

116TH CONGRESS
1ST SESSION

H. R. 2711

To amend the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701 et seq.) to require the Secretary of the Interior to issue regulations to reduce and prevent gas waste and to enhance gas measuring and reporting, to codify a final rule of the Environmental Protection Agency regarding certain emission standards for the oil and natural gas sector, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 14, 2019

Ms. DEGETTE (for herself, Mr. GRIJALVA, Mr. LOWENTHAL, Ms. HAALAND, and Mr. LUJÁN) introduced the following bill; which was referred to the Committee on Natural Resources, and in addition to the Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701 et seq.) to require the Secretary of the Interior to issue regulations to reduce and prevent gas waste and to enhance gas measuring and reporting, to codify a final rule of the Environmental Protection Agency regarding certain emission standards for the oil and natural gas sector, 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 “Methane Waste Pre-
3 vention Act of 2019”.

4 **SEC. 2. CODIFICATION OF FINAL RULE.**

5 The amendments to the Code of Federal Regulations
6 made pursuant to the final rule of the Environmental Pro-
7 tection Agency, titled “Oil and Natural Gas Sector: Emis-
8 sion Standards for New, Reconstructed, and Modified
9 Sources” and published in the Federal Register on June
10 3, 2016 (81 Fed. Reg. 35824), shall have the same force
11 and effect of law as if such amendments had been enacted
12 by an Act of Congress, except that the Administrator of
13 the Environmental Protection Agency may revise such reg-
14 ulations, as provided for under the Clean Air Act, if such
15 revision would result in a reduction in gas release.

16 **SEC. 3. GAS WASTE REDUCTION AND ENHANCEMENT OF**
17 **GAS MEASURING AND REPORTING.**

18 (a) IN GENERAL.—Title I of the Federal Oil and Gas
19 Royalty Management Act of 1982 (30 U.S.C. 1711 et
20 seq.) is amended by adding at the end the following:

21 **“SEC. 118. GAS WASTE REDUCTION AND ENHANCEMENT OF**
22 **GAS MEASURING AND REPORTING.**

23 “(a) REGULATIONS FOR PREVENTING AND REDUC-
24 ING WASTE OF GAS VIA VENTING, FLARING, AND FUGI-
25 TIVE RELEASES.—

1 “(1) REQUIREMENT TO ISSUE REGULATIONS.—

2 Not later than 2 years after the date of enactment
3 of the Methane Waste Prevention Act of 2019, the
4 Secretary shall issue regulations pursuant to the
5 Secretary’s authority under the Mineral Leasing
6 Act, the Federal Land Policy and Management Act
7 of 1976, the Indian Mineral Leasing Act of 1938,
8 and other statutes authorizing the Secretary to regu-
9 late oil and gas activities on Federal land and In-
10 dian lands, that establish requirements for reducing
11 and preventing the waste of gas, including by vent-
12 ing, flaring, and fugitive releases, from covered oper-
13 ations.

14 “(2) CONTENT OF REGULATIONS.—The regula-
15 tions shall, with respect to covered operations—

16 “(A) require that, beginning not later than
17 3 years after the date of enactment of the
18 Methane Waste Prevention Act of 2019, each
19 operator captures at least 85 percent of all gas
20 produced in each year from each onshore well
21 that is subject to a mineral leasing law;

22 “(B) require that, beginning not later than
23 5 years after the date of enactment of the
24 Methane Waste Prevention Act of 2019, each
25 operator captures at least 99 percent of all gas

1 produced in each year from each onshore well
2 that is subject to a mineral leasing law;

3 “(C) require flaring of gas, rather than
4 venting, in all instances in which gas is not cap-
5 tured;

6 “(D) require that every application for a
7 permit to drill a production well—

8 “(i) demonstrate sufficient infrastruc-
9 ture and capacity is in place to capture the
10 expected quantity of produced gas from the
11 well; and

12 “(ii) be published with an opportunity
13 for a public comment period of at least 30
14 days;

15 “(E) beginning not later than 2 years after
16 the date of enactment of the Methane Waste
17 Prevention Act of 2019, prohibit all new and
18 refractured production wells from flaring;

