



**EXECUTIVE DEPARTMENT
OFFICE OF THE GOVERNOR
EXECUTIVE ORDER NUMBER JML 25-119**

CO₂ CAPTURE AND STORAGE LIMITS AND MORATORIUM

WHEREAS, on January 20, 2025, President Trump signed Executive Order 14154, titled “Unleashing American Energy,” which directs all agencies to review regulations and propose deregulation through efficient permitting, specifically removing the social costs of CO₂ from calculations in any federal permitting or regulatory decision;

WHEREAS, on February 14, 2025, President Trump established the National Energy Dominance Council, through Executive Order 14213, finding it necessary to expand all forms of reliable and affordable energy production to drive down inflation, grow the economy, create good-paying jobs, reestablish American leadership in manufacturing, lead the world in artificial intelligence, and restore peace through strength by wielding commercial and diplomatic levers to end wars across the world;

WHEREAS, on April 8, 2025, President Trump signed Executive Order 14261, to reinvigorate American’s clean coal industry and make it a national policy and priority to support “the domestic coal industry by removing Federal regulatory barriers that undermine coal production, encouraging the utilization of coal to meet growing domestic energy demands, increasing American coal exports, and ensuring that federal policy does not discriminate against coal production or coal-fired electricity generation;”

WHEREAS, President Trump continues to champion energy innovation by advancing technologies such as clean coal and CO₂ capture and storage, in order to secure a more sustainable, reliable, and prosperous energy future;

WHEREAS, President Trump has identified dangerous state and local energy policies as direct threats to the nation’s domestic energy supply, warning that such actions jeopardize “our Nation’s core national defense and security needs, and devastate the prosperity of not only local residents but the entire United States population;”

WHEREAS, Louisiana plays a central role in our nation’s energy, transportation, and petrochemical sectors, producing the second-largest volume of oil and gas in the United States and President Trump’s executive orders on energy necessitate constant evaluation of Louisiana’s own energy policies and laws;

WHEREAS, Louisiana’s refineries account for 16% (1/6th) of the country’s refining capacity, and its network of pipelines transport 90% of the nation’s offshore energy production and 30% of the total oil and gas supply, making it essential to national energy security. However, the volatility of the oil and gas industry has, at times, created a stagnant economy for our state;

WHEREAS, Louisiana’s extensive industrial infrastructure—including pipelines, liquefied natural gas (“LNG”) facilities, a highly skilled energy workforce, and expansive port system, is in conformity with President Trump’s policies, and it uniquely positions the State as a national leader in CO₂ capture and storage, capable of seamlessly integrating CO₂ capture into existing processes, enhancing America’s energy competitiveness globally;

WHEREAS, Louisiana, for over 40 years, has injected CO₂ into the geological formations of our state for the use of enhanced oil recovery (“EOR”) in projects;

WHEREAS, CO₂ has been safely transported via pipelines across Louisiana since 1986;

WHEREAS, Louisiana’s unparalleled capability to produce, transport, process, utilize, and liquefy natural gas while simultaneously sequestering CO₂ entirely within its borders, and its position on the Gulf of America, makes the state indispensable to the pursuit of energy dominance, fostering strategic reliance from European and Asian markets seeking dependable, large-scale carbon-neutral feedstocks, thereby solidifying Louisiana’s role at the forefront of global energy leadership and economic competitiveness;

WHEREAS, CO₂ capture and storage will extend Louisiana’s presence in energy by creating 17,000 potential new jobs, investing seventy-six billion dollars in potential capital for communities throughout Louisiana from announced projects alone, and driving economic growth on a scale unimaginable for Louisiana;

WHEREAS, CO₂ capture and storage will provide additional revenue sources for local governments, has the potential to create a more diversified economy for Louisiana, and continue to serve as a catalyst for multiple industries, while sustaining and enhancing existing industries;

WHEREAS, Louisiana, with its natural geological formations, provides a favorable subsurface environment for CO₂ storage;

WHEREAS, the Environmental Protection Agency (“EPA”) is authorized to develop requirements and provisions for Underground Injection Control (“UIC”) pursuant to the Safe Drinking Water Act (“SDWA”) of 1974—a federal law establishing comprehensive standards to protect public drinking water from contaminants;

WHEREAS, since 1982, Louisiana has maintained primary enforcement authority (“primacy”) for the UIC program, ensuring that the State’s regulation of injection wells remains consistent with federal requirements;

WHEREAS, just five states, Arizona, Louisiana, North Dakota, West Virginia and Wyoming, have primacy for Class VI wells;

WHEREAS, Louisiana is the only state to have primacy in the U.S. Environmental Protection Agency (“EPA”) Region 6; however, neighboring states are rapidly pursuing primacy for Class VI underground injection well permits for CO₂;

WHEREAS, in the summer of 2025, the EPA announced its proposed approval of permitting for Class VI underground injection wells in Texas under the SDWA, and we anticipate that Class VI permits will be issued in Texas in the very near future;

WHEREAS, Louisiana, ahead of other states with regard to CO₂ regulations, has continued to enact laws to ensure the health and safety of Louisiana citizens with regard to CO₂. The Louisiana Legislature passed, unanimously, Act No. 517 of the 2009 Regular Session, the Louisiana Geologic Sequestration of Carbon Dioxide Act, granting the Louisiana Department of Conservation and Energy (the “Department”), the authority, now codified in R.S. 30:1104, to promulgate rules, regulations, and issue orders and permits;

