

Union Calendar No. 452

117TH CONGRESS
2^D SESSION

H. R. 1503

[Report No. 117-628, Part I]

To amend the Mineral Leasing Act to make certain adjustments in leasing on Federal lands for oil and gas drilling, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 2, 2021

Mr. LEVIN of California (for himself, Mr. GRIJALVA, Mr. LOWENTHAL, Mr. NADLER, Ms. NORTON, Ms. BONAMICI, Mr. GARCÍA of Illinois, Ms. LEE of California, Ms. PORTER, and Ms. BROWNLEY) introduced the following bill; which was referred to the Committee on Natural Resources, and in addition to the Committee on Agriculture, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

DECEMBER 14, 2022

Additional sponsors: Mr. BLUMENAUER, Mr. WELCH, Mr. CLEAVER, Ms. DEGETTE, Ms. MCCOLLUM, Mr. COHEN, and Mr. SOTO

DECEMBER 14, 2022

Reported from the Committee on Natural Resources with an amendment
[Strike out all after the enacting clause and insert the part printed in *italic*]

DECEMBER 14, 2022

Committee on Agriculture discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[For text of introduced bill, see copy of bill as introduced on March 2, 2021]

A BILL

To amend the Mineral Leasing Act to make certain adjustments in leasing on Federal lands for oil and gas drilling, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 *This Act may be cited as the “Restoring Community*
5 *Input and Public Protections in Oil and Gas Leasing Act*
6 *of 2021”.*

7 **SEC. 2. LEASING PROCESS.**

8 *(a) ONSHORE OIL AND GAS LEASING.—Section 17 of*
9 *the Mineral Leasing Act (30 U.S.C. 226(a)) is amended by*
10 *striking the matter preceding “(a) All lands” and all that*
11 *follows through the end of subsection (a) and inserting the*
12 *following:*

13 **“SEC. 17. LEASING OF LAND CONTAINING OIL OR GAS DE-**
14 **POSITS.**

15 *“(a) LEASING AUTHORITY.—*

16 *“(1) IN GENERAL.—All lands subject to disposi-*
17 *tion under this Act that are known or believed to con-*
18 *tain oil or gas deposits may be leased by the Sec-*
19 *retary.*

20 *“(2) RECEIPT OF FAIR MARKET VALUE.—Leas-*
21 *ing activities under this Act shall be conducted to as-*
22 *sure receipt of fair market value for the lands and re-*
23 *sources leased and the rights conveyed by the United*
24 *States.”.*

1 **(b) COMPETITIVE BIDDING.**—Section 17(b)(1) of the
2 *Mineral Leasing Act (30 U.S.C. 226(b)(1)(A))* is amended
3 *by striking all that precedes “(A) All lands” and all that*
4 *follows through the end of subparagraph (A) and inserting*
5 *the following:*

6 **“(b) BIDDING.**—

7 **“(1) IN GENERAL.**—

8 **“(A) COMPETITIVE BIDDING.**—

9 **“(i) IN GENERAL.**—*All lands to be*
10 *leased under this section shall be leased as*
11 *provided in this paragraph to the highest*
12 *responsible qualified bidder by competitive*
13 *bidding by sealed bid.*

14 **“(ii) GEOGRAPHIC LIMITATION.**—*The*
15 *Secretary shall lease lands under this para-*
16 *graph in units of not more than 2,560*
17 *acres, except in Alaska, where units shall be*
18 *not more than 5,760 acres. Such units shall*
19 *be as nearly compact as possible.*

20 **“(iii) FREQUENCY.**—*Lease sales under*
21 *this section shall be held for each State in*
22 *which there are lands eligible for leasing no*
23 *more than 3 times each year and on a ro-*
24 *tating basis such that the lands under the*
25 *responsibility of any Bureau of Land Man-*

1 *agement field office are available for leasing*
2 *no more than one time each year.*

3 “(iv) *ROYALTY.*—*A lease under this*
4 *section shall be conditioned upon the pay-*
5 *ment of a royalty at a rate of not less than*
6 *18.75 percent in amount or value of the*
7 *production removed or sold from the lease,*
8 *except as otherwise provided in this Act.*

