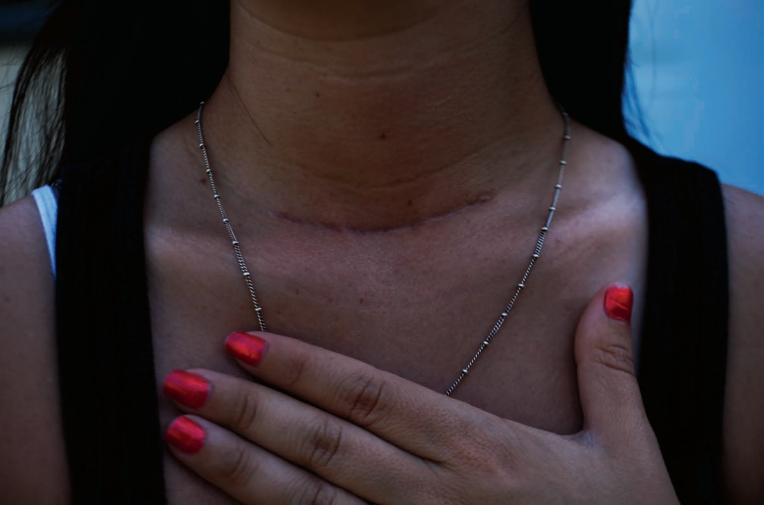
DIRTY SOUTH

The foul legacy of Louisiana oil By Ken Silverstein, photographs by Samuel James



One Monday evening this March, I had a remarkably forthright twohour conversation with Ginger Saw-

Ken Silverstein is a former Washington editor of Harper's Magazine and a former investigative reporter for the Los Angeles Times. Samuel James is a photographer based in New York City and Lagos. yer, one of the most powerful lobbyists in Louisiana. As we sat across a table at a TJ Ribs in Baton Rouge, Sawyer filled me in on the oil-and-gas industry's goals for the 2013 state legislative session. She'd retired the previous year, following a bout with cancer and the death of her longtime partner in a freak accident, but had been called back in on a one-year contract by the Louisiana Association of Business and Industry in part because the state's petroleum companies were facing major challenges. For one, Republican governor Bobby Jindal had proposed eliminating



Louisiana's personal and corporate income taxes and replacing the lost revenue by jacking up its sales tax, which Sawyer worried would anger the public. "If that happens, the legislature might close some of the exemptions for the oil-and-gas industry," she said. "I helped win a lot of those exemptions in the Eighties and Nineties, so I've got the institutional knowledge and history."

I'd come to Louisiana to report on another major source of worry for the industry: so-called legacy lawsuits, through which landowners have sued companies for contamination of properties leased to produce oil and gas. By the late 1980s, the major oil firms had largely moved their nonrefinery operations offshore, selling their remaining active fields to independent firms. They left behind thousands of sites contaminated by oil, organic pollutants, and other hazardous materials. At particular issue has been a byproduct of the drilling process that the oil companies euphemistically refer to as "produced water" or "brine." As its name implies, brine, which is produced in vast quantities by both conventional drilling and hydrofracking, contains a great deal of salt—its salinity is up to ten times that of seawater, meaning any storage breaches can greatly alter the chemistry of groundwater and endanger nearby vegetation. Analyses of brine frequently detect traces of benzene, chromium, lead, and other potential carcinogens, as well as radioactive isotopes.

Though they knew the practice to be unsafe, for decades U.S. oil companies stored brine in vast unsealed open pits. Texas barred the use of these pits in 1969 and other states followed suit, but the practice continued in Louisiana until the 1980s. Corporations also poured brine directly into marshlands and coastal waters. According to a 1989 U.S. Minerals Management Service report, oil companies were dumping statewide an estimated 82 million gallons of brine daily. The industry also mishandled waste containing what it calls NORM, naturally occurring radioactive material, and what the Environmental Protection Agency labels TENORM, or technologically enhanced NORM—a term emphasizing the increased radioactivity caused by extraction techniques.