WHEREAS, Class VI wells must comply with existing laws and the rules, regulations, and orders issued by the Department including Louisiana’s Statewide Order No. 29-N-6 (LAC 43:XVII, Subpart 6) and the SDWA of 1974;

WHEREAS, with a balanced approach, considering concerns of citizens and investing in economic growth, CO₂ capture and sequestration will provide an opportunity to lift citizens of Louisiana out of poverty;

WHEREAS, reasonable limits and regulation of CO₂ capture and sequestration is necessary, since Louisiana also has a vital obligation to protect the health, safety, and welfare of its citizens and the environment;

WHEREAS, the injection and long-term storage of CO₂ in deep geologic formations—commonly referred to as Class VI wells are specialized injection wells designed exclusively for the geologic sequestration of CO₂ distinct from other classes of injection wells regulated under separate statutory and regulatory frameworks;

WHEREAS, since Louisiana has obtained Class VI primacy, applications for 33 carbon sequestration projects have been filed with the Department, and each application is estimated to require approximately 2,000 hours of review between its submission and a permit decision being made;

WHEREAS, it is imperative that the Department be allowed to put into place a well-thought-out and methodical approach to application review and permitting that takes into consideration of the safety of our citizens and environment and that streamlines the process for greater efficiency;

WHEREAS, the federal government through the Pipeline and Hazardous Materials Safety Administration (“PHMSA”) has been engaged in strengthening CO₂ pipeline safety requirements (“PHMSA–2022–0125”), and the proposed federal rules for CO₂ pipelines—consistent with Louisiana’s Statewide Order 29-N-6 and LAC 33:V (“Hazardous Wastes and Hazardous Materials”) requirements—provide a framework mandating that pipelines be designed, constructed, and operated with enhanced safety measures, including:

- A. Clearly defined emergency planning zones
- B. Thorough corrosion control measures.
- C. Automatic shut-off valves in strategic locations.
- D. Expanded public awareness programs.
- E. Mandatory minimum setback distances from residential communities.
- F. Comprehensive emergency response protocols.
- G. Enhanced design features to protect against pipeline shearing or rupture and monitoring requirements.

WHEREAS, to support balanced economic growth and safeguard public trust, I, as Governor, have heard the concerns of citizens and communities and am stepping in to require agencies to work together—particularly the Department and Louisiana Economic Development (“LED”) to:

- A. Evaluate economic potential for projects associated with Class VI applications, reporting on their projected economic impact including local and regional economic growth, workforce opportunities, and any community benefit plan adopted by parish governments.
- B. Ensure a process to incorporate stakeholder input from businesses, industry associations, and local communities, ensuring transparency and broad engagement.
- C. Collaborate with other agencies, including but not limited to, Louisiana Department of Environmental Quality (“DEQ”), Louisiana Department of Revenue (“LDR”), and Louisiana Department of Wildlife and Fisheries (“LDWF”), to balance robust industrial development with rigorous environmental and safety protections.
- D. Ensure a process where the applicant recommends strategies to prevent and mitigate long-term unintended consequences while fostering innovation and investment in CO₂ capture technologies so that projects not only offer broad economic benefits but also ensure diligent environmental and safety protections.

WHEREAS, in accordance with LAC 43:XVII.3615 promulgated by the Department, each Class VI applicant must conduct an area of review analysis and address any wells that could affect containment integrity, in addition to other critical site characterization and review steps;

WHEREAS, the Department has promulgated requirements for Class VI injection wells, including but not limited to plugging and abandonment (LAC 43:XVII.3631), pre-operational reviews (LAC 43:XVII.3619), emergency and remedial response (LAC 43:XVII.3623), financial assurance (LAC 43:XVII.3609), and public notification (LAC 43:XVII.3611) to ensure exhaustive analysis before granting a permit to operate;

WHEREAS, Department Guidance No. B-2025-01 and No. B-2025-01-A establish agency expectations for Class VI permit application review, including a standard two-year processing timeframe, structured technical review and public hearing stages, prioritization of projects with economic development significance, and alignment with federal EPA standards to ensure transparency and protection of underground sources of drinking water;

WHEREAS, in order to create further transparency for the citizens of our state, the Louisiana Legislature passed Senate Bill 244 of the 2025 Regular Session, Act 458, changing the

process that will be followed any time an applicant claims portions of records are confidential business information and exempt from production under the Public Records Law;

WHEREAS, local government and citizens, through their local government, have a right to be heard to ensure safety, transparency, and local input;

WHEREAS, Act Nos. 407 and 414 of the 2025 Regular Session require the Department to give substantial consideration to oral or written comments submitted by local governments in any matter requiring public comment or a public hearing;

NOW THEREFORE, I, JEFF LANDRY, Governor of the State of Louisiana, by virtue of the authority vested by the Constitution and laws of the State of Louisiana, do hereby order and direct as follows:

Section 1: Moratorium

I hereby direct the Department to suspend review of any new Class VI applications to construct that are submitted to it after the effective date of this order, unless directed otherwise.

Section 2: Concentration on Specific Class VI permits

Due to the Department's volume of applications received, over the next forty-five days, the Department is ordered to reevaluate the status of applications for assessment and prioritization for the Class VI permits listed in Section III. of Department Guidance No. B-2025-01.

For those Class VI applications to construct received prior to the effective date of this order, no other permit application shall be prioritized until there has been compliance with Sections 4 and 6-10 herein.