9 “(v) *ISSUANCE OF LEASE.*—*The Sec-*
10 *retary may issue a lease under this section*
11 *to the responsible qualified bidder with the*
12 *highest bid that is equal to or greater than*
13 *the national minimum acceptable bid. The*
14 *Secretary shall decide whether to accept a*
15 *bid and issue a lease within 90 days fol-*
16 *lowing payment by the successful bidder of*
17 *the remainder of the bonus bid, if any, and*
18 *annual rental for the first lease year.*

19 “(vi) *REJECTION OF BID.*—*The Sec-*
20 *retary may reject a bid above the national*
21 *minimum acceptable bid if, after evaluation*
22 *of the value of the lands proposed for lease,*
23 *the Secretary determines that the bid*
24 *amount does not ensure that fair market*
25 *value is obtained for the lease.”.*

1 (c) *NATIONAL MINIMUM ACCEPTABLE BID.*—Subpara-
2 *graph (B) of section 17(b)(1) of the Mineral Leasing Act*
3 *(30 U.S.C. 226(b)(1)), is amended to read as follows:*

4 “(B) *NATIONAL MINIMUM ACCEPTABLE*
5 *BID.*—

6 “(i) *IN GENERAL.*—*Except as provided*
7 *in clause (ii), for purposes of subparagraph*
8 *(A), the national minimum acceptable bid*
9 *shall be \$10 per acre. All bids under this*
10 *section for less than the national minimum*
11 *acceptable bid shall be rejected.*

12 “(ii) *RAISING THE NATIONAL MINIMUM*
13 *ACCEPTABLE BID.*—*The Secretary may es-*
14 *tablish a higher national minimum accept-*
15 *able bid—*

16 “(I) *beginning at the end of the 4-*
17 *year period that begins on the date of*
18 *enactment of the Restoring Community*
19 *Input and Public Protection in Oil*
20 *and Gas Leasing Act of 2021, and once*
21 *every 4 years thereafter, to reflect the*
22 *change in the Consumer Price Index*
23 *for All Urban Consumers published by*
24 *the Bureau of Labor Statistics; and*

1 “(II) at any time, if the Secretary
2 finds that such a higher amount is nec-
3 essary to enhance financial returns to
4 the United States or to promote more
5 efficient management of oil and gas re-
6 sources on Federal lands.

7 “(iii) NOT A MAJOR FEDERAL AC-
8 TION.—The proposal or issuance of any reg-
9 ulation to establish a higher national min-
10 imum acceptable bid under clause (ii) shall
11 not be considered a major Federal action
12 that is subject to the requirements of section
13 102(2)(C) of the National Environmental
14 Policy Act of 1969 (42 U.S.C.
15 4332(2)(C)).”.

16 (d) RENTALS.—Section 17(d) of the Mineral Leasing
17 Act (30 U.S.C. 226(d)) is amended to read as follows:

18 “(d) ANNUAL RENTALS.—All leases issued under this
19 section shall be conditioned upon the payment by the lessee
20 of a rental of—

21 “(1) not less than \$3.00 per acre per year during
22 the 5-year period beginning on the date the lease be-
23 gins for new leases, and after the end of such 5 year
24 period not less than \$5 per acre per year; or

1 “(2) such higher rental rate as the Secretary
2 may establish if the Secretary finds that such action
3 is necessary to enhance financial returns to the
4 United States and promote more efficient manage-
5 ment of oil and gas and alternative energy resources
6 on Federal lands.”.

7 (e) *ELIMINATION OF NONCOMPETITIVE LEASING.*—The
8 Mineral Leasing Act (30 U.S.C. 181 et seq.) is amended—

9 (1) in section 17(b) (30 U.S.C. 226(b)), by strik-
10 ing paragraph (3);

11 (2) by amending section 17(c) (30 U.S.C. 226(c))
12 to read as follows:

13 “(c) *LANDS FOR WHICH NO BID IS ACCEPTED.*—
14 Lands made available for leasing under subsection (b)(1)
15 but for which no bid is accepted may be made available
16 by the Secretary for a new round of sealed bidding under
17 such subsection.”;

18 (3) in section 17(e) (30 U.S.C. 226(e))—

19 (A) by striking “Competitive and non-
20 competitive leases” and inserting “Leases, in-
21 cluding leases for tar sand areas,”; and