About a decade ago, Louisiana landowners began winning huge judgments against such oil giants as BP, Chevron, Exxon, and Shell, as well as against independents. In one case, ExxonMobil was ordered to pay a \$112 million penalty—reduced from the \$1 billion originally awarded by a jury—for polluting a thirty-three-acre site near New Orleans. A state appeals court called the company's behavior "calculated, despicable and reprehensible," and said it had acted with a "reckless disregard of the health and safety of others."¹

The lawsuits are broadly supported by farm interests, school boards (which manage substantial

¹ Exxon's case was further undermined by its environmental consultant, Mark Krohn, who testified during cross-examination that he'd received his undergraduate science degree by correspondence, that he'd dropped out of New York State's maritime academy because he was "spending too much time having too much fun," and that his certification for the safe transport of radioactive materials had been issued by his own company.

A twenty-nine-year-old resident of Norco reveals a scar from thyroid-cancer surgery. Norco is located along a stretch of the Mississippi River between New Orleans and Baton Rouge containing numerous petrochemical plants and known as Cancer Alley.



swaths of polluted land), and environmentalists. Most of these groups have negligible clout, but the big landowners-who are generally Republicans and often major donors to or friends of Jindal's-are politically formidable, as are their lawyers. "Governor Jindal has received a lot of support from the oil industry," Sawyer told me. "When he was elected the companies wanted their governor to fix the legacy-lawsuit problem for them. But as the governor matured"here she arched an eyebrow-"his relationships with individuals on the oil side were superseded by new relationships." (Jindal, who appears to be positioning himself for a 2016 presidential run, has sought to keep both sides happy.)

Energy companies succeeded in halting legacy lawsuits in Mississippi by getting its legislature to shift the cases from the courts to state regulatory agencies, over which industry exerts enormous leverage. Now they're close to doing the same in Louisiana. In the past decade, the legislature has approved bills that gave the Louisiana Department of Natural Resources (DNR)—in theory the energy industry's watchdog, in reality its protector and handmaiden—increased authority to resolve the lawsuits. A team of six oil-industry lobbyists, including Sawyer, put together the most recent such bill and got it passed.

Though she was happy about the victory, Sawyer was worried about a recent Louisiana Supreme Court decision that might require oil companies to restore polluted land to higher standards than the legislature had called for. "That undoes a lot of good we've won," she said. "There's a legislator who is holding a bill for us in case we need one this session. We're hoping the Supreme Court will rehear that case, but if it doesn't, or if the rehearing goes the wrong way, that bill might be introduced."

Here, I was taken aback by Sawyer's openness. In Washington, too, legislation routinely originates with lobbyists, but few would publicly claim authorship of a bill, let alone in a conversation with a journalist. Then, after I'd asked for the check, she said, "You don't look anything like your picture. I thought you were bald."

Sawyer's exceptional candor was suddenly explained. She believed I was another Ken Silverstein. A similar mix-up occurred two years ago, when I received an interview request from a TV news producer while I was speaking at a conference of investigative reporters in Johannesburg. On the set, the producer informed me that the interview would be about the upcoming U.N. conference on climate change in Durban-and not, as I'd smugly assumed, my work on oil-industry corruption and the resource curse. "Let's go through your bio," she said as the host smiled from a chair ten feet away. "You're the editor in chief of EnergyBiz Insider, right?" She'd meant to bring in the Ken Silverstein who writes for industry-friendly trade publications (and is notably balder). I was too embarrassed to tell the producer that she had the wrong person, so I mumbled something about my title needing clarification and did my best to bluff my way through an interview about a conference that until moments earlier I hadn't even known was taking place.