Section 3: Applicability and Purpose

The purpose of this Order is to provide a clear roadmap for citizens and local officials, ensuring that applications for proposed Class VI projects comply with existing Louisiana rules for carbon injection (LAC 43:XVII, Subpart 6 – Statewide Order 29-N-6) and carbon dioxide pipelines (LAC 33:V Hazardous Wastes and Hazardous Materials), including any forthcoming changes to pipeline safety regulations by PHMSA, and all relevant federal and state environmental laws.

Section 4: Permit Issuance Requirements

The Department shall not issue any Class VI permit to inject or operate a CO₂ injection well until the applicant has satisfactorily demonstrated compliance with rules, regulations, and

orders issued by the Department, including, but not limited to rules, regulations, and orders addressing the following:

- A. Gathering necessary pre-application data in order to complete the required application components;
- B. Application requirements found in LAC 43:XVII.3607, which include among other things: maps of the area of review showing ownership, topographical information, existing wells, surface bodies of water, roads, and habitable structures; comprehensive site characterization plan showing underground sources of drinking water, confining layer(s), geologic and geochemical data, mineralogy, and other pertinent data; proposed operating data and well operations plan with well controls and safeguards; determination of appropriate area of review (“AOR”); corrective action plan for addressing any deficient wells within the AOR; environmental analysis; proposed well design and construction plan including materials analysis; data collection and monitoring plan; proposed emergency response plan; post-injection monitoring plan; plug and abandonment plan; financial security and assurance to cover the costs of emergency response, post injection monitoring, and plugging, abandonment and restoration requirements;
- C. Compliance with the State and Local Coastal Resources Management Act requirements (if the proposed project is located within the coastal zone);
- D. Emergency Operations Plan;
- E. Well Control procedures;
- F. Identification and mitigation of any existing well, formerly plugged, abandoned, or otherwise; ensuring that all wells are properly plugged and abandoned or otherwise properly addressed with materials resistant to corrosion by CO₂ potentially posing a risk consistent with LAC 43:XVII.3615;
- G. Materials analysis ensuring that well casing for Class V monitor wells, Class VI injection wells, all prior, current, and future artificial penetrations within the AOR, including pipeline materials are fit for CO₂ service;
- H. Construction Plan that meets all Class VI well design standards (LAC 43:XVII.3617);
- I. Data Collection and Monitoring;

- i. Receive approval of a Testing and Monitoring Plan in accordance with LAC 43:XVII.3625) to set forth monitoring requirements so as to protect USDWs and to use continuous recording devices to monitor injection pressure, rates, and volumes;
 - ii. Receive approval of a plan to delineate Area AOR and of a Corrective Action plan in accordance with LAC 43:XVII.3615, including a well-by-well plan for corrective action when required;
 - iii. Acquire 3D seismic or other acceptable forms of geophysical data to identify any faults or fractures;
 - iv. Conduct geologic data and analysis establishing adequate confining layers and injection zones;
- J. Plume Modeling analysis (including pressure front) to demonstrate that all zones outside the approved injection and confining zones (including the USDWs) are protected;
- K. Comprehensive Site Characterization describing geologic structures, geochemistry, and any risk factors pertinent to long-term CO₂ containment;
- L. Submit a Plugging and Abandonment Plan that meets or exceeds the requirements of LAC 43:XVII.3631;
- M. Demonstrate adequate Financial Responsibility in accordance with LAC 43:XVII.3609;
- N. Minimum Financial Assurance Amount – Companies must maintain financial assurance to cover state-approved cost estimates for well closure, post-closure care, and emergency response. (LAC 43:XVII.3609.C);
- O. Coverage Requirements – Financial assurance must specifically cover corrective action, well plugging, post-injection site monitoring and closure, address any endangerment of underground sources of drinking water, and emergency and remedial response actions (LAC 43:XVII.3615, 3623, 3631, and 3633);
- P. Allowed Financial Instruments – Permitted instruments include surety bonds, letters of credit, third-party insurance, and trust accounts; Self-insurance or basic operator-held escrow accounts are strictly prohibited (LAC 43:XVII.3609.C);

- Q. Annual Adjustments (Indexing and Cost-estimate Updates) – Financial assurance amounts are reviewed and updated yearly to match inflation and any changes in cost estimates (LAC 43:XVII.3609.C.);
- R. Availability of Funds (Readiness) – Financial assurance must remain available until official state approval of well closure and post-closure care completion. Financial tools cannot be easily canceled, even if the company faces financial difficulties (LAC 43:XVII.3609.C);
- S. Survey Plats identifying location and layout details of the proposed well and associated pipelines;

Section 5: Pipeline Safety Integration

For pipelines transporting CO₂ to or from Class VI wells, all operators shall adhere to the existing requirements found at LAC 33:V (Hazardous Wastes and Hazardous Materials) and any forthcoming federal CO₂ pipeline safety standards currently under PHMSA rulemaking (PHMSA–2022–0125). Where any provision has been delayed at the federal level but is consistent with LAC 33:V (Hazardous Wastes and Hazardous Materials) and Statewide Order 29–N-6, the Department shall require equivalent protective measures, including remote or automatic shut-off valves, robust emergency planning, and corrosion-control protocols.

The Department shall continue to monitor any updates to PHMSA rules and incorporate these updated federal standards into its requirements (LAC 33:V.Subpart 3) as warranted to protect public safety and environmental quality.

Section 6: Public Engagement Rules

Public Engagement recommendations will be considered as set forth in Department Guidance No. B-2025-01-A.

