

117TH CONGRESS
2D SESSION

S. 4733

To amend the Mineral Leasing Act to provide for certain reforms to the process relating to applications for permits to drill and the eligibility requirements for prospective bidders in lease sales, and for other purposes.

IN THE SENATE OF THE UNITED STATES

AUGUST 2, 2022

Ms. CORTEZ MASTO introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To amend the Mineral Leasing Act to provide for certain reforms to the process relating to applications for permits to drill and the eligibility requirements for prospective bidders in lease sales, 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 “Use it or Lose It Act”.

5 **SEC. 2. ELIGIBILITY TO PARTICIPATE IN LEASE SALES.**

6 Section 17(h) of the Mineral Leasing Act (30 U.S.C.
7 226(h)) is amended by striking the subsection designation

1 and all that follows through “The Secretary” and insert-
2 ing the following:

3 “(h) LIMITATIONS.—

4 “(1) REQUIRED CERTIFICATION.—A prospective
5 lessee shall not be eligible to participate in a lease
6 sale or otherwise acquire a new lease under this sec-
7 tion until the date on which the prospective lessee,
8 in accordance with procedures developed by the Sec-
9 retary of the Interior, certifies to the Secretary of
10 the Interior that the prospective lessee—

11 “(A) has diligently developed all other
12 leases issued to the prospective bidder under
13 this section by not later than the expiration of
14 the applicable primary lease term, as deter-
15 mined by the Secretary of the Interior;

16 “(B) has relinquished any other leases
17 issued to the prospective bidder under this sec-
18 tion that have not been diligently developed by
19 the prospective bidder by not later than the ex-
20 piration of the applicable primary lease term, as
21 determined by the Secretary; and

22 “(C) has complied with any other certifi-
23 cations that the Secretary of the Interior may
24 reasonably require.

1 “(2) NATIONAL FOREST SYSTEM LAND.—The
2 Secretary”.

3 **SEC. 3. APPLICATIONS FOR PERMITS TO DRILL.**

4 Section 17(p) of the Mineral Leasing Act (30 U.S.C.
5 226(p)) is amended adding at the end the following:

6 “(4) PRIORITY FOR ISSUING APPLICATIONS FOR
7 PERMITS TO DRILL.—For purposes of considering
8 applications for permits to drill submitted to the
9 Secretary of the Interior under this subsection, the
10 Secretary of the Interior shall give priority to any
11 applicant that has—

12 “(A) demonstrated, to the satisfaction of
13 the Secretary of the Interior, an ability and
14 willingness to commit to climate mitigation and
15 other forms of environmental mitigation with
16 respect to the proposed activities, including—

17 “(i) binding commitments to plug and
18 reclaim inactive wells; and

19 “(ii) a willingness to relinquish leases
20 in sensitive areas, particularly areas that
21 were subsequently closed to, or withdrawn
22 from, leasing;

23 “(B) provided production estimates for the
24 proposed drilling activities; or

1 “(C) demonstrated previous success with
2 respect to completing wells.

3 “(5) EXPIRATION OF UNUSED APPLICATIONS
4 FOR PERMITS TO DRILL; EXTENSIONS.—

5 “(A) IN GENERAL.—Subject to subpara-
6 graph (B), an application for a permit to drill
7 that is approved under this subsection after the
8 date of enactment of this paragraph that is con-
9 sidered to be unused, as determined by the Sec-
10 retary of the Interior, shall expire on the date
11 that is 1 year after the date of the approval of
12 the application for a permit to drill.

13 “(B) EXTENSIONS.—The Secretary of the
14 Interior—

15 “(i) may extend, not more than 1
16 time, the expiration date of an unused ap-
17 proved application for a permit to drill that
18 would otherwise expire under subpara-
19 graph (A) for a period of not more than
20 180 days; and

21 “(ii) may not extend the expiration
22 date of an approved application for a per-
23 mit to drill that was approved before the
24 date of enactment of this paragraph that is

1 considered to be unused, as determined by
2 the Secretary of the Interior.

3 “(C) DISQUALIFICATION OF CERTAIN AP-
4 PLICANTS.—Beginning on the date of enact-
5 ment of this paragraph, an applicant for a per-
6 mit to drill that has a higher than average
7 number of unused approved applications for
8 permits to drill under this subsection, as deter-
9 mined by the Secretary of the Interior, shall not
10 be eligible for a new application for a permit to
11 drill under this subsection unless the Secretary
12 of the Interior determines that—

13 “(i) the applicant has relinquished a
14 sufficient number of unused approved ap-
15 plications for permits to drill; or

16 “(ii) the applicant has converted a
17 sufficient number of unused approved ap-
18 plications for permits to drill of the appli-
19 cant to ‘in use’ status.”.

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