In Baton Rouge, I told Sawyer the truth about her mistake, and her face fell.

s I spent more time in the state, I came to realize that Sawyer's casual revelations hadn't come solely from her belief that I was an industry sympathizer. Louisianans are by nature forthright, a trait that seems especially pronounced in oilcompany officials. As the longtime rulers of their domain, they consider their influence and privilege to be part of the natural order of affairs. Since oil was first struck in Louisiana, near the city of Jennings in 1901, it has transformed and come to define the state. The industry has built 600 producing oil fields, drilled some 220,000 wells, and constructed (with billions of dollars in public investment) 8,000 miles of access canals and pipelines. Louisiana is now the country's third-largest energyproducing state—the largest, when production from its federally administered offshore sites is included.

Save for brief interruptions like Huey Long's governorship (1928–1932), oil companies have usually received whatever they have asked for. Louisiana currently provides corporations

A preschool playground in Donaldsonville located next to the town's CF Industries plant. On June 14, 2013, a container rupture at the plant killed one worker and injured eight others.



with at least \$1.79 billion per year in subsidies, incentives, and tax breaks, much of which benefits the resource industry. Meanwhile, the state ranks near the bottom in poverty, life expectancy, and infant mortality. Its coastal wetlands are disappearing at a rate of twenty-five to thirty-five square miles per year, and the aggressiveness of resource extraction has caused land in some places to cave in and vanish. Consequently, a major flyway for migratory birds has disappeared and the coast has become more vulnerable to storm surges. The energy industry claims that this is all due to natural causes like "wave erosion" and to the construction of dams and other manmade structures. But a 2003 U.S. Geological Survey study estimated that oil and gas operations are responsible for at least a third of Louisiana's coastal erosion, and others have placed the figure at closer to half.

In late July, lawyers representing the Southeast Louisiana Flood Protection Authority's eastern region filed a lawsuit seeking billions of dollars in damages from BP, ExxonMobil, and dozens of other energy companies for damaging coastal wetlands. The suit contends that the industry's network of pipelines and canals functioned "as a mercilessly efficient, continuously expanding system of ecological destruction." Jindal denounced the action, saying, "We're not going to allow a single levee board that has been hijacked by a group of trial lawyers to determine flood protection, coastal restoration

and economic repercussions for the entire state of Louisiana."

Attorneys for the flood-protection authority also pointedly accused the DNR of failing to regulate the oil-andgas and petrochemical industries, an allegation that is hard to gainsay. Just this June, two people died and dozens were injured in an explosion and fire at a chemical plant in Geismar, south of Baton Rouge, while the collapse in the summer of 2012 of a gas-storage cavern owned by the petrochemical company Texas Brine created a sinkhole that is now at least 750 feet deep and covers at least twenty-four acres on the Bayou

Corne, forcing the evacuation of 150 families.

egacy lawsuits didn't fully capture the attention of industry groups until 2003, when the state supreme court upheld a \$33 million jury judgment against Shell in a case brought by a landowner named William Corbello. One justice wrote that the company had "exercised calculated business acumen" in using cheap, unlined pits to store saltwater on the plaintiff's property. The decision specified that landowners did not have to use their awards to restore their properties, and it removed the cap on punitive damages, noting that restricting such damages to market value would "give license to oil companies to perform [their] operations in any manner, with indifference as to the aftermath of its operations because of the assurance that it would not be responsible for the full cost of restoration."

The big payouts won in Corbello and subsequent cases have emboldened other landowners to try their luck in court, sometimes with flimsy evidence. However, the cases reveal a great deal of pollution, corporate malfeasance, and political fence-hopping between industry and Louisiana regulators. In 2005, for example, brothers Ron and Michael Johnson bought a nearly forty-six-square-mile property that had previously been leased for oil production by ExxonMobil and other companies, who collectively produced an estimated 32 million barrels of oil and many multiples more of brine, large quantities of which leached from unlined pits into soil and groundwater. A 1959 memorandum showed that one of Exxon's predecessors had considered spending \$7,400 to convert an old well on the site for brine storage but decided against it because of the "relatively large expenditure required." Instead, it opted to continue using surface disposal pits until it was "forced to shut in the well because of excessive damage claims or because of orders from the Conservation Commission."