22 (B) by striking “Provided, however” and all
23 that follows through “ten years.”;

24 (4) in section 31(d)(1) (30 U.S.C. 188(d)(1)) by
25 striking “or section 17(c)”;

1 (5) *in section 31(e) (30 U.S.C. 188(e))—*

2 (A) *in paragraph (2) by striking “, or the*
3 *inclusion” and all that follows and inserting a*
4 *semicolon; and*

5 (B) *in paragraph (3) by striking “(A)” and*
6 *by striking subparagraph (B);*

7 (6) *by striking section 31(f) (30 U.S.C. 188(f));*

8 *and*

9 (7) *in section 31(g) (30 U.S.C. 188(g))—*

10 (A) *in paragraph (1) by striking “as a*
11 *competitive” and all that follows through the pe-*
12 *riod and inserting “in the same manner as the*
13 *original lease issued pursuant to section 17.”;*

14 (B) *by striking paragraph (2) and redesignig-*
15 *ating paragraphs (3) and (4) as paragraphs*
16 *(2) and (3), respectively; and*

17 (C) *in paragraph (2), as redesignated, by*
18 *striking “, applicable to leases issued under sub-*
19 *section 17(c) of this Act (30 U.S.C. 226(c)) ex-*
20 *cept,” and inserting “, except”.*

21 (f) *LEASE TERM.—Section 17(e) of the Mineral Leas-*
22 *ing Act (30 U.S.C. 226(e)) is amended by striking “10*
23 *years:” and inserting “5 years.”.*

1 *(g) OTHER LEASING REQUIREMENTS.—Section 17(g)*
2 *of the Mineral Leasing Act (30 U.S.C. 226(g)), as amended*
3 *by section 8 of this Act, is further amended—*

4 *(1) by striking “(g) The Secretary of the Inte-*
5 *rior” and inserting the following:*

6 *“(g) OTHER LEASING REQUIREMENTS.—*

7 *“(1) IN GENERAL.—The Secretary of the Inte-*
8 *rior”;* and

9 *(2) by adding at the end the following:*

10 *“(2) LIMITATION.—The Secretary shall not issue*
11 *a lease or approve the assignment of any lease to any*
12 *person, or to any subsidiary or affiliate of such per-*
13 *son or any other person controlled by or under com-*
14 *mon control with such person, unless such person has*
15 *the demonstrated capability to explore and produce*
16 *oil and gas under the lease.*

17 *“(3) PROTECTION OF LEASED LANDS FOR OTHER*
18 *USES.—Each lease under this section shall include*
19 *such terms as are necessary to preserve the United*
20 *States flexibility to control or prohibit activities that*
21 *pose serious and unacceptable impacts to the value of*
22 *the leased lands for uses other than production of oil*
23 *and gas.”.*

1 **SEC. 3. TRANSPARENCY AND LANDOWNER PROTECTIONS.**

2 (a) *DISCLOSURE OF IDENTITIES FILING DISCLOSURES*
3 *OF INTEREST AND BIDS.*—Section 17(b) of the Mineral
4 *Leasing Act (30 U.S.C. 226(b)), as amended by this Act,*
5 *is further amended by adding at the end the following:*

6 “(3) *BIDDER IDENTITY.*—The Secretary—

7 “(A) shall require that each expression of
8 *interest to bid for a lease under this section and*
9 *each bid for a lease under this section shall in-*
10 *clude the name of the person for whom such ex-*
11 *pression of interest or bid is submitted; and*

12 “(B) shall promptly publish each such
13 *name.”.*

14 (b) *NOTICE REQUIREMENTS.*—Section 17(f) of the
15 *Mineral Leasing Act (30 U.S.C. 226(f)) is amended by*
16 *striking “(f) At least” and all that follows through “agen-*
17 *cies.” and inserting the following:*

18 “(f) *REQUIREMENTS PRIOR TO OFFERING LANDS FOR*
19 *LEASE.*—

20 “(1) *REQUIRED NOTICE.*—At least 45 days before
21 *offering lands for lease under this section, and at least*
22 *30 days before approving applications for permits to*
23 *drill under the provisions of a lease, modifying the*
24 *terms of any lease issued under this section, or grant-*
25 *ing a waiver, exception, or modification of any stipu-*