Section 7: Landowner Rights and Comments

It is the policy of the State of Louisiana that the requirements set forth in Act Nos. 407 and 414 of the 2025 Regular Session, codified in R.S. 30:1104, *et seq.*, shall serve as Louisiana’s Landowner Bill of Rights for Geologic Sequestration Projects, and local governments shall be given due consideration in their comments, and that these protections shall help to guide all permitting, orders, authorizations, certificates of public necessity and convenience, unitization, negotiation undertaken pursuant to the Louisiana Geologic Sequestration of Carbon Dioxide Act.

The Department shall document, in writing, all relevant local government concerns received and demonstrate how these comments were taken into account in the permitting decision.

Section 8: Coordination on Other Regulatory Requirements

The Department shall ensure that Class VI projects address other applicable regulatory requirements under its purview and coordinate with other regulatory agencies to ensure that Class VI projects are addressing applicable requirements, including:

- A. Compliance with the State and Local Coastal Resources Management Act requirements (if the proposed project is located within the coastal zone);
- B. Analysis of Threatened and Endangered Species (in coordination with U.S. Fish and Wildlife Service);
- C. Compliance with all relevant U.S. Army Corps of Engineers rules and regulations, including wetlands and waterbody impact review;
- D. Compliance with requirements delegated to the DEQ, where applicable;
- E. Compliance with State and federal Fish and Wildlife Conservation Acts to protect ecosystem health;
- F. Preservation of Louisiana's Historic Items, if discovered, pursuant to the State Historic Preservation Office rules;

Section 9: Coordination with Department of Economic Development

For proposed projects applying for Class VI permits with potential for significant economic impact, LED shall be consulted to ensure that project benefits to the local economy are maximized without compromising public health, safety, or environmental standards. LED's economic impact figures shall be the figures the Department uses in its analysis.

Section 10: Public Transparency and Access to Information

The Department shall provide public access via its website to all draft permits, project summaries, and final approved permits, consistent with LAC 43:XVII.3611.

Where applicable, the Secretary may hold public meetings or hearings to address local concerns, consistent with LAC 43:XVII.3611 and the relevant requirements for notice and comment.

Section 11: Enforcement and Severability

This Order shall be enforced by the Department, in coordination with the Louisiana State Police, DEQ, and other authorities, if necessary.

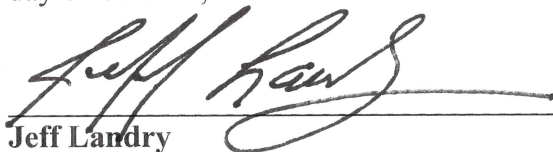
If any provision of this Order, or the application thereof, is held to be invalid, such invalidity shall not affect other provisions or applications of this Order, which can be given effect without the invalid provision or application; the provisions of this Order are severable.

Section 12: Effective Date

This Order is effective upon signature and shall remain in effect unless amended, modified, rescinded, or terminated by further Executive Order. All state agencies, offices, boards, and commissions are hereby directed to comply with the provisions of this Order.



IN WITNESS WHEREOF, I have set my hand officially and caused to be affixed the Great Seal of Louisiana in the City of Baton Rouge, on this 15th day of October, 2025.



Jeff Landry
GOVERNOR OF LOUISIANA

ATTEST BY THE SECRETARY
OF STATE

Nancy Landry
SECRETARY OF STATE

TYLER PATRICK GRAY
SECRETARY

DUSTIN H. DAVIDSON
DEPUTY SECRETARY



MARK NORMAND, JR.
UNDERSECRETARY

MANNY ACOSTA
OIL SPILL COORDINATOR

KEITH O. LOVELL
ASSISTANT SECRETARY
COASTAL MANAGEMENT


AMANDA McCLINTON
ASSISTANT SECRETARY
ENERGY

ANDREW B. YOUNG
ASSISTANT SECRETARY
MINERAL RESOURCES

STEVEN M. GIAMBRONE
INTERIM DIRECTOR
CONSERVATION

DEPARTMENT OF ENERGY AND NATURAL RESOURCES

DEPARTMENT GUIDANCE NO. B-2025-01 (REV. 1)

FROM: Tyler Gray, Secretary 

DATE: September 1, 2025

SUBJECT: Department Guidance Class VI Permit Application Reviews
DG-B-2025-01 (Rev. 1)ⁱ

I. Authority

This guidance document is issued with consideration for authority granted in Act 458 of 2025 Regular Session, effective October 1, 2025. Although presently serving as guidance, this document may be converted into a directive order upon initiation by the Deputy Secretary, certification by Undersecretary, and issued pursuant to authority granted to the Secretary by La. R.S. 36:354(A)(14) (Act 458 of 2025, Regular Session), empowering the Secretary to establish immediate agency policy effective upon issuance.

II. Purpose

This is to revise Section VII of the Department Guidance No. B-2025-01, providing guidance as to how to allocate staff resources.

III. Current Permit Statusⁱⁱ

The Class VI review team will concentrate on the following permit applications following the issuance of the permit for Hackberry Sequestration in Cameron Parish (listed in alphabetical order):

- (1) Capio Sherburne CCS Well #1 (Pointe Coupee Parish)
- (2) CCS 2 – Wilcoxⁱⁱⁱ (Vernon Parish)
- (3) Goose Lake^{iv} and Minerva South^v (Calcasieu and Cameron Parishes)
- (4) LGF Columbia^{vi} (Caldwell Parish)
- (5) River Parish Sequestration – RPN 1^{vii} (Ascension Parish)

Continued evaluations of engineering challenges, geological concerns, and public or stakeholder comments related to these applications will be actively managed during this period to ensure timely progress. Again, all communications or inquiries regarding Class VI permit application status or related information must be directed exclusively through the following email: DNRInfo@la.gov

Direct communication with departmental personnel for application updates or status inquiries is strictly prohibited. Anyone contacting departmental personnel for application updates or status inquiries is to be directed to communicate through the above e-mail address.

