AMENDMENT IN THE NATURE OF A SUBSTITUTE TO H.R. 1555

OFFERED BY MR. WESTERMAN OF ARKANSAS

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Bureau of Land Management Mineral Spacing Act''.

SEC. 2. COMPLIANCE WITH BLM PERMITTING.

(a) IN GENERAL.—Notwithstanding the Mineral Leasing Act (30 U.S.C. 181 et seq.), the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701 et seq.), or subpart 3162 of part 3160 of title 43, Code of Federal Regulations (or successor regulations), but subject to any applicable State or Tribal requirements and subsection (c), the Secretary of the Interior shall not require a permit to drill for an oil and gas lease under the Mineral Leasing Act (30 U.S.C. 181 et seq.) for an action occurring within an oil and gas drilling or spacing unit if—

(1) the Federal Government owns less than 50 percent of the oil and gas minerals within the oil and gas drilling or spacing unit; and

(2)(A) the well is located on non-Federal land overlying a non-Federal mineral estate, but some portion of the wellbore enters and produces from the Federal mineral estate subject to the lease; or

(B) the well is located on non-Federal land overlying a non-Federal mineral estate, but some portion of the wellbore traverses but does not produce from the Federal mineral estate subject to the lease.

(b) NOTIFICATION.—For each State permit to drill or drilling plan that would impact or extract oil and gas owned by the Federal Government—

(1) each lessee of Federal minerals in the unit, or designee of a lessee, shall—

(A) notify the Secretary of the Interior of the submission of a State application for a permit to drill or drilling plan on submission of the application; and

(B) provide a copy of the application described in subparagraph (A) to the Secretary of the Interior not later than 5 days after the date on which the permit or plan is submitted; and

(2) each lessee, designee of a lessee, or applicable State shall notify the Secretary of the Interior of the approved State permit to drill or drilling plan

not later than 45 days after the date on which the permit or plan is approved.

(c) NONAPPLICABILITY TO INDIAN LANDS.—Subsection (a) shall not apply to—

(1) any land located within the boundaries of an Indian reservation, pueblo, or rancheria; and

(2) any land not located within the boundaries of an Indian reservation, pueblo, or rancheria, the title to which is held—

(A) in trust by the United States for the benefit of an Indian tribe or an individual Indian;

(B) by an Indian tribe or an individual Indian, subject to restriction against alienation under laws of the United States; or

(C) by a dependent Indian community.

(d) EFFECT.—Nothing in this section affects—

(1) other authorities of the Secretary of the Interior under the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701 et seq.); or

(2) the amount of royalties due to the Federal Government from the production of the Federal minerals within the oil and gas drilling or spacing unit.

(e) AUTHORITY ON NON-FEDERAL LAND.—Section 17(g) of the Mineral Leasing Act (30 U.S.C. 226(g)) is amended—

(1) by striking the subsection designation and all that follows through "Secretary of the Interior, or" in the first sentence and inserting the following: "(g)(1) The Secretary of the Interior, or"; and

(2) by adding at the end the following:

"(2)(A) In the case of an oil and gas lease under this Act on land described in subparagraph (B) located within an oil and gas drilling or spacing unit, nothing in this Act authorizes the Secretary of the Interior—

"(i) to require a bond to protect non-Federal land;

"(ii) to enter non-Federal land without the consent of the applicable landowner;

"(iii) to impose mitigation requirements; or

"(iv) to require approval for surface reclamation.

"(B) Land referred to in subparagraph (A) is land where—

"(i) the Federal Government owns less than 50 percent of the oil and gas minerals within the oil and gas drilling or spacing unit; and "(ii)(I) the well is located on non-Federal land overlying a non-Federal mineral estate, but some portion of the wellbore enters and produces from the Federal mineral estate subject to the lease; or

"(II) the well is located on non-Federal land overlying a non-Federal mineral estate, but some portion of the wellbore traverses but does not produce from the Federal mineral estate subject to the lease.".