1 *lation of a lease issued under this section, the Sec-*
2 *retary shall provide notice of the proposed action to—*

3 *“(A) the general public by posting such no-*
4 *tice in the appropriate local office and on the*
5 *electronic website of the leasing and land man-*
6 *agement agencies offering the lands for lease;*

7 *“(B) all surface land owners in the area of*
8 *the lands being offered for lease; and*

9 *“(C) the holders of special recreation per-*
10 *mits for commercial use, competitive events, and*
11 *other organized activities on the lands being of-*
12 *fered for lease.*

13 *“(2) REQUIRED INFORMATION.—”.*

14 *(c) SURFACE OWNER PROTECTION.—Section 17 of the*
15 *Mineral Leasing Act (30 U.S.C. 226), is amended by add-*
16 *ing at the end the following:*

17 *“(r) POST-LEASE SURFACE USE AGREEMENT.—*

18 *“(1) IN GENERAL.—Except as provided in para-*
19 *graph (2), the Secretary may not authorize any oper-*
20 *ator to conduct exploration and drilling operations on*
21 *lands with respect to which title to oil and gas re-*
22 *sources is held by the United States but title to the*
23 *surface estate is not held by the United States, until*
24 *the operator has filed with the Secretary a document,*
25 *signed by the operator and the surface owner or own-*

1 *ers, showing that the operator has secured a written*
2 *surface use agreement between the operator and the*
3 *surface owner or owners that meets the requirements*
4 *of subparagraph (B).*

5 *“(2) CONTENTS.—The surface use agreement*
6 *shall provide for—*

7 *“(A) the use of only such portion of the sur-*
8 *face estate as is reasonably necessary for explo-*
9 *ration and drilling operations based on site-spe-*
10 *cific conditions;*

11 *“(B) the accommodation of the surface es-*
12 *tate owner to the maximum extent practicable,*
13 *including the location, use, timing, and type of*
14 *exploration and drilling operations, consistent*
15 *with the operator’s right to develop the oil and*
16 *gas estate;*

17 *“(C) the reclamation of the site to a condi-*
18 *tion capable of supporting the uses which such*
19 *lands were capable of supporting prior to explo-*
20 *ration and drilling operations; and*

21 *“(D) compensation for damages as a result*
22 *of exploration and drilling operations, includ-*
23 *ing—*

24 *“(i) loss of income and increased costs*
25 *incurred;*

1 “(ii) damage to or destruction of per-
2 sonal property, including crops, forage, and
3 livestock; and

4 “(iii) failure to reclaim the site in ac-
5 cordance with clause (iii).

6 “(3) *AUTHORIZED EXPLORATION AND DRILLING*
7 *OPERATIONS.—*

8 “(A) *AUTHORIZATION WITHOUT SURFACE*
9 *USE AGREEMENT.—The Secretary may authorize*
10 *an operator to conduct exploration and drilling*
11 *operations on lands covered by paragraph (1) in*
12 *the absence of an agreement with the surface es-*
13 *tate owner or owners, if—*

14 “(i) *the Secretary makes a determina-*
15 *tion in writing that the operator made a*
16 *good faith attempt to conclude such an*
17 *agreement, including referral of the matter*
18 *to arbitration pursuant to paragraph*
19 *(1)(C), but that no agreement was con-*
20 *cluded within 90 days after the referral to*
21 *arbitration;*

22 “(ii) *the operator submits a plan of*
23 *operations that provides for the matters*
24 *specified in paragraph (1)(B) and for com-*

1 *pliance with all other applicable require-*
2 *ments of Federal and State law; and*

3 *“(iii) the operator posts a bond or*
4 *other financial assurance in an amount the*
5 *Secretary determines to be adequate to en-*
6 *sure compensation to the surface estate*
7 *owner for any damages to the site, in the*
8 *form of a surety bond, trust fund, letter of*
9 *credit, government security, certificate of*
10 *deposit, cash, or equivalent.*

11 *“(B) SURFACE OWNER PARTICIPATION.—*
12 *The Secretary shall provide surface estate owners*
13 *with an opportunity to—*

