General's Office.

MR. MALEY:

Okay.

MS. PARKER:

I -- I don't know if we can make them go out there and clean it up. I think what -- what we're able to do is, after we clean it up, to get restitution -- or go after restitution.

MR. MALEY:

The -- the thing that was kind of troubling about it, it was a deep well that was -- that was drilled out there. I don't think it was ever completed. And the paperwork shows that the -- the well was properly plugged and cut, you know, three feet below plow depth or whatever, and the current pictures from the inspector show -- clearly show a wellhead with a gauge on it and a reading (phonetic).

I guess the questions I -- I have is, is it conclusively determined that that's the right well, and, you know, if -- if so, I mean, how frequently do -- do you run into cases where people have filed plugging paperwork that -- where they really haven't finished up their business? I mean, just from sitting in these meetings, it seems to be fairly frequent. I mean, there's kind of a -- there's kind of a smoking gun there that, you know, at -- at some point in the past somebody represented

that a well had been plugged, and clearly -- you know, if it's the right well, it clearly wasn't done according to the paperwork.

MR. ADAMS:

Hey, Steve. This is John Adams. Our current practice is that those wells are inspected prior to granting the -- the certificate of completion on them. But I don't know when this well was plugged, so I don't know if that was in practice at the time or not. But you raise a good question, and -- and it -- it could be that we have the wrong well labeled out there. I can check into that. I'm -- I haven't done that yet because it wasn't questioned, but you raise a good point, and that's -- that's something that we need to look into is to make sure that that is the correct well.

And -- and with regard to reimbursement, the -- the Secretary does have the -- the authority to -- to seek reimbursement, and we will be pursuing that through the Attorney General's Office.

MR. MALEY:

Yeah. I -- I -- just a cursory check, it looked like just about every other well in that area, and there were some shallow wells, but they were drilled by the same operator --

MR. ADAMS:

Right.

MR. MALEY:

-- with similar plugging paperwork. The first thing I -- I would want to check is to make sure that that wasn't their common practice to file the paperwork and -- and not leave the wells properly plugged.

MR. ADAMS:

1	Agreed. And, like I said, the our current practice is that those wells are
2	inspected prior to granting that, but I I don't know when this one was plugged,
3	SO
4	MR. MALEY:
5	Yeah. It was in like 1981.
6	MR. ADAMS:
7	Got you.
8	SECRETARY HARRIS:
9	This is Tom Harris. I just thought I'd jump in since that question or issue
LO	was raised. We, as a practice, go pursue past operators. We have signed the
l1	memorandum of agreement and have a procedure in place with the Office of
L2	Debt Recovery in the Attorney General's Office to proceed against past operators
L3	in accordance with statute in inversed chronological order.
L4	MS. CREASMAN:
L5	Okay. That's that's good.
L6	MR. MALEY:
L7	Thank. This one seemed like a sitting duck.
L8	MR. FULKERSON:
L9	Okay. Is there any further questions?
20	(No response.)
21	MR. FULKERSON:
22	Okay. I'm I'm going to provide a quick update on the G.A. Lyons.
23	And I think our conference may, unfortunately, end at 1:40, so we may have
24	to log on and log off and log back on because they only give us 40 minutes at
25	a time.

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So, for the G.A. Lyons, that well was -- that was the well that was -- that was struck last year we believe, and we ended up getting on it during -- for a blow out. Wild Well got on it, along with Lone Oak. And we've got the well secured -- actually, not Lone -- Elm Springs. So they have secured the well at 2,400', right around there, with a cast-iron bridge plug and a couple of plugs, cement plugs. We thought at the time was we were going to leave it and monitor the well, after we left the well and monitor it. Right now the -- we've got pressure on the casing and the annulus. The annulus has about 1,600 psi, and the casing has about 3,200 psi. So that well is involved with litigation from one of the previous operators. That operator has taken out a co-op, and they will be -they -- on Monday, they went out to do a site visit with our CES president (phonetic), and they plan on getting a snubbing unit and going out there to do some exploratory work, some wire-line logging, and some, I guess -- they also talked about some pressure work to determine where that leak is coming from. As far as where it goes from there, they haven't decided yet, but I just wanted to give you guys an update that that -- that well is progressing. They -- we are working with a previous operator on -- at their expense to kind of find some path forward with that site. But the only deep well 10,000 or 12,000', and we were only able to get down to about 2,400, 2,500', so -- and we're not quite sure where the pressure is coming from as we've got a mechanical and cement plug in the wellbore, and the pressure is migrating past that either outside of the casing back in or through those multiple layers with plugs.