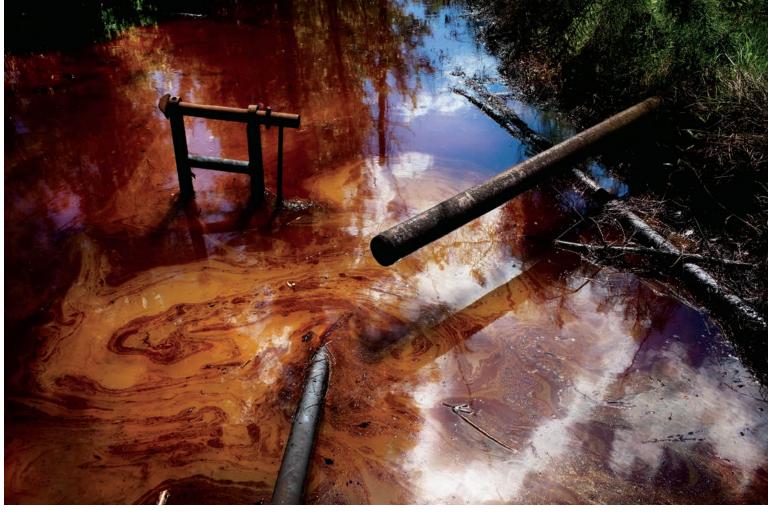
In a curious twist, some highprofile plaintiffs have themselves been oilmen. In 2006, ExxonMobil was assessed damages of \$57 million for poisoning 18,000 acres of coastal land owned by Doré Energy Corporation, whose CEO, William Doré, had made a fortune in the oil-services business. Fish and crabs around his property were found to contain levels of pollutants that made them "unfit for human consumption." Documents introduced by the plaintiff showed that a state agency had warned Exxon in 1946 that brine could kill marshland and fish, but the company continued to improperly dump it on Doré's land for the next three decades.

Mike Foster, a Republican who served as governor from 1996 to 2004 and during that time rammed through a "tort reform" package including new limits on plaintiffs' ability to seek punitive damages, filed suit against Exxon in March 2010. Foster's property was home to a large waste pit surrounded by an eroding bulkhead. Court documents showed that Exxon had neglected for several years to repair the bulkhead; in 1987, a company engineer wrote a memo saying that addressing the erosion was "an operational necessity," as it posed a safety and pollution hazard. Three months later, a Department of Natural Resources inspector flew over the facility and found that no repairs had been made. "Some aquatic invertebrate and fish mortality expected—fish flesh probably tainted to taste," said his report. "Three to four acres of marsh/swamp have been destroyed probably as a result of long term leaking problem."

According to a DNR report, 271 legacy cases had been filed as of February 2012; sixty-four of them had been settled. Since the terms are sealed in virtually all those cases, it's impossible to know how much money has been paid out. The oil industry, for its part, says that legacy lawsuits amount to extortion by trial lawyers, who have made enormous fees on the cases, and that damages sought in court have been vastly inflated in order to force companies to settle.

One night in Baton Rouge, I met Don Carmouche, a prominent trial attorney, for dinner. We were joined by Paul Templet, a former head of Louisiana's Department of Environmental Quality, which is charged with enforcing federal clean-air, clean-water, and hazardous-waste laws. Templet ran the DEQ between 1988 and 1992, under Buddy Roemer, a Republican who was the only Louisiana governor in recent decades to make a serious effort to reform the state government. A former professor of environmental studies at Louisiana State University and a Ph.D. in chemical physics, Templet frequently testifies for Carmouche as an expert witness. "I know that oil is valuable, but so is land and water," he said. "The oil companies don't look at the long term. These lawsuits at least help get them to think about that."

Carmouche, who is seventy-two, has profited handsomely from legacy cases, and unlike the other major trial attorneys I met he'd lived in Louisiana his whole life. He was raised in Napoleonville, a small town an hour's drive south of Baton Rouge, where he once served as district attorney and where he still lives. In-



dustry representatives with whom I met seemed to feel a particular loathing for him.