14 *“(i) comment on plans of operations in*
15 *advance of a determination of compliance*
16 *with this Act;*

17 *“(ii) participate in bond level deter-*
18 *minations and bond release proceedings*
19 *under this section;*

20 *“(iii) attend an on-site inspection dur-*
21 *ing such determinations and proceedings;*

22 *“(iv) file written objections to a pro-*
23 *posed bond release; and*

24 *“(v) request and participate in an on-*
25 *site inspection when they have reason to be-*

1 *lieve there is a violation of the terms and*
2 *conditions of a plan of operations.*

3 “(C) *PAYMENT OF FINANCIAL GUAR-*
4 *ANTEE.—A surface estate owner with respect to*
5 *any land subject to a lease may petition the Sec-*
6 *retary for payment of all or any portion of a*
7 *bond or other financial assurance required under*
8 *this section as compensation for any damages as*
9 *a result of exploration and drilling operations.*
10 *Pursuant to such a petition, the Secretary may*
11 *use such bond or other guarantee to provide com-*
12 *ensation to the surface estate owner for such*
13 *damages.*

14 “(D) *BOND RELEASE.—Upon request and*
15 *after inspection and opportunity for surface es-*
16 *tate owner review, the Secretary may release the*
17 *financial assurance required under this section if*
18 *the Secretary determines that exploration and*
19 *drilling operations are ended and all damages*
20 *have been fully compensated.*

21 “(4) *SURFACE OWNER NOTIFICATION.—The Sec-*
22 *retary shall notify surface estate owners in writing—*

23 “(A) *not less than 45 days before lease sales;*

24 “(B) *of the identity of the lessee, not more*
25 *than 10 business days after a lease is issued;*

1 “(C) concerning any subsequent request or
2 decision regarding a lease not more than 5 busi-
3 ness days after such request or decision, includ-
4 ing regarding modification of a lease, waiver of
5 a stipulation, or approval of a right of way; and

6 “(D) not more than 5 business days after
7 issuance of a drilling permit under a lease.”.

8 **SEC. 4. LEASE STIPULATIONS.**

9 (a) *ENERGY POLICY ACT OF 2005.*—Section
10 363(b)(3)(C) of the Energy Policy Act of 2005 (42 U.S.C.
11 15922(b)(3)(C)) is amended to read as follows:

12 “(C) adequately protective of the resource
13 for which the stipulations are applied;”.

14 (b) *REVISION OF EXISTING MEMORANDUM.*—Not later
15 than 180 days after the date of the enactment of this Act
16 the Secretary of the Interior and the Secretary of Agri-
17 culture shall revise the memorandum of understanding
18 under section 363(b)(3)(C) of the Energy Policy Act of 2005
19 (42 U.S.C. 15922) in accordance with the amendment made
20 by subsection (a).

21 **SEC. 5. PARCEL REVIEW.**

22 Section 17(a) of the Mineral Leasing Act (30 U.S.C.
23 226(a)), as amended by section 2 of this Act, is further
24 amended by adding at the end the following:

1 “(3) *PARCEL REVIEW*.—*The Secretary shall issue*
2 *oil and gas leases under this Act only in accordance*
3 *with subsections C through I of section III of Bureau*
4 *of Land Management Instruction Memorandum No.*
5 *2010–117, dated May 17, 2010, as in effect on April*
6 *24, 2017.*”.

7 **SEC. 6. ACREAGE LIMITATIONS.**

8 *Section 27(d)(1) of the Mineral Leasing Act (30 U.S.C.*
9 *184(d)(1)) is amended by striking “, and acreage under any*
10 *lease any portion of which has been committed to a federally*
11 *approved unit or cooperative plan or communitization*
12 *agreement or for which royalty (including compensatory*
13 *royalty or royalty in-kind) was paid in the preceding cal-*
14 *endar year,*”.