MR. MALEY:

Roby, this is the Thornwell Well?

MR. FULKERSON:

1	Yes, sir.
2	MR. MALEY:
3	And is the operator that's working with you Pioneer?
4	MR. FULKERSON:
5	That's correct, yes, sir. It is Pioneer.
6	MR. MALEY:
7	Thank you. I'm glad they stepped up.
8	MR. FULKERSON:
9	They have so far, yes, sir. We'll see the co-op just goes to the exploratory
LO	work, and we'll kind of go from there with what they're you know, once they
l1	finish that, they'll come back with a proposal, and we'll kind of see what happens
L2	from there.
L3	MR. MALEY:
L4	So the co-op was a negotiated agreement between Conservation and
L5	Pioneer?
L6	MR. FULKERSON:
L7	Yes, sir, that's correct.
L8	I guess, with that, we'll log off really quick rather than get kicked off,
L9	because I'd hate to stop and get a question from someone. So if everyone is
20	okay, we'll log off, and I will start up the second meeting and we'll kind of
21	continue on from there.
22	(Brief recess.)
23	MR. FULKERSON:
24	We've just signed back on. We'll we'll take roll call again just to kind of
25	go through who's

1	(Off-the-record discussion.)
2	MR. FULKERSON:
3	Okay.
4	SECRETARY HARRIS:
5	Yeah. Let the record note, please, that we did have to interrupt the
6	Commission meeting to refresh our our Zoom connection, and we will call roll
7	again and make sure we have a quorum.
8	MR. FULKERSON:
9	Okay. Tom Harris, Secretary?
10	SECRETARY HARRIS:
11	Present.
12	MR. FULKERSON:
13	Richard Ieyoub, Commissioner?
14	(No audible response.)
15	MR. FULKERSON:
16	Cynthia Dupree?
17	(No response.)
18	MR. FULKERSON:
19	Donald Briggs?
20	MS. CREASMAN:
21	He's on mute.
22	MR. FULKERSON:
23	Yeah.
24	MR. FULKERSON:
25	Don, I think you may be on mute, sir.

1	MS. PARKER:
2	Don, you're on mute.
3	MR. BRIGGS:
4	Here I am.
5	MS. PARKER:
6	Okay. There you go.
7	COMMISSIONER IEYOUB:
8	Roby, I don't know if you picked me up. This is Richard Ieyoub.
9	MR. FULKERSON:
10	Oh, we got you that time. Yes, sir, we heard you.
11	COMMISSIONER IEYOUB:
12	Okay. I'm here.
13	MR. FULKERSON:
14	Okay. Noted.
15	Lisa Creasman?
16	MS. CREASMAN:
17	Here.
18	MR. FULKERSON:
19	Steve Maley?
20	MR. MALEY:
21	Here.
22	MR. FULKERSON:
23	Barney Callahan?
24	MR. CALLAHAN:
25	Here.

