

112TH CONGRESS  
1ST SESSION

# H. R. 3229

To amend the Outer Continental Shelf Lands Act and the Mineral Leasing Act to require the Secretary of the Interior to issue regulations to prevent or minimize the venting and flaring of gas in oil and gas production operations in the United States, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 14, 2011

Mr. MARKEY (for himself and Mr. HOLT) introduced the following bill; which was referred to the Committee on Natural Resources

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## A BILL

To amend the Outer Continental Shelf Lands Act and the Mineral Leasing Act to require the Secretary of the Interior to issue regulations to prevent or minimize the venting and flaring of gas in oil and gas production operations in the United States, 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 “Fuel Loss Abatement  
5 and Royalty Enhancement Act” or the “FLARE Act”.

1 **SEC. 2. REGULATIONS TO PREVENT OR MINIMIZE THE**  
2 **VENTING AND FLARING OF GAS.**

3 (a) OUTER CONTINENTAL SHELF LANDS ACT.—The  
4 Outer Continental Shelf Lands Act (43 U.S.C. 1331 et  
5 seq.) is amended by inserting after section 9 the following:

6 **“SEC. 10. REGULATIONS TO PREVENT OR MINIMIZE THE**  
7 **VENTING AND FLARING OF GAS.**

8 “(a) IN GENERAL.—The Secretary shall issue regula-  
9 tions under this Act to prevent or minimize the venting  
10 and flaring of gas in oil and gas production operations  
11 in the United States and to promote the capture and bene-  
12 ficial use or reinjection of gas in such operations.

13 “(b) ROYALTIES.—Regulations issued under this sec-  
14 tion shall include provisions that treat gas that is flared  
15 or vented in operations under a lease under this Act as  
16 production for which royalty is required to be paid to the  
17 United States.”.

18 (b) MINERAL LEASING ACT.—The Mineral Leasing  
19 Act (30 U.S.C. 181 et seq.) is amended by redesignating  
20 section 44 as section 45, and by inserting after section  
21 43 the following:

22 **“SEC. 44. REGULATIONS TO PREVENT OR MINIMIZE THE**  
23 **VENTING AND FLARING OF GAS.**

24 “(a) IN GENERAL.—The Secretary shall issue regula-  
25 tions under this Act to prevent or minimize the venting  
26 and flaring of gas in oil and gas production operations

1 in the United States and to promote the capture and bene-  
2 ficial use or reinjection of gas in such operations.

3 “(b) ROYALTIES.—Regulations issued under this sec-  
4 tion shall include provisions that treat gas that is flared  
5 or vented in operations under a lease under this Act as  
6 production for which royalty is required to be paid to the  
7 United States.”.

8 (c) LIMITATION ON APPLICATION TO EXISTING  
9 LEASES.—Regulations issued under section 10(b) of the  
10 Outer Continental Shelf Lands Act, as amended by this  
11 Act, and regulations issued under section 43(b) of the  
12 Mineral Leasing Act, as amended by this Act, shall not  
13 apply with respect to production under a lease in effect  
14 on the date of enactment of this Act to the extent such  
15 application would constitute a breach of the terms of the  
16 lease by the United States.

17 **SEC. 3. ASSESSMENT OF VENTING AND FLARING OF GAS IN**  
18 **PRODUCTION OPERATIONS IN THE UNITED**  
19 **STATES.**

20 Not later than 18 months after the date of enactment  
21 of this Act, the Secretary of the Interior shall assess and  
22 report to the Congress on the venting and flaring of gas  
23 in oil and gas production operations in the United States.  
24 The report shall include an estimate of the volume of gas  
25 that is vented or flared in such operations each year.

1 **SEC. 4. ENVIRONMENTAL REVIEW OF VENTING AND FLAR-**  
2 **ING OF GAS IN PRODUCTION OPERATIONS IN**  
3 **THE UNITED STATES.**

4 Any finding or permit issued by a Federal agency  
5 that will authorize flaring or venting of gas in oil and gas  
6 production operations in the United States is a major Fed-  
7 eral action significantly affecting the quality of the human  
8 environment for purposes of section 102 of the National  
9 Environmental Policy Act of 1969 (42 U.S.C. 4332).

10 **SEC. 5. REGULATIONS.**

11 The Secretary of the Interior shall issue regulations  
12 that define the terms “vent”, “venting”, “flare”, and  
13 “flaring” for purposes of this Act and the amendments  
14 made by this Act.

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