15 **SEC. 7. LAND MANAGEMENT.**

16 *Section 17(g) of the Mineral Leasing Act (30 U.S.C.*
17 *226(g)), as amended by section 2(g) of this Act, is further*
18 *amended by adding at the end the following:*

19 “(4) *MULTIPLE-USE MANAGEMENT*.—*The Sec-*
20 *retary, and for National Forest lands, the Secretary*
21 *of Agriculture, shall manage lands that are subject to*
22 *an oil and gas lease under this Act in accordance*
23 *with the principles, policies, and requirements relat-*
24 *ing to multiple use under the Federal Land Policy*
25 *and Management Act of 1976 (43 U.S.C. 1701 et*

1 *seq.), until the beginning of operations on such*
2 *lease.”.*

3 **SEC. 8. TRANSPARENCY IN MANAGEMENT OF LEASES.**

4 *Section 17(a) of the Mineral Leasing Act (30 U.S.C.*
5 *226(a)), as amended by sections 2 and 5 of this Act, is fur-*
6 *ther amended by adding at the end the following:*

7 “(4) *TRANSPARENCY IN MANAGEMENT OF*
8 *LEASES.—For each lease under this section, the Sec-*
9 *retary shall make available on a public website—*

10 “(A) *the identity of—*

11 “(i) *each person who is or has been a*
12 *lessee under the lease; and*

13 “(ii) *each person who is or has been an*
14 *operator under the lease;*

15 “(B) *notice of each transfer of the lease; and*

16 “(C) *notice of each suspension of operations,*
17 *each suspension of production, and each suspen-*
18 *sion of operations and production.”.*

19 **SEC. 9. LEASE CANCELLATION FOR IMPROPER ISSUANCE.**

20 *Section 31(b) of the Mineral Leasing Act (30 U.S.C.*
21 *188(b)) is amended by inserting “if the lease was improv-*
22 *erly issued or” after “30 days notice”.*

23 **SEC. 10. FEES FOR EXPRESSIONS OF INTEREST.**

24 *(a) IN GENERAL.—The Secretary shall charge any per-*
25 *son who submits an expression of interest, as that term is*

1 *defined by the Secretary, a fee, in an amount determined*
2 *by the Secretary under paragraph (2).*

3 (b) *AMOUNT.*—*The fee authorized under paragraph (1)*
4 *shall be established by the Secretary in an amount that is*
5 *determined by the Secretary to be appropriate to cover the*
6 *aggregate cost of processing an expression of interest under*
7 *this section, but not less than \$15 per acre of the area cov-*
8 *ered by the applicable expression of interest.*

9 (c) *ADJUSTMENT OF FEES.*—*The Secretary shall, by*
10 *regulation at least every 4 years, establish a higher expres-*
11 *sion of interest fee—*

12 (1) *to reflect the change in the Consumer Price*
13 *Index for All Urban Consumers published by the Bu-*
14 *reau of Labor Statistics; and*

15 (2) *as the Secretary determines to be necessary*
16 *to enhance financial returns to the United States or*
17 *to promote more efficient management of oil and gas*
18 *resources on Federal land.*

19 **SEC. 11. PROTECTION OF WATER RESOURCES.**

20 (a) *MINERAL LEASING ACT REQUIREMENTS.*—*Section*
21 *17 of the Mineral Leasing Act (30 U.S.C. 226) is amend-*
22 *ed—*

23 (1) *in subsection (g) by striking “lands or sur-*
24 *face waters adversely” and inserting “surface or*
25 *ground waters or lands adversely”;*

1 (2) *by redesignating subsection (p) as subsection*
2 *(q); and*

3 (3) *by inserting after subsection (o) the fol-*
4 *lowing:*

5 “(p) *WATER REQUIREMENTS.—*

6 “(1) *An operator producing oil or gas (including*
7 *coalbed methane) under a lease issued under this Act*
8 *shall—*

9 “(A) *replace the water supply of a water*
10 *user who obtains all or part of such user’s sup-*
11 *ply of water from an underground or surface*
12 *source that has been affected by contamination,*
13 *diminution, or interruption proximately result-*
14 *ing from drilling, fracking, or production oper-*
15 *ations for such production;*

16 “(B) *ensure that if a surface or ground*
17 *water source is affected by contamination, dimi-*
18 *nution, or interruption proximately resulting*
19 *from such production, best management practices*
20 *and appropriately available technologies are*
21 *used to prevent, to the maximum extent possible,*
22 *the long-term or permanent degradation of the*
23 *surface or ground water source; and*

24 “(C) *comply with all applicable require-*
25 *ments of Federal and State law with respect to—*

1 “(i) discharge of any water produced
2 under the lease; and

3 “(ii) activities that would divert or
4 otherwise alter a surface or ground water
5 source or lead to a discharge not covered by
6 clause (i).