1	MR. FULKERSON:
2	John Connolly?
3	(No response.)
4	MR. FULKERSON:
5	Tyler Gray?
6	(No audible response.)
7	MR. FULKERSON:
8	I believe we do have a quorum, and we can continue on with the
9	meeting agenda if everybody is ready.
10	SECRETARY HARRIS:
11	Please proceed, Roby.
12	(Off-the-record discussion.)
13	MR. FULKERSON:
14	If y'all are ready, we can continue on to our step for our agenda. We've got
15	new contractors up for approval. We've got four new contractors.
16	The first is, I guess, Javelier Marine Services, with Eric Wingate based out
17	of Broussard, Louisiana, and they have applied to work on shallow, zero to
18	5,000' well, on land and water.
19	MR. MALEY:
20	Well, they say their name Javelier.
21	MR. FULKERSON:
22	Javelier, okay, I apologize. I'm probably not the best at pronunciations.
23	And I think we we're ready to vote on that if you guys are would like to
24	formally accept them as a bidder or contractor.
25	MR. MALEY:

1	So moved.
2	MR. BRIGGS:
3	Second.
4	MR. FULKERSON:
5	Mr. Harris, I'm not sure if you're there, but I I think they've told me the
6	next formal thing is that you ask if there's any opposition to the bidder or the
7	contractor.
8	SECRETARY HARRIS:
9	Oh, I apologize. I was on on mute.
10	MR. FULKERSON:
11	No worries.
12	SECRETARY HARRIS:
13	Is there any opposition to this bidder?
14	(No response.)
15	SECRETARY HARRIS:
16	None noted, so approved.
17	MR. FULKERSON:
18	Okay. We have a second, as well. It's Drilling Partners, LLC, and the
19	contact is Russ Bellard. It's based out of Lafayette, Louisiana. And he has
20	applied to work on wells of all depths on land and water.
21	I'll put it to the Committee for or Commission for approval.
22	SECRETARY HARRIS:
23	A point a point of order here, is this something that needs a motion and a
24	second or just ask if there's any opposition?
25	MR. FULKERSON:

1	John is sitting right next to me. He said there needs to be a motion and a
2	second, sir.
3	SECRETARY HARRIS:
4	Okay. So we probably do need to go back to that first one. I apologize
5	for the for the oversight.
6	So what was the name of the of the last one?
7	MR. FULKERSON:
8	So it was actually Javelier, and I think we did have a motion and I forgot.
9	MR. ADAMS:
10	Javelier.
11	MR. FULKERSON:
12	Javelier. I think we had a motion and a second on that one, sir.
13	SECRETARY HARRIS:
14	Okay. So all in favor, say "aye."
15	(All aye.)
16	SECRETARY HARRIS:
17	All opposed?
18	(No response.)
19	SECRETARY HARRIS:
20	The motion carries.
21	MR. FULKERSON:
22	Okay. I'll just reread the second one to make it to make sure we're clear
23	on it. It's Drilling Partners, LLC, with Russ Bellard, out of Lafayette, and Russ
24	has applied to work on all wells of all depths on land and water.
25	SECRETARY HARRIS:

1	Do I hear a motion to approve this contractor?
2	MR. BRIGGS:
3	I so move. This is Don.
4	COMMISSIONER IEYOUB:
5	Second.
6	SECRETARY HARRIS:
7	Moved by Mr. Briggs, second by Commissioner Ieyoub.
8	All in favor, "aye."
9	(All aye.)
10	SECRETARY HARRIS:
11	All opposed?
12	(No response.)
13	SECRETARY HARRIS:
14	That motion carries.
15	MR. FULKERSON:
16	Thank y'all. We have a third bidder or contractor. It's A N.E.W. Rock
17	Company. The contract is contact is Fred Addison, and it's based out of
18	Lafayette, Louisiana. And they've applied to work on wells of intermediate
19	depth, 5,000 to 10,000', on land only.
20	SECRETARY HARRIS:
21	Is there a motion to approve this contractor?
22	MR. BRIGGS:
23	I move.
24	COMMISSIONER IEYOUB:
25	So moved.