Carmouche explained that attorneys have significantly expanded the scope of pretrial discovery. "We'd say, Judge, there are documents relating to corporate policy we'd like to see,' and after a while the judges decided that was relevant." Trial lawyers also won the right to search corporate databases, and began employing sophisticated techniques such as predictive coding to focus their hunts. "When we finally get authorization to search those databases, that's when the cases settle," Carmouche said, "because it's their own documents that damn them."

He shared with me some especially damning items he and other trial lawyers had obtained during the discovery phases of various trials. A 1986 memo written by an employee of Unocal (now part of Chevron) proclaimed that the company's lobbyists had saved it more than \$20 million by "tempering state bills and proposed regulations which would have increased clean-up and disposal costs," while an internal memo from ARCO (now a BP subsidiary), dated the same year, noted that the company had told the state its waste pits were "adequate" to prevent seepage and pollution even though there were "some real concerns within ARCO that pit disposal practices may be inadequate to protect the environment."

Carmouche also told me about a 2001 case in which his firm won a settlement from an energy company. A gasoline plume emanating from one of its processing plants had spewed onto an elderly woman's land, and the contamination was so bad, she testified, that neighbors used her well water to run

their lawn mowers.

▲ he purest expression I encountered of the industry's point of view on the lawsuits was articulated to me by Don Briggs, a legendary oilman and the founder and president of the Louisiana Oil and Gas Association (LOGA), one of the two most influential industry groups in the state. (The Louisiana Mid-Continent Oil & Gas Association—LMOGA—is the other.) LOGA operates from a lovely Baton Rouge lakefront home adjacent to the Governor's Mansion.

When I sat down with the seventytwo-year-old Briggs in his office, I mentioned that I'd recently spoken with Randy Haynie, an influential lobbyist who works for trial lawyers on legacy lawsuits and whose own elegant office is a few blocks away. "I drive a white car and he drives a black car," Briggs replied. "I wear a white hat and he wears a black hat, I'm a good guy and he's a bad guy." I smiled at what I assumed was a joke. He didn't smile back.

Briggs is easily riled, and nothing riles him more than government meddling in business. In the early 1990s, he owned a company that "rattled" oil-field pipes—scraped them with a reamer and then blew air through to clean them, creating a dust storm of all the caked-on material, including naturally occurring radioactive material. The state Department of Environmental Quality, Briggs said, "had put all these restrictions on NORM because it was going to kill everyone,



which was bullshit. I got pissed off, which is why I started LOGA." During our conversation he vented about topics ranging from the fracking rules the EPA was scheduled to release later in the year, which he warned could shut down the domestic oil-andgas industry, to what he saw as a shameless scramble by residents along the Gulf of Mexico to get a piece of the \$20 billion compensation fund created following the Deepwater Horizon spill. "BP is getting raped and pillaged by anyone who had any sort of business on the Gulf Coast," he said with a snort.

LOGA represents smaller oil companies, whereas LMOGA represents the multinational giants, a distinction Briggs played up. "We're the homeboys," he told me. "We have heart." But although LOGA's member companies are independently owned, they are not precisely momand-pop operations. They include Chesapeake Energy, the country's second-largest producer of natural gas, and ConocoPhillips, which operates in thirty countries. Furthermore, the major oil companies have contributed to LOGA, and Briggs seemed equally passionate about defending them.

Given his generally uncompromising positions, I was surprised when Briggs acknowledged that industry wasn't entirely innocent in the legacy cases. "If Shell had cleaned up the mess in the *Corbello* case, we wouldn't be sitting here having this conversation," he said. "The same thing happened with Exxon and Billy Doré. Billy's a friend of mine, and he's a great American. He just wanted his damned land cleaned up. I flew out there in a helicopter, and I walked his property, and I know exactly the kind of problems he had."

Briggs's assistant stepped into the room and told him he had a phone call. "Where are my monkeys?" he asked the person on the other end of the line. When he hung up a minute later he explained that he had bought three brass monkeys and was anxious to receive them. "It's a set: see, hear, and speak no evil," he said with a laugh. "I couldn't think of a better thing to put in a lobbyist's home."

