

112TH CONGRESS
2^D SESSION

S. 3305

To clarify authority granted under the Act entitled “An Act to define the exterior boundary of the Uintah and Ouray Indian Reservation in the State of Utah, and for other purposes”.

IN THE SENATE OF THE UNITED STATES

JUNE 18, 2012

Mr. HATCH (for himself and Mr. LEE) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To clarify authority granted under the Act entitled “An Act to define the exterior boundary of the Uintah and Ouray Indian Reservation in the State of Utah, 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. CLARIFICATION OF AUTHORITY.**

4 The Act entitled “An Act to define the exterior
5 boundary of the Uintah and Ouray Indian Reservation in
6 the State of Utah, and for other purposes”, approved
7 March 11, 1948 (62 Stat. 72), as amended by the Act
8 entitled “An Act to amend the Act extending the exterior

1 boundary of the Uintah and Ouray Indian Reservation in
2 the State of Utah so as to authorize such State to ex-
3 change certain mineral lands for other lands mineral in
4 character” approved August 9, 1955, (69 Stat. 544), is
5 further amended by adding at the end the following:

6 “SEC. 5. In order to further clarify authorizations
7 under this Act, the State of Utah is hereby authorized to
8 relinquish to the United States, for the benefit of the Ute
9 Indian Tribe of the Uintah and Ouray Reservation, State
10 school trust or other State-owned subsurface mineral
11 lands located beneath the surface estate delineated in Pub-
12 lic Law 440 (approved March 11, 1948) and south of the
13 border between Grand County, Utah, and Uintah County,
14 Utah, and select in lieu of such relinquished lands, on an
15 acre-for-acre basis, any subsurface mineral lands of the
16 United States located beneath the surface estate delin-
17 eated in Public Law 440 (approved March 11, 1948) and
18 north of the border between Grand County, Utah, and
19 Uintah County, Utah, subject to the following conditions:

20 “(1) RESERVATION BY UNITED STATES.—The
21 Secretary of the Interior shall reserve an overriding
22 interest in that portion of the mineral estate com-
23 prised of minerals subject to leasing under the Min-
24 eral Leasing Act (30 U.S.C. 171 et seq.) in any min-
25 eral lands conveyed to the State.

1 “(2) EXTENT OF OVERRIDING INTEREST.—The
2 overriding interest reserved by the United States
3 under paragraph (1) shall consist of—

4 “(A) 50 percent of any bonus bid or other
5 payment received by the State as consideration
6 for securing any lease or authorization to de-
7 velop such mineral resources;

8 “(B) 50 percent of any rental or other
9 payments received by the State as consideration
10 for the lease or authorization to develop such
11 mineral resources;

12 “(C) a 6.25 percent overriding royalty on
13 the gross proceeds of oil and gas production
14 under any lease or authorization to develop
15 such oil and gas resources; and

16 “(D) an overriding royalty on the gross
17 proceeds of production of such minerals other
18 than oil and gas, equal to 50 percent of the roy-
19 alty rate established by the Secretary of the In-
20 terior by regulation as of October 1, 2011.

21 “(3) RESERVATION BY STATE OF UTAH.—The
22 State of Utah shall reserve, for the benefit of its
23 State school trust, an overriding interest in that por-
24 tion of the mineral estate comprised of minerals sub-
25 ject to leasing under the Mineral Leasing Act (30

1 U.S.C. 181 et seq.) in any mineral lands relin-
2 quished by the State to the United States.

3 “(4) EXTENT OF OVERRIDING INTEREST.—The
4 overriding interest reserved by the State under para-
5 graph (3) shall consist of—

6 “(A) 50 percent of any bonus bid or other
7 payment received by the United States as con-
8 sideration for securing any lease or authoriza-
9 tion to develop such mineral resources on the
10 relinquished lands;

11 “(B) 50 percent of any rental or other
12 payments received by the United States as con-
13 sideration for the lease or authorization to de-
14 velop such mineral resources;

15 “(C) a 6.25 percent overriding royalty on
16 the gross proceeds of oil and gas production
17 under any lease or authorization to develop
18 such oil and gas resources; and

19 “(D) an overriding royalty on the gross
20 proceeds of production of such minerals other
21 than oil and gas, equal to 50 percent of the roy-
22 alty rate established by the Secretary of the In-
23 terior by regulation as of October 1, 2011.

24 “(5) NO OBLIGATION TO LEASE.—Neither the
25 United States nor the State shall be obligated to

1 lease or otherwise develop oil and gas resources in
2 which the other party retains an overriding interest
3 under this section.

4 “(6) COOPERATIVE AGREEMENTS.—The Sec-
5 retary of the Interior is authorized to enter into co-
6 operative agreements with the State and the Ute In-
7 dian Tribe of the Uintah and Ouray Reservation to
8 facilitate the relinquishment and selection of lands
9 to be conveyed under this section, and the adminis-
10 tration of the overriding interests reserved here-
11 under.

12 “(7) TERMINATION.—The overriding interest
13 reserved by the Secretary of the Interior under para-
14 graph (1), and the overriding interest reserved by
15 the State under paragraph (3), shall automatically
16 terminate 30 years after the date of enactment of
17 this section.”.

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