1	SECRETARY HARRIS:
2	Moved by Mr. Briggs, second by Commissioner Ieyoub.
3	All in favor, signify by saying "aye."
4	(All aye.)
5	SECRETARY HARRIS:
6	All opposed?
7	(No response.)
8	SECRETARY HARRIS:
9	That contractor is approved. The motion carries.
LO	The next item, please, Roby.
l1	MR. FULKERSON:
L2	We actually have one more new contractor. It's Belltech Group, and the
L3	contact is Michael Bellard, and it's based out of Lafayette, Louisiana. And they
L4	applied to work on shallow wells, zero to 5,000', on land only.
L5	MR. BRIGGS:
L6	I move we accept them.
L7	SECRETARY HARRIS:
18	A motion by Mr. Briggs. Do I hear a second?
L9	COMMISSIONER IEYOUB:
20	Second.
21	SECRETARY HARRIS:
22	Second by Commissioner Ieyoub.
23	All all in favor?
24	(All aye.)
25	SECRETARY HARRIS:

All opposed?

(No response.)

SECRETARY HARRIS:

The motion carries.

MR. FULKERSON:

Okay. Great. That's all the new contractors that have applied, and, hopefully, we -- I think we've -- it will be great to have some more faces out there.

Part VIII of the agenda, Old Business/New Business, we'll kind of open it up to anybody that has any questions or to bring anything up right now, both from the Commission and the public.

COMMISSIONER IEYOUB:

Roby, I'd like to make a comment, if I may.

For some time now, and as I've mentioned in previous meetings, we have been -- in -- in the Office of Conservation, we've been concentrating on trying to streamline the plugging process so that we could get ahold on these abandoned -- these orphaned wells, and -- but we came up with some ways to hopefully do that by amending certain parts of the statutes that were being implemented to try to -- to try to find more contractors and stimulate the ability of the Office to get contractors to plug these wells faster and more efficiently. And we were successful in getting those amendments to the law this past session of the legislature, which we think will increase the contractor pool and will allow us to have more wells plugged in a more efficient way. And -- and I'm happy to see that there are new contractors that are applying for acceptance to do the work of plugging these orphan wells, and, hopefully, by our next meeting, we will see a

significant rise in the number of wells that we're able to plug.

At the same time, these amendments made is possible for many more operators who are financially strapped at -- at this time to earn extra money. They won't have to worry about being licensed by the Louisiana Contractors' Licensing Board, nor coming up with a huge performance bond, which we felt were both very unnecessary, but which placed a tremendous impediment on our ability to get contractors to plug those wells that were out there. So, with the amendments to the law, we're able to relieve us of those impediments, and now, hopefully, we will not only be able to plug more wells, but we will be able to help a lot of these operators that are -- are very strapped for finances to earn some extra money to allow them to survive during this crisis period of time that we are facing. That's it.

SECRETARY HARRIS:

Very -- very good. Thank you, Commissioner.

Is -- are there any other comments or questions, first from the Commissioners?

MR. GRAY:

Secretary Harris, this is Tyler Gray. I have a very quick question that I wanted to throw out to -- to you and the Commissioner for something to consider.

So, recently, (unintelligible) and LMOGA was able to secure funding from their -- from the CARES Act to plug wells as part of their process, and I did some due diligence on that and found out that the main driver of that was actually the North Dakota Industrial Commission, which is the equivalent of the Commissioner of Conservation here in Louisiana. And so I wanted to just

throw that out there. I appreciate all the Commissioner's work on trying to
engage and find new ways to employ people in order to be able to -- to get them
to work and plug wells.

And I would throw that out there that, if there was a way -- that if there was a way I could help facilitate either conversations with Congressman Graves or other members of the Louisiana delegation, I think it would be worthwhile exploring if there is any way for -- to secure additional funding for plugging wells here in the state.

MR. ADAMS:

Tyler, this is John Adams. The Commissioner had me look into that very issue, so I -- I did some of the same research that you did. What has happened in those other states is that, when the money gets appropriated to the state, the state legislature has to appropriate it to the -- to the projects. So if -- if there's some channels that you would like to work with us on to try to get some legislators to direct some of the funding toward the OSR Program, we would be more than happy to -- to work with you on that. So far, we haven't had a lot of success in doing that, in that, the -- the funds have -- have been directed to other departments, like the -- the Office of the Treasury or the -- the department that pays Workers' Compensation, and things like that.

