

109TH CONGRESS
1ST SESSION

H. R. 3918

To terminate the effect of all provisions of existing Federal law prohibiting the spending of appropriated funds to conduct natural gas leasing and preleasing activities, to revoke Presidential withdrawals from disposition of areas of the Outer Continental Shelf with respect to natural gas, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 27, 2005

Mr. PETERSON of Pennsylvania (for himself, Mr. COLE of Oklahoma, Mr. DOOLITTLE, Mr. ABERCROMBIE, Mr. REGULA, Mr. KING of Iowa, Mrs. EMERSON, Mr. BISHOP of Utah, Mr. DUNCAN, Mr. WICKER, Mr. OSBORNE, Mr. EDWARDS, Mrs. CUBIN, Mr. ISTOOK, Mr. PEARCE, Mr. FLAKE, Mr. YOUNG of Alaska, Mr. MICA, and Mr. GENE GREEN of Texas) introduced the following bill; which was referred to the Committee on Resources

A BILL

To terminate the effect of all provisions of existing Federal law prohibiting the spending of appropriated funds to conduct natural gas leasing and preleasing activities, to revoke Presidential withdrawals from disposition of areas of the Outer Continental Shelf with respect to natural gas, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Outer Continental
3 Shelf Energy Relief Act”.

4 **SEC. 2. TERMINATION OF LAWS PROHIBITING EXPENDI-**
5 **TURES FOR NATURAL GAS LEASING AND**
6 **PRELEASING ACTIVITIES REGARDING AREAS**
7 **OF THE OUTER CONTINENTAL SHELF.**

8 All provisions of existing Federal law prohibiting the
9 spending of appropriated funds to conduct natural gas
10 leasing and preleasing activities for any area of the Outer
11 Continental Shelf shall have no force or effect.

12 **SEC. 3. REVOCATION OF EXISTING PRESIDENTIAL WITH-**
13 **DRAWALS WITH RESPECT TO NATURAL GAS.**

14 All existing withdrawals by the President under the
15 authority of section 12 of the Outer Continental Shelf
16 Lands Act (43 U.S.C. 1341) are hereby revoked and are
17 no longer in effect with respect to the leasing of areas for
18 exploration for, and development and production of, nat-
19 ural gas.

20 **SEC. 4. OUTER CONTINENTAL SHELF LEASING PROGRAM.**

21 Section 18(a) of the Outer Continental Shelf Lands
22 Act (43 U.S.C. 1344(a)) is amended by inserting after the
23 second sentence the following: “The Secretary shall, in
24 each 5-year program, include lease sales that when viewed
25 as a whole propose to offer for gas leasing at least 75
26 percent of the available unleased acreage within each OCS

1 Planning Area, as such OCS Planning Areas are estab-
2 lished as of the date of enactment of this Act.”.

3 **SEC. 5. SHARING OF REVENUES.**

4 Effective October 1, 2006, bonus bid and royalty rev-
5 enues received from existing and future Federal gas leases
6 on lands that are located within the State seaward bound-
7 aries established under section 4 of the Submerged Lands
8 Act (43 U.S.C. 1312) shall be handled as follows:

9 (1) The Secretary shall share 50 percent of all
10 such bids and royalties derived from any leased tract
11 that lies wholly within the expanded seaward bound-
12 ary of any coastal State or, in the case where a
13 leased tract lies partially within the seaward bound-
14 ary, a percentage of bonus bids and royalties derived
15 from such tract equal to the percentage of surface
16 acreage of the tract that lies within such seaward
17 boundary with the coastal state.

18 (2) The remaining 50 percent of such bonus
19 bids and royalties shall be transmitted simulta-
20 neously to the miscellaneous receipts account of the
21 Treasury of the United States.

22 **SEC. 6. NATURAL GAS-ONLY LEASING.**

23 Section 8 of the Outer Continental Shelf Lands Act
24 (43 U.S.C. 1337) is amended by adding at the end the
25 following subsection:

1 “(p) NATURAL GAS-ONLY LEASING.—

2 “(1) IN GENERAL.—The Secretary may issue
3 leases under this section that authorize development
4 and production only of natural gas and associated
5 condensate in accordance with regulations promul-
6 gated under paragraph (2).

7 “(2) REGULATIONS.—Before issuing any lease
8 under paragraph (1), the Secretary must promulgate
9 regulations that—

10 “(A) define what constitutes natural gas,
11 condensate, and oil;

12 “(B) establish the lessee’s rights and obli-
13 gations regarding condensate produced in asso-
14 ciation with natural gas;

15 “(C) prescribe procedures and require-
16 ments that the lessee of a lease issued under
17 this subsection must follow if the lessee dis-
18 covers oil deposits in the course of exploration
19 or development; and

20 “(D) establish such other requirements for
21 natural gas-only leases as the Secretary con-
22 siders appropriate.

23 “(3) APPLICATION OF OTHER LAWS.—All provi-
24 sions of this Act or any other Federal law or regula-
25 tions that apply to oil and natural gas leases for the

1 outer Continental Shelf shall apply to natural gas-
2 only leases authorized under this subsection.

3 “(4) EXISTING LEASES.—At the request of the
4 lessee of an oil and gas lease in effect under this sec-
5 tion on the date of enactment of this subsection, and
6 under the requirements prescribed in regulations
7 promulgated under paragraph (2), the Secretary
8 may restrict development under such a lease to nat-
9 ural gas and associated condensate only.

10 “(5) OIL AND GAS LEASING PROGRAMS.—

11 “(A) PROGRAM FOR 2002–2007.—The Sec-
12 retary may issue a natural gas-only lease in ac-
13 cordance with this subsection before June 30,
14 2007, without amending the outer Continental
15 shelf leasing program that applies for the pe-
16 riod beginning on the date of the enactment of
17 this subsection and ending June 30, 2007, if
18 the Secretary provides public notice and an op-
19 portunity to comment on the proposed notice of
20 sale.

21 “(B) PROGRAM FOR 2007–2012.—The Sec-
22 retary may include provisions regarding
23 issuance of natural gas-only leases in the outer
24 Continental shelf leasing program that applies
25 for the 5-year period beginning in 2007, not-

1 withstanding any draft proposal for such pro-
2 gram issued before the date of the enactment of
3 this subsection.”.

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