ⁱ These orders remain effective until superseded by a subsequent directive or formal rulemaking through the Louisiana Administrative Procedure Act (APA), including emergency rulemaking or potpourri notices if necessary. These directives, which aren't 'adjudications' under federal or state law, become official departmental policy. Pursuant to Act 458 of the 2025 Regular Session, the Secretary can issue such directives on behalf of the agency for implementation or other official actions, establishing them as official policy. La. R.S. 36:354(A)(14), as amended by Act No. 458, 2025 La. Acts (authorizing the Secretary of the Department of Conservation and Energy to issue directives for the department's administration, control, and operation, including programs related to carbon capture, utilization, and storage (CCUS)).

^{vi} Louisiana Dep't of Energy & Nat. Res., Permits and Applications: Class VI Well Applications (updated June 20, 2025), <https://dnr.louisiana.gov/page/permits-and-applications> (last visited July 28, 2025).

ⁱⁱⁱ La. Dep't of Energy & Nat. Res., Project CCS 2 – Wilcox 2, UIC Draft Permit Application No. 15211642, Operator Code C9346, Vernon Parish (Parish Code 58), SONRIS Strategic Online Natural Resources Information System, https://sonlite.dnr.state.la.us/ords/r/sonris/ucmsearch/findalldocumentsresults?p22_query=1%3D1%20and%20UPPER%28xOperatorCode%29%20%3D%20%27C9346%27%20and%20UPPER%28xParishCode%29%20%3D%20%2758%27&p22_doctype=UIC%20CLASS%20VI%20APPLICATIONS&p22_showcol=&cs=17WH1ct0juf1DU1L5e7090acC58Cy1Pf6PiColBMH-9hFhifqQ7Ih9pdNwK7ijXlQu_jIfyMyrAiPj7YcX6loA (last visited September 1, 2025).

^{iv} La. Dep't of Energy & Nat. Res., Project Goose Lake, Document No. 15211650, UIC Class VI Permit Application No. 45040, Operator G1037, Calcasieu Parish (Parish Code 10), SONRIS Strategic Online Natural Resources Information System, <https://sonlite.dnr.state.la.us/dnrservices/redirectUrl.jsp?dDocname=15211650&showInline=True> (last visited Aug. 1, 2025).

^v La. Dep't of Energy & Nat. Res., Project Minerva South, Document No. 15211612, UIC Class VI Permit Application No. 45031, Operator Code G1037, Cameron Parish (Parish Code 12), SONRIS Strategic Online Natural Resources Information System, <https://sonlite.dnr.state.la.us/dnrservices/redirectUrl.jsp?dDocname=15211612&showInline=True> (last visited Aug. 1, 2025).

^{vi} La. Dep't of Energy & Nat. Res., Project Louisiana Green Fuels, Document Nos. 15208044, 15208100, 15208119, Operator Code L1104, UIC Class VI Permit Application, SONRIS Strategic Online Natural Resources Information System, <https://sonlite.dnr.state.la.us/dnrservices/redirectUrl.jsp?dDocname=15208044&showInline=True> (last visited Aug. 1, 2025).

^{vii} La. Dep't of Energy & Nat. Res., Project Name River Parish Sequestration, RPN-1-INJ, Document No. 15208049, UIC Class VI Permit Application No. 45407, Operator Code R1017, Ascension Parish (Parish Code 03), SONRIS Strategic Online Natural Resources Information System, <https://sonlite.dnr.state.la.us/dnrservices/redirectUrl.jsp?dDocname=15208049&showInline=True> (last visited Aug. 1, 2025).

JEFF LANDRY
GOVERNOR



DUSTIN H. DAVIDSON
SECRETARY

DEPARTMENT OF CONSERVATION AND ENERGY

DEPARTMENT GUIDANCE NO. B-2025-01-A

FROM: Dustin Davidson, Secretary DHD
DATE: October 13, 2025
SUBJECT: Department Guidance Class VI Permit Application Reviews
DG-B-2025-01-A'

I. **Authority**

This guidance document is issued with consideration for authority granted in Act 458 of 2025 Regular Session, effective October 1, 2025. Although presently serving as guidance, this document may be converted into a directive order upon initiation by the Deputy Secretary, certification by Undersecretary, and issued pursuant to authority granted to the Secretary by La. R.S. 36:354(A)(14) (Act 458 of 2025, Regular Session), empowering the Secretary to establish immediate agency policy effective upon issuance.

The department's memorandum of agreement (MOA) with EPA Region 6 governing LDENR's administration of its primacy program for Class VI wells requires that the State work within its authority to support communities near proposed Class VI projects through a variety of approaches including implementing an inclusive public participation process. This requirement is often met by applicants adopting a public engagement plan. In addition, Act 414 of the 2025 Regular Session, effective August 1, 2025, requires that LDENR give substantial consideration to local government comments on Class VI permit applications.