But if -- if you'd like to -- to give me a call sometime later, I'll be glad to compare my research with yours, and we can try to -- to see what we can do to enlist the aid of some legislators to direct some of those funds toward us.

SECRETARY HARRIS:

I -- I think that would be very welcome.

I do think it's worthy to note that we have not yet seen the large numbers of

wells being orphaned during this Coronavirus and associated downturn in the oil and gas market. I believe part of that is -- is -- well, most of it is due to the waivers that were put in place, rightly so, by the Commissioner of Conservation. Additionally, we took similar actions with the State Mineral and Energy Board to provide some relief. But the bottom line has been, while this is giving these stressed companies time to -- and a little bit of freedom to try to reorganize, try to put their -- their companies in -- in a better position, there have been none of the requirements that would often be the final thing that drives companies to -- wells to be orphaned. So we may yet see a larger number, I think the last time I had asked, that number was ten, which is not what you would normally expect and not what we saw in -- in 2016 during the last downturn.

Any -- any thoughts on that from anyone would certainly be welcome.

COMMISSIONER IEYOUB:

Mr. Secretary, I think you're right. Tom, I think you're exactly right. In fact, we were very happy to achieve the amendments to the law which streamlined the process because we were, of course, expecting that, because of the very serious economic times that we were experiencing, we -- we pretty much predicted that we were going to get more orphan wells, and we were hopeful that we would be able to meet that situation by attempting getting more contractors who were willing to get to plugging the wells. We felt it pretty necessary to do something about the process for fear that these -- these times were going to produce more orphan wells with companies going bankrupt and people not being able to work. So we're hopeful that we can get a handle on it now that we're -- we've opened the door, to some extent, on obtaining fresh contractors who are willing to get out there and get some work done.

SECRETARY HARRIS:Thank you, Commissioner.

Any other questions, thoughts, statements?

4 (No response.)

SECRETARY HARRIS:

Are there any questions or comments from -- from the public?

MR. HAIK:

Yeah. This is Richard Haik. Regarding the changes to the law, I'm someone's financially strapped and, obviously, I'm a contractor with a contractor's license, and -- and I'm bondable. But I'm bondable because my financials are current and I'm able to acquire insurance and I haven't had any calls on my bond.

The minute someone is not paid, somebody is financially strapped and they're not bonded, they use that money to pay something else or there's a lien, which there could very well be a lien, the funds they're taking is they go their bank account and they're immediately grabbed, then someone is not going to get paid. If someone is not going to get paid, then the -- whether it's the landowner or whether it's the State, someone else is going to -- someone will claim damages, and however that works out, that will work out.

I think it's very healthy to have other people (unintelligible). I think in the -that puts more of a burden on the Commission when y'all approve people or the
State or whoever is doing it, looking at the application looks at, oh, is this guy
current on his taxes, has he paid his federal taxes, has he filed 2019. I can't tell
you, probably twice a year, somebody calls me and says, oh, the Army -particulary with the Army Corps, "I got the Army Corps, and they're going to

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give me a sole source. Would you (unintelligible). And I'll say, "Oh, do you -do you have current financials?" "No, I don't." "No, I don't have insurance." "But they're going to give me this contract." Well, I'm not interested in getting in those types of transactions.

Take an example, there's a very good friend of mine -- I don't know if I'll call him my friend, but he's got a \$5.7 million judgment against him, and he's Coastal Environmental Services, at one point, (unintelligible). I want to -- he calls and asks me to do things. I don't want to fool with anybody that has a \$5.7 million judgment against him.

So, in that, my statements are two, one, when you put people on the list, make sure that leaves me financial criteria, and, second, if they don't pay, then the State has to have a way -- I don't know how that's going to work, whether -to make sure that all subcontractors are paid. Not everybody does everything.

