#### Attachment C

Venting and Flaring Regulations for the States of Arkansas and Louisiana, Presented in Support of API Comments April 23, 2018 BLM Proposed Rule "Waste Prevention, Production Subject to Royalties, and Resource Conservation; Rescission or Revision of Certain Requirements" 83 Fed. Reg. 7924 (Feb. 22, 2018) (RIN 1004-AE53)

#### Arkansas

<u>Arkansas allows</u> operators to vent or flare gas within 7 days of when gas is first encountered in a well. After that time, gas may not be vented or flared unless the operator obtains an exception from the Arkansas Oil and Gas Commission.

## **RULE D-12: GAS UTILIZATION**

After the expiration of seven (7) days from the time of encountering gas in a gas well, no gas from such well shall be permitted to escape, into the air, and all gas produced therefrom shall be utilized for the following purposes:

- (A) No gas well gas shall be utilized except for:
- (1) Light or fuel.
- (2) Efficient chemical manufacturing.
- (3) Bona fide introduction of gas into oil, or gas bearing horizon, in order to maintain or increase the reservoir pressure or otherwise increase the ultimate recovery of oil or gas from such horizon.
- (4) The extraction of natural gasoline therefrom when the residue is returned to the horizon from which it is produced.
- (B) Casinghead gas may be used for any beneficial purpose.
- (C) Any producer of gas may use the same as gas lift in the bona fide production of oil where such gas is not used in excess of ten thousand (10,000) cubic feet per barrel of oil produced; provided that in order to prevent waste in any case where the facts in such warrant it, the Commission may permit the use of additional quantities of gas to lift oil, provided all such gas so used in excess of ten thousand (10,000) cubic feet for each barrel of oil shall be processed for natural gasoline when same is reproduced.

### Louisiana

<u>In Louisiana</u>, flaring of natural gas is prohibited unless the <u>Louisiana Office of Conservation</u> finds upon written application that such a prohibition would result in an economic hardship on the operator. The regulations further note that no such economic hardship can be found if the current market value—at the point of delivery for the gas proposed to be vented—exceeds the cost involved in making the gas available to market.

# §3507. Venting of Gas

A.The venting of natural gas from any well producing in the state of Louisiana is hereby expressly prohibited except in those instances where the Office of Conservation finds, upon written application, that such prohibition would result in an economic hardship on the operator of the well, lease or production facility from which the gas is proposed to be vented; provided, however, that no such economic hardship can be found in the case where the current market value, at the point of delivery, of the gas proposed to be vented exceeds the cost involved in making such gas available to a market. Such applications shall be filed with the district office and approval thereof will be at the discretion of the district manager.