I asked Briggs whether he thought the oil industry had inordinate influence in Louisiana. By way of reply, he recounted a conversation he'd had about legacy lawsuits with the head of a Houston-based oil company. "He asked me what the hell was going on, so I showed him this picture," he said, pulling out a chart illustrating connections between Jindal and various politicians and businessmen. He traced some of the links for me: "Mike Foster has a number of lawsuits, and he gave Jindal his first post in politics. Jimmy Faircloth used to work for Jindal, and he represents Roy Martin, who has a number of lawsuits and is a big contributor to Jindal. Buddy Caldwell is the attorney general, and he says, 'I have nothing to do with any of this,' and that's bullshit because he supports these types of lawsuits. We told the governor we need help on this, but he won't help because he's tied to all these guys."

"Mister Carmouche is not very well liked," he continued. "He's a tainted old dog. So when he gets a guy like Roy Martin on his side, that's pretty

A rig crew replaces pipes near Jena. Brine, a saltwater byproduct of the drilling process, is highly corrosive and often contains carcinogenic pollutants. This rig belongs to an independent, family-operated firm that is currently defending itself against a legacy lawsuit.



special. Meanwhile, they are fucking with dozens of my members, who are being crippled by these cases."

It's certainly true that some of LOGA's members have been unfairly hurt by legacy lawsuits. When the independents bought oil sites from the major companies in the 1980s, they were required to assume liability for past environmental damage. Briggs handed me a printout of a PowerPoint presentation given at a 2006 conference by Bill Griffin, a former petroleum engineer and frequent expert witness for plaintiffs. The presentation, "A View from the Trenches: Legacy Liability in Louisiana," had a lottery ticket on the title slide and posed a series of questions. "How do I locate areas where I may successfully litigate for environmental damages?" one asked. The answer: Go to southern Louisiana, "a rich environment of deep pockets" where at least one major oil company could be found to be "on the hook." Another slide noted that once lawyers "locate these babies," the oil industry could be blamed

for the impact from salt deposits. Nearly every industry representative I spoke with brought up Griffin's presentation and described it as a sales pitch to trial lawyers. It was covered extensively in the local press and online by Fox News.²

Briggs also criticized industry attorneys who rack up billable hours on legacy cases. "When you have a big snake you can get a shovel and cut its head off—that's one way to deal with the problem—or you can get a stick and poke the snake," he said. "That's what the defense lawyers do. I once had a group of them sitting here in this office, and I told them, 'Congratulations, Don Carmouche

and these other guys are kicking your asses.'"

I raffic along the Mississippi River at Baton Rouge consists mostly of

² Griffin has said that he was merely showboating, and the circumstances seem to support him: he was speaking at a conference attended primarily by industry defense lawyers, not plaintiffs' attorneys. barges, but occasionally an oil tanker slides by en route to the city's 2,100-acre ExxonMobil refinery, which processes more than 500,000 barrels of crude oil daily and belches black clouds around the clock. It's the fourth-largest refinery in the United States and sits adjacent to a poor downtown neighborhood called Standard Heights.

The other structure dominating the Baton Rouge skyline is the state capitol, built in 1932 under Huey Long and resembling the Empire State Building. (At 450 feet, it's the nation's tallest capitol.) Greenuniformed inmates from the Dixon Correctional Institute tend the immaculately kept grounds, which feature a statue of Long atop a marble pedestal inscribed AN UNCONQUERED FRIEND OF THE POOR WHO DREAMED OF THE DAY WHEN THE WEALTH OF THE LAND WOULD BE SPREAD AMONG ALL THE PEOPLE.