7 “(2) An application for a permit to drill under
8 a lease under this Act shall be accompanied by a pro-
9 posed water management plan including provisions
10 to—

11 “(A) protect the quantity and quality of
12 surface and ground water systems, both on-site
13 and off-site, from adverse effects of the explo-
14 ration, development, and reclamation processes
15 or to provide alternative sources of water if such
16 protection cannot be assured;

17 “(B) protect the rights of present users of
18 water that would be affected by operations under
19 the lease, including the discharge of any water
20 produced in connection with such operations that
21 is not reinjected; and

22 “(C) identify any agreements with other
23 parties for the beneficial use of produced waters
24 and the steps that will be taken to comply with
25 State and Federal laws related to such use.

1 “(3) *The Secretary may not approve an applica-*
2 *tion if the Secretary determines that the applicant*
3 *did not submit a water management plan that meets*
4 *the requirements described in paragraph (2).”.*

5 **(b) RELATION TO STATE LAW.**—*Nothing in this sec-*
6 *tion or any amendment made by this section shall be con-*
7 *strued as—*

8 (1) *impairing or in any manner affecting any*
9 *right or jurisdiction of any State with respect to the*
10 *waters of such State; or*

11 (2) *limiting, altering, modifying, or amending*
12 *any of the interstate compacts or equitable apportion-*
13 *ment decrees that apportion water among and be-*
14 *tween States.*

15 **SEC. 12. FRACKING REGULATION ON FEDERAL LANDS.**

16 **(a) IN GENERAL.**—*Not later than 1 year after the date*
17 *of enactment of this Act, the Secretary of the Interior, act-*
18 *ing through the Bureau of Land Management, shall issue*
19 *regulations governing the use of hydraulic fracturing under*
20 *oil and gas leases for Federal lands.*

21 **(b) INCLUDED PROVISIONS.**—*The regulations under*
22 *this section shall require—*

23 (1) *baseline water testing, the results of which*
24 *shall be posted on an appropriate internet website;*
25 *and*

1 (2) *public disclosure of each chemical used for*
2 *hydraulic fracturing on an appropriate internet*
3 *website.*

4 (c) *INTERIM APPLICATION OF PRIOR RULE.—The final*
5 *rule entitled “Oil and Gas; Hydraulic Fracturing on Fed-*
6 *eral and Indian Lands”, as published in the Federal Reg-*
7 *ister March 26, 2015 (80 Fed. Reg. 16128), and corrected*
8 *by the rule published on March 30, 2015 (80 Fed. Reg.*
9 *16577), shall apply until the effective date of a final rule*
10 *under subsection (a).*

11 **SEC. 13. ENVIRONMENTAL ANALYSIS.**

12 *Any environmental analysis pursuant to the National*
13 *Environmental Policy Act (42 U.S.C. 4321 et seq.) required*
14 *under this Act shall include the estimated total cost of pre-*
15 *paring the environmental analysis, including full-time*
16 *equivalent personnel hours, contractor costs, and other di-*
17 *rect costs.*

18 **SEC. 14. TAXPAYER FUNDING STEWARDSHIP.**

19 *In an effort to be good stewards of taxpayer dollars*
20 *and conscientious of the demands placed upon public serv-*
21 *ants, no provisions contained within this Act shall require*
22 *a duplication of analysis by any government agency, indi-*
23 *vidual, or contractor, at any level including federal, state,*
24 *local, or tribal and, if so determined, such provision shall*
25 *be considered non-binding.*

Union Calendar No. 452

117TH CONGRESS
2^D SESSION

H. R. 1503

[Report No. 117-628, Part I]

A BILL

To amend the Mineral Leasing Act to make certain adjustments in leasing on Federal lands for oil and gas drilling, and for other purposes.

DECEMBER 14, 2022

Reported from the Committee on Natural Resources with
an amendment

DECEMBER 14, 2022

Committee on Agriculture discharged; committed to the
Committee of the Whole House on the State of the
Union and ordered to be printed