



TAX POLICY & PLANNING

Revenue Information Bulletin

Revenue Information Bulletin No. 25-015

July 7, 2025

Severance Tax

Oilfield Site Restoration Fee Rate

July 1, 2025 - June 30, 2026

Pursuant to La R.S. 30:87(F)(1)(a), the Oilfield Site Restoration Fee for crude oil and condensate is dependent on the price of crude oil per barrel on July 1st of each year based on the average monthly New York Mercantile Exchange price for the prior twelve months. For the fiscal year beginning July 1, 2025 and ending June 30, 2026, it has been determined that the price of crude oil per barrel is \$70.85. Since this amount is above \$60, but below \$90 per barrel of oil, the Oilfield Site Restoration Fee is four cents per barrel on crude oil and condensate¹.

Beginning July 1, 2025, pursuant to La. R.S. 30:87(F)(1)(b), the Oilfield Site Restoration Fee for natural gas and casing head gas, is dependent on the price of natural gas on July 1st of each year based on the Henry Hub Natural Gas Spot Price average monthly price for the preceding calendar year.² For the fiscal year beginning July 1, 2025 and ending June 30, 2026, it has been determined that the price of natural gas per million BTU is \$2.19. Since this amount is below \$2.50 per million BTU, the Oilfield Site Restoration Fee is \$0.03 per MCF of natural gas and casing head gas.

For stripper wells and incapable wells, the Oilfield Site Restoration Fee is calculated in the same proportion as the reduced rate severance tax to the full rate severance tax for each respective category.

Questions concerning the Oilfield Site Restoration Fee should be directed to the Louisiana Department of Revenue's Taxpayer Compliance, SES Division, Severance Tax Unit at 855-307-3893, option 2 then 1.

Richard Nelson
Secretary

¹ The Oilfield Site Restoration fees for oil were increased by Act 16 of the 2024 Third Extraordinary Session.

² See La. R.S. 30:87(F)(1)(b) enacted by 2025 Acts No. 458