In most other states, the oil industry hires lobbyists to pressure elected officials; in Louisiana, it gets industry executives and hangers-on elected directly. Robert Adley, a Republican and

Land leased from the rancher Aristide Broussard by Chevron in 1942 for the manufacture of airplane fuel. Now the focus of a sixteen-year-old suit brought by Broussard's heirs, the land is immediately adjacent to the Henry Hub, a major artery of the nation's natural-gas supply. Chevron denies having polluted Broussard's land, which it has sued to expropriate under eminent-domain law, citing the hub's importance to national security.



former LOGA board member who until last year owned and operated Pelican Gas Management, serves in the senate, where he sponsored the 2012 legislation put together by Ginger Sawyer and her colleagues. In the house there's Jim Morris, a former oil executive who represents the town of Oil City (where his wife works at the Louisiana State Oil and Gas Museum), as well as Neil Abramson, a New Orleans Democrat and legacy-lawsuit defense attorney who sponsored the oil lobby's legislation in the lower chamber.

Companies have also gotten their own appointed to top positions at the state's main environmental agencies, especially the Department of Natural Resources and its Office of Conservation, which oversees oil and gas. In 1984, J. P. Batchelor of Amoco (now part of BP) wrote a memo proposing that the company donate its old unlined pits to landowners to be used as ponds for ducks and fish rather than shut them down, since that way "we would be relieved of the obligation to backfill" the pits, a process that would cost at least \$15,000 per pit. Four years later Batchelor was named head of the Office of Conservation. More recently, there was the example of Scott Angelle, who founded a coalition of oil and gas groups to oppose new federal regulations while at the same time serving as head of the DNR. (He resigned last year and won a seat on the state's Public Service Commission.) In 2011, Angelle was honored by LMOGA for his "exceptional environmental stewardship" following the Deepwater Horizon "incident," in the delicate phrasing of an association press release.

In 2011, the EPA noted that Louisiana had been laxer than almost any other state about enforcing federal regulations, blaming "a culture in which the state agency is expected to protect industry." The DNR has done an even worse job of enforcing state regulations than the DEQ has of enforcing federal ones. In 1989, the New Orleans *Times-Picayune* ran an astonishing series that chronicled industry dominance of the department, reporting "a lack of effective oversight that allows oil field waste disposers to violate state laws ... without

fear of significant legal reprisals" and saying the industry's lobbyists had "waged intense battles" in the legislature to keep the DNR in charge of regulating and not allow intrusion by the DEQ, which it deemed to be unreasonably aggressive.³

In 1983, after mounting public anger and EPA pressure forced the industry to accept a phaseout of the unlined waste pits that are at the center of many current cases, LMOGA suggested rules for pit closures to the DNR. This led to the implementation of industry-friendly regulations three years later by B. Jim Porter, then secretary of the DNR, who upon retiring in 1988 became president of LMOGA. The regulations drafted by the trade group ultimately gave the oil companies a three-year grace period to eliminate the pits, but the *Times-Picayune*

³ Documents obtained by trial lawyers show that the companies themselves believed they were under-regulated. A 1979 Shell memo acknowledged that its waste pits flagrantly violated numerous federal and state environmental rules but blamed "slackness" on the part of state enforcement agencies for creating "a mood of operational indifference."

Republican state senators Gerald Long and Robert Adley (center) at the capitol in Baton Rouge. Long is chairman of the State Senate's Natural Resources Committee and third cousin of former governor Huey Long; Adley was a sponsor of the oil-and-gas industry's recent legislation to curtail legacy lawsuits.



found that only sixty-six of roughly 20,000 in the state had been properly sealed nine months after the deadline arrived in 1989.

Some environmental activists hope the DNR will be less partial to the oil industry under its new secretary, Stephen Chustz, but this seems unlikely given the conflict at the department's core: it funds its budget by leasing state land for energy development and collecting royalties from production. "Conflicts of interest are accepted in Louisiana," says Oliver Houck, a professor of environmental law at Tulane. "If you don't have your wife on the payroll you're a fool who missed a good chance."

I met State Senator Robert Adley one afternoon at the capitol to discuss the links between government and lobbyists. When I entered his office, he was on the phone with Don Briggs. Immediately after hanging up, he asked me what I thought about the legacy suits. "I'll tell you the same thing anyway," he said. "I just want to know where you stand." I told him my sympathies were generally with the landowners.