II. **Purpose**

The purpose of this guidance is to:

(A) Manage Staff Resources Effectively

The volume of Class VI applications now pending before the Department presents significant demands on staff resources. Major modifications submitted outside of structured Requests for Additional Information (RAIs) consume disproportionate staff time, jeopardize the integrity of the review queue, and undermine fairness among applicants. Allocation of staff resources during this period is critical to ensuring timely review and protecting the public interest.

(B) Advance Louisiana's Leadership in Global Energy

Carbon capture and sequestration (CCS) represents a tremendous opportunity for Louisiana to market premium, low-carbon products worldwide. However, this opportunity can only be realized if permitting maintains credibility, efficiency, and community trust.

(C) Protect Communities Through Transparency

Communities living in or near proposed storage sites must understand, in plain language, what is being considered. The Department will hold applicants accountable not only for technical sufficiency but also for communication practices that foster or erode public trust.

(D) Implement Acts 414 and 458 in Tandem

To meet the inclusive public participation requirements set forth in LDENR's MOA, LDENR will ensure that applicants submit a public engagement plan. Under Acts 407 and 414 of the 2025 Regular Session, LDENR will give substantial consideration to local government comments on Class VI projects proposed to be located within their jurisdiction. Under Act 458 of the 2025 Regular Session, the Department is authorized to set immediate standards for application review. These authorities will be implemented in concert to ensure transparent, consistent, and credible permitting.

III. Major Modifications

(A) Definition

Major modifications to previously submitted applications include changes that materially alter the scope or technical basis" of an application, including but not limited to, (a) addition of new injection wells; (b) revisions to site characterization data (geology, hydrology, geomechanics); (c) altered Area of Review (AoR) or plume/pressure modeling; (d) substantive revisions to operational, monitoring, or emergency response plans; (e) material changes to financial responsibility instruments.

(B) Rules for Submission

A major modification submitted with a RAI. Major modifications submitted directly in response to a Department-issued Request for Additional Information (RAI) will not affect the application's place in the technical review queue.

(C) Unsolicited Submissions

Any unsolicited major modification will automatically be treated as "On Applicant-Requested Hold" in the Application Tracker. The application will be removed from its current place in line and reassigned to the end of the technical review queue.

(D) Rationale

Unsolicited major modifications disrupt staff evaluation and compromise the integrity of the review queue. This policy ensures fairness among applicants and predictability in the allocation of staff resources.

IV. Other Considerations

While this guidance primarily addresses rules surrounding major modifications, applicants should also be aware of other considerations that will increasingly shape the Department's review of Class VI applications.

(A) Public Engagement Recommendation (EPA MOA, Act Nos. 407 and 414 of 2025 Regular Session)

Effective August 1, 2025, Act Nos. 407 and 414 require that the Department give substantial consideration to local government comments. Along with implementing an inclusive public participation process pursuant to the EPA MOA, addressing comments raised by local governments, will be considered under Class VI application as part of the applicant's public engagement plan. At a minimum, the plan must comply with regulatory requirements and provide for the following:

- 1) The agreed upon public comment period with local officials;
- 2) Location and time of the hearing(s);
- 3) Documented outreach ;
- 4) Availability of plain-language summaries of technical materials; and
- 5) A process for documenting and addressing concerns raised during engagement.

Applicants are furthermore expected to communicate with professionalism, candor, and discipline in all forums. Public trust is shaped not only by statutory compliance but also by how applicants present

themselves to regulators, stakeholders, and communities. This expectation should help guide applicants in implementing their public engagement plans. Statements that disparage regulators, minimize the permitting process, or alienate local communities undermine confidence and will weigh heavily in the Department's evaluation of applications and whether the applicant has met the requirement to create and implement its public engagement plan.

(A) (B) Retroactivity and Implementation of Public Engagement Plan Requirement

While Acts 407 and 414 require the Department to give "substantial consideration" to local government comments, it should not be interpreted to automatically reopen or expand the requirements of applications filed prior to its effective date. To balance legal obligations with practical implementation, I recommend the following framework:

For applications filed prior to August 1, 2025, if the applicant has already submitted a public engagement plan (even if titled something different) then implementation of said plan shall suffice.

If, however, no public engagement plan has yet been submitted or if local government by resolution expressly requests that the Department give substantial consideration to community engagement beyond what is contained in an existing public engagement plan, then the applicant must supplement its application with a public engagement plan to address the gap. This ensures that the "substantial consideration" requirement under Act Nos. 407 and 414 are met, while not automatically imposing new burdens on staff or applicants. Components of such public engagement plan may include, but are not limited to the following:

- (a.) Engagement with state representatives and senators for which the project is located
- (b.) Town meetings hosted by the applicant
- (c.) Participation in public meetings at the request of the Parish government
- (d.) Engagement with local economic development groups
- (e.) Participation in local job fairs with an emphasis on hiring workforce within the surrounding area
- (f.) Partnering with Career and Technical Education Programs
- (g.) Equipment purchases for local first responders within the AoR and in proximity to prospective pipeline infrastructure
- (h.) Recruitment of future investment from potential offtake partner.

V. Certification and Implementation

Staff Direction: C&E staff must ensure determinations of completeness, technical review, and final decisions conform to this guidance.

Applicant Notice: Any unsolicited major modifications will result in the application being moved to “On Applicant-Requested Hold” and placed at the end of the review queue until staff review is complete.