If you have a coiled tubing unit, they go out there, they run up a \$300,000 bill, that bill is not paid, so usually what happens is, if you don't pay the bill, then somebody files a claim against a bond, you can't get a clear lien certificate, and so it's -- it's a circle.

So that's -- that's my comments in that regard.

COMMISSIONER IEYOUB:

I -- I think it would -- you know, you're correct, Richard. We still -- even though we're trying to encourage more activity on the part of contractors in order to plug more wells, we still have to be responsible in -- in who we give the work to, in the sense that we have to do some checking into their financials, and we're not relieved of that responsibility just because we're making it, you know, more efficient in the way of being able to select more people. We still have to make

sure those people that are going to be given the work or individuals that are -- are, you know, people that we can trust will get the job done and get it done effectively. So we're not going to, in any way, just haphazardly allow any Tom, Dick, or Harry to come in and -- and do work if they're not at least individuals that -- that we can trust will get the job done.

SECRETARY HARRIS:

Very good. Thank you, Commissioner.

Are there any other questions or comments from anyone?

MR. HAIK:

This is Richard Haik. The other -- the other part I had dealt with the EPA moving forward. Roby had talked about that a little bit. It's interesting that recently I was in Missouri. Missouri is under Region 7. Region 7 is up and running, meaning that they're doing -- they're doing the work of the EPA in Big River, Missouri, particularly. And it's not an emergency-type situation. It happens to be a --- a lead abatement, a lead and soil job.

Region 6 (unintelligible) is not even in Phase 1. Region 6, it's management team is sitting on (unintelligible) zero. So I don't know if the Commissioner -- I don't know exactly how that works, but I just thought I'd add that in regard to Roby's comments about the wells in Jefferson Parish.

MR. FULKERSON:

Okay. I can definitely follow up with Bryant Smalley with the EPA, he's has kind of been our point contact, and kind of see what their status is. It's probably been a while (unintelligible) had a conversation, so it's something we'll definitely follow up on.

SECRETARY HARRIS:

1	Thank you, Roby.
2	Thank you, Mr. Haik. We appreciate your input.
3	Are are there any other anyone else have anything?
4	(No response.)
5	MR. FULKERSON:
6	I had one quick thing. I should have brought up at the beginning, but Matt
7	Simon is actually retired from the State. He retired effective May 18th, and it's
8	kind of Casandra Parker and I will be in the orphan program for coming up.
9	So if if you guys need anything or need a contact, Casandra, as usual, is here,
LO	and I will be around as well. So we appreciate Matt, who hopefully is enjoying
l1	the his time at home now. So I I should have brought that up at the
L2	beginning, but I just want to make sure you guys knew that Matt has actually
L3	hung it up.
L4	So thank y'all.
L5	SECRETARY HARRIS:
L6	Okay. And you're doing a great job taking his place, Roby. Thank you.
L7	Don?
L8	MR. BRIGGS:
L9	Absolutely.
20	SECRETARY HARRIS:
21	At this point, hearing no other questions, we'll entertain a motion to adjourn.
22	MR. CALLAHAN:
23	Motion to adjourn.
24	SECRETARY HARRIS:
25	Mr. Callahan moves we adjourn. Do I hear a second?

1	MR. BRIGGS:
2	I I'm not going to move second, because this has been the most exciting
3	thing for me to do all day.
4	SECRETARY HARRIS:
5	Hearing no objection, that motion carries.
6	Thank you all, and apologies for the technical glitches. Hopefully,
7	we'll be at better times soon when we can meet face to face, but thank
8	you all.
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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 method, on July 22, 2020, by the Department of Conservation, Baton Rouge, Louisiana, was reported by me, was prepared and transcribed by me; that the foregoing pages, numbered 1 through 41, inclusive, is a true and correct transcript to the best of my ability and understanding; that I am not related to any parties herein, nor am I otherwise interested in the outcome of this proceeding.

MICHELLE S. ABADIE, CCR #24032 CERTIFIED COURT REPORTER