Adley, a balding man of sixty-six from the northwestern town of Benton, has his office decorated with LSU memorabilia; during football season he is known to come to work in a purple jumpsuit and a pair of purple boots monogrammed in gold with the school's initials. He showed me a photo on his cell phone of his Valentine's Day gift to his wife: a large oil painting depicting her during her days of glory as an LSU twirler. "She got mad at me," Adley related. "She said, 'Why'd you give me something that reminds me of what I looked like back then?" But now she has it hanging with a light on it."

The oil industry made a big push to squelch legacy suits in 2006, three years after the *Corbello* ruling. "Money was being thrown around by both sides," Adley recalled with a shake of his head. "It's one of the few times I carried a weapon around here—I have a concealed-weapons permit."

That year, the oil lobby managed to push through, by a narrow margin, a bill that appeared to mark a significant step toward its goal of getting legacy suits out of the courts and into the hands of regulators. The new law restricted the right of judges and juries to set damage awards, gave the DNR greater authority to determine the extent of the cleanup required, and specified that companies would be allowed to recover any money left over from cleanup funds they were required by remediation plans to establish. "At that point we thought we'd won," said Adley. "But lo and

behold, the trial attorneys got around that."

ast year's political battle over legacy lawsuits began one week before the spring legislative session opened, when LMOGA and Exxon took Gerald Long-the Republican chair of the State Senate's Natural Resources Committee, and Huey Long's third cousin-out to a cozy lunch at Sullivan's Steakhouse, along with several committee staffers. On the day of the critical committee vote on the oil industry's bill, major landowners set up a command center in a senate conference room and tried furiously to kill the legislation. Meanwhile, oil-company officials and lobbyists



worked with Adley out of his office to corral enough votes to pass it.

The bill made it through committee and was subsequently approved by both houses of the legislature and signed by Jindal. Companies were now able to avoid court by offering a limited admission of responsibility for pollution and going straight to the DNR's Office of Conservation with a cleanup proposal. The bill also stipulated that land need only be rehabilitated to meet state regulatory standards, not be restored "as nearly as possible" to its original condition, as had previously been the case-though in January, the Louisiana Supreme Court upheld a provision of the state civil code requiring leased property to be returned to its original condition, "except for normal wear and tear." This was the decision that had placed Ginger Sawyer on high alert.

After the spring legislative session opened in April, the Bayou Corne sinkhole emerged as a major issue. Because the disaster had occurred in a poor area of the state, Louisiana politicians weren't particularly troubled by it at first. It took Long's committee six months to hold its first hearing on the subject, and another two months (along with an increasingly loud public outcry) for Jindal to travel to Bayou Corne to meet with displaced families.

In the wake of the incident, environmentalists and citizen groups sought new regulations on salt-cavern drilling, leading Sawyer, Briggs, and other industry representatives to shift their focus to the Natural Resources Committee. Although the legislation being considered there applied only to saltcavern practices, oil-and-gas lobbyists were concerned about the implications for drillers, and for their close allies in the petrochemical industry, which rents storage space in the caverns.

They needn't have worried. In May, the committee approved a bill, subsequently passed and signed into law, that added a few new regulations and significantly increased the maximum fine for salt-cavern-drilling violations. It was a tepid response given the seriousness of the affair, but one that had followed a predictable course: I later learned that the petrochemicals lobby had crafted the legislation.

With the sinkhole issue seemingly settled, I called up Don Briggs. Despite the restraints introduced by the oil lobby's legacy-lawsuit bill, dozens of new suits have been filed since it passed. Briggs told me that the war will definitely be back on when the legislature reopens in the spring. "We're going to have a major push," he said, "to get a more balanced approach."

Deer tracks cut through a "salt scar" near Jonesville. Salt scars result from the evaporation of brine that has been dumped into unsealed open pits—a widespread practice that was outlawed in Louisiana in the 1980s.