ⁱ These orders remain effective until superseded by a subsequent directive or formal rulemaking through the Louisiana Administrative Procedure Act (APA), including emergency rulemaking or potpourri notices if necessary. These directives, which aren't 'adjudications' under federal or state law, become official departmental policy. Pursuant to Act 458 of the 2025 Regular Session, the Secretary can issue such directives on behalf of the agency for implementation or other official actions, establishing them as official policy. La. R.S. 36:354(A)(14), as amended by Act No. 458, 2025 La. Acts (authorizing the Secretary of the Department of Conservation and Energy to issue directives for the department's administration, control, and operation, including programs related to carbon capture, utilization, and storage (CCUS)).

TYLER PATRICK GRAY
SECRETARY

DUSTIN H. DAVIDSON
DEPUTY SECRETARY



MARK NORMAND, JR.
UNDERSECRETARY

MANNY ACOSTA
OIL SPILL COORDINATOR

KEITH O. LOVELL
ASSISTANT SECRETARY
COASTAL MANAGEMENT


AMANDA McCLINTON
ASSISTANT SECRETARY
ENERGY

ANDREW B. YOUNG
ASSISTANT SECRETARY
MINERAL RESOURCES

STEVEN M. GIAMBRONE
INTERIM DIRECTOR
CONSERVATION

DEPARTMENT OF ENERGY AND NATURAL RESOURCES

DEPARTMENT GUIDANCE No. B-2025-01

FROM: Tyler Gray, Secretary 

DATE: August 1, 2025

SUBJECT: Department Guidance Class VI Permit Application Reviews
DG-B-2025-01¹

I. Authority

This guidance document is issued with consideration for authority granted in Act 458 of 2025 Regular Session, effective October 1, 2025. Although presently serving as guidance, this document may be converted into a directive order upon initiation by the Deputy Secretary, certification by Undersecretary, and issued pursuant to authority granted to the Secretary by La. R.S. 36:354(A)(14) (Act 458 of 2025, Regular Session), empowering the Secretary to establish immediate agency policy effective upon issuance.

II. Purpose

This Department Directive Order (DDO) is the first step in providing guidance in managing applications for Class VI wells under the Underground Injection Control (UIC) program, providing guidance for the permitting, construction, operation, and oversight of carbon capture and sequestration (CCS) projects. It aims to ensure compliance with state laws and regulations (exceeding the federal requirements), protect underground sources of drinking water (USDW), and maintain transparency for stakeholders. All CCS operators are put on notice that DENR will adhere to this guidance to ensure consistency in permitting standards statewide.

III. Timeline for Review

The following has been and will continue to be the expectations of the Department for reviewing and making final permit decisions.

Stage	Typical Duration (approx.)	Evidence
Administrative completeness review	1–3 months	LDENR ensures all required data are included in application and processes any confidentiality requests.
Technical review	≈ 18 months for a complete application;	LDENR's FAQ notes that even a flawless Class VI application would take about 18 months from the

Stage	Typical Duration (approx.)	Evidence
	longer for complex cases	start of review to opening the public comment period.
Public comment & hearing	≥ 30 days	LDENR must hold a public comment period of at least 30 days with a local hearing.
Post-comment revisions & final decision	Several months	LDENR reviews all comments, may request further revisions and then issues or denies the permit.
Overall expected timeframe	≈ 2 years or more	EPA guidance indicates that complete applications should be processed within about 24 months ; LDENR's FAQ notes that multiple rounds of review and public comments can extend this period.

IV. Application Tracker System Update

Going forward, the Department will align our processes with the U.S. Environmental Protection Agency's (EPA) application tracking and processing practices, the existing application tracker system will be temporarily taken offline in the coming weeks. The tracker system will be updated to reflect the following EPA-established categories:

- (A) Completeness Review (Estimated Duration: 30 days)
 - (1) Cumulative days of completeness review
 - (2) Waiting on applicant response
 - (3) Notice of Deficiency (NOD) sent
- (B) Technical Review (Estimated Duration: 18 months)
 - (1) Cumulative days of technical review
 - (2) Waiting on applicant response
 - (3) On applicant-requested hold
 - (4) Request for Additional Information (RAI) sent
- (C) Draft Permit Preparation (Estimated Duration: 60 days)
- (D) Public Comment Period (Estimated Duration: 30-45 days)
- (E) Final Permit Decision Preparation (Estimated Duration: 90 days)

Please note, the estimated total timeline aligns with the EPA's 24-month goal for issuing final permit decisions. Upon completion, the updated tracker will provide real-time information to stakeholders, detailing each application's status, stage of review, and any pending requirements or

information. All applicants will be notified upon completion of system updates, including instructions for accessing and utilizing the revised tracker.

This directive ensures the review and permitting process for Class VI applications are managed efficiently, transparently, and in strict alignment with both state and federal processes and practices.

V. Department Considerations

(A) Clarification on Class V Well Conversions

The Department will continue exploring the feasibility and regulatory implications of converting Class V wells to Class VI injection wells. It is important to recognize that mineral leases currently held may allow for appraisal or exploratory wells under the Oil and Gas Division to be utilized temporarily for the purpose of collecting relevant data. However, all such exploratory wells, if intended for future conversion to Class VI, must be constructed and operated to fully comply with Class VI standards and will require a separate and complete Class VI application and permit issuance prior to injection operations. We will closely coordinate with relevant divisions and regulatory frameworks to ensure compliance.

(B) Major Modifications

Upon initiation of the technical review, major modifications will only be considered when necessitated by and in response to a Department-issued Request for Additional Information (RAI). If an applicant submits a major modification independently, the application will be treated as an applicant-requested hold and may be placed at the end of the technical review queue.

VI. Economic Considerations

(A) Announced Investment Requiring Infrastructure

Louisiana's economic development strategy prioritizes projects that maximize investment and job creation. According to Louisiana Economic Development (LED), new energy and industrial emissions reduction projects have attracted \$61 billion of investment and created 26,952 new jobs. The state is a top three natural gas producer and a top ten crude oil producer, with the highest number of refineries per capita. Its ports handle 20% of U.S. waterborne commerce and support 550,000 jobs statewide.

Carbon capture and sequestration enhances these advantages by making liquefied natural gas (LNG) and petrochemical exports more competitive. LED notes that CCUS projects expand market opportunities and extend the viability of existing industries, turning Louisiana into a global energy leader. Louisiana's unique geology offers 753 billion metric tons of safe storage potential for CO₂.ⁱⁱ

(B) Job potential from carbon capture retrofits

An economic analysis for the Regional Carbon Capture Deployment Initiative, performed by the Rhodium Group, estimates that deploying carbon capture at 33 industrial and power facilities in Louisiana could create an annual average of up to 4,920 project construction jobs over a 15-year period and 2,500 ongoing operations jobs. These projects would capture nearly 40 million metric tons of CO₂ per year and generate up to \$13.7 billion in private investment.ⁱⁱⁱ

(C) Expanding Manufacturing Opportunities for Petrochemical and LNG

The 2024 Gulf Coast Energy Outlook notes that announced energy transition investments (CCS, hydrogen, ammonia and related technologies) across the Gulf Coast total \$79 billion, representing 36 % of all energy manufacturing investments projected for the next decade. By 2028, announced CCS projects could provide close to 200 million metric tons of annual storage capacity. Between 2011 and 2022, the Gulf Coast saw \$212 billion of investment in refining, chemicals and hydrocarbon exports, 50% of which was in Louisiana. Current announcements include \$170.5 billion of additional projects, 52% of which are in Louisiana.

Liquefied natural gas (LNG) continues to dominate investment. The Gulf Coast Energy Outlook identifies \$114.7 billion of LNG investment in the outlying years, much of it in Louisiana. The U.S. Energy Information Administration reports that the United States became the world's largest LNG exporter in 2023, and it forecasts U.S. LNG exports to average 13.7 billion cubic feet per day during the 2024–25 winter, 8% more than the previous winter as new projects come online.^{iv} Meeting this global demand while maintaining low carbon intensity requires rapid deployment of CCS at industrial facilities.^v

Due to the large volume of Class VI applications currently submitted to the department that are at the same or similar stage of processing, potential impacts on economic development provide a metric for possible prioritization of future application review.

VII. Current Permit Status^{vi}

Over the next forty-five days, the Department, in consultation with the Department of Economic Development and the Governor, will reevaluate the status of applications for assessment and prioritization. Until then, the IMD's Class VI review team will focus on the following permit applications only^{vii} (listed in alphabetical order):

- (1) Goose Lake and Minerva South (Calcasieu and Cameron Parishes)
- (2) Hackberry Sequestration (Cameron Parish)
- (3) Louisiana Green Fuels (Caldwell Parish)
- (4) River Parish Sequestration – RPN 1 (Ascension Parish)
- (5) Capiro Sequestration LLC – Sherburne (Pointe Coupee Parish)

Continued evaluations of engineering challenges, geological concerns, and public or stakeholder comments related to these applications will be actively managed during this period to ensure timely progress. Effective immediately, all communications or inquiries regarding Class VI permit application status or related information must be directed exclusively through the following email: DNRInfo@la.gov

Direct communication with departmental personnel for application updates or status inquiries is strictly prohibited. Anyone contacting departmental personnel for application updates or status inquiries is to be directed to communicate through the above e-mail address.

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ⁱⁱ Louisiana Econ. Dev., Louisiana's Energy Development: Leading in Carbon Capture, Utilization & Storage (Mar 11, 2025), <https://www.opportunitylouisiana.com/energy-development-leading-in-ccus> (last visited July 28, 2025).

ⁱⁱⁱ Regional Carbon Capture Deployment Initiative—Jobs Analysis, Rhodium Group & Reg'l Carbon Capture Deployment Initiative, Carbon Capture and Storage Jobs for Louisiana (2023), https://carboncaptureready.betterenergy.org/wp-content/uploads/2023/05/LA_Jobs.pdf (last visited July 28, 2025).

^{iv} U.S. Energy Info. Admin., Global Natural Gas Market May Experience a Tighter Supply-Demand Balance This Winter (Dec. 11, 2023), <https://www.eia.gov/todayinenergy/detail.php?id=60760> (last visited July 28, 2025).

^v LSU Center for Energy Studies—Gulf Coast Energy Outlook, Gregory B. Upton Jr., David E. Dismukes & Gregory Albrecht, 2024 Gulf Coast Energy Outlook (La. State Univ. Center for Energy Studies Nov. 2023), https://www.lsu.edu/ces/gulf-coast-energy-outlook/2024_gceo.pdf (last visited July 28, 2025).

^{vi} Louisiana Dep't of Energy & Nat. Res., Permits and Applications: Class VI Well Applications (updated June 20, 2025), <https://dnr.louisiana.gov/page/permits-and-applications> (last visited July 28, 2025).

^{vii} Applications currently under review by third-party contractors will proceed under existing protocols; however, upon completion of their review, these applications will become subject to the procedures outlined herein.