19 “(F) require the operator of any covered
20 operation that routinely flares gas before the ef-
21 fective date of a regulation prohibiting flaring
22 issued pursuant to subparagraph (E) to submit
23 a gas capture plan to the Secretary not later
24 than 180 days before such effective date that
25 ensures that such operator will meet the re-

1 quirements described in subparagraphs (A) and
2 (B);

3 “(G) set performance standards for newly
4 installed equipment based on modern equipment
5 that minimize gas loss from—

6 “(i) storage tanks;

7 “(ii) dehydrators;

8 “(iii) compressors;

9 “(iv) open-ended valves or lines;

10 “(v) pumps; and

11 “(vi) such other equipment as the
12 Secretary determines appropriate to reduce
13 and prevent gas release;

14 “(H) require that operators replace exist-
15 ing equipment within one year of the publica-
16 tion date of performance standards established
17 under subsection (G);

18 “(I) require the replacement of all high-
19 bleed gas-actuated pneumatic devices with low-
20 bleed or no-bleed devices not later than 180
21 days after the date of issuance of the regulation
22 enacted under subparagraph (A);

23 “(J) set performance standards based on
24 modern procedures and equipment that mini-
25 mize gas loss from—

1 “(i) downhole maintenance;
2 “(ii) liquids unloading;
3 “(iii) well completion; and
4 “(iv) such other procedures as the
5 Secretary determines appropriate to reduce
6 and prevent gas release;

7 “(K) require all operators to have leak de-
8 tection programs with regularly scheduled in-
9 spections that assess the entire covered oper-
10 ation using an infrared camera or other equip-
11 ment with methods that provide overall at least
12 equivalent sensitivity and effectiveness in de-
13 tecting leaks on a timely basis;

14 “(L) require any leaks found to be re-
15 paired promptly, and in any case not later than
16 4 weeks after the discovery of the leak, except
17 where exceptional circumstances warrant an ex-
18 tension of not more than 8 additional weeks;
19 and

20 “(M) require recordkeeping for—

21 “(i) equipment maintenance;
22 “(ii) leak detection and repair;
23 “(iii) venting events;
24 “(iv) flaring events; and

1 “(v) such other operations as the Sec-
2 retary determines appropriate to reduce
3 and prevent gas release.

4 “(b) GAS MEASURING, REPORTING, AND TRANS-
5 PARENCY REQUIREMENTS.—

6 “(1) IN GENERAL.—The Secretary shall, not
7 later than one year after the date of enactment of
8 the Methane Waste Prevention Act of 2019, issue
9 regulations requiring each operator to measure and
10 report, with respect to all gas subject to the mineral
11 leasing laws, all such gas produced, consumed on
12 site, or lost through venting, flaring, or fugitive re-
13 leases.

14 “(2) MEASURING AND REPORTING REQUIRE-
15 MENTS.—To account for all gas referred to in para-
16 graph (1), the Secretary shall issue regulations re-
17 quiring each operator to—

18 “(A) measure all production and disposi-
19 tion of gas with such accuracy that fugitive gas
20 releases can be calculated;

21 “(B) install metering devices to measure
22 all flared gas; and

23 “(C) report to the Secretary the volumes of
24 gas measured under the requirements described
25 in subparagraph (A), including—

1 “(i) all new measured values for pro-
2 duction and disposition, including vented
3 and flared volumes; and

4 “(ii) values for fugitive releases based
5 on guidelines for their calculation estab-
6 lished by the Secretary in such regulations.

7 “(3) TRANSPARENCY.—The Secretary shall
8 make all new data produced under the requirements
9 established by the Secretary under this subsection,
10 including calculated fugitive releases and volumes of
11 gas lost to venting and flaring, publicly available
12 through the internet—

13 “(A) without a fee or other access charge;

14 “(B) in a searchable, sortable, and
15 downloadable manner, to the extent technically
16 possible; and

17 “(C) as soon as technically practicable
18 after the report by the operator is filed.

19 “(c) APPLICATION.—Except as otherwise specified in
20 this section, the requirements established by the Secretary
21 under this section shall apply to—

22 “(1) the construction and operation of any cov-
23 ered operation initiated, including the refracturing of
24 existing wells, on or after the date of the issuance
25 of regulations under this section; and

1 existing wells, on or after the date of the issuance
2 of regulations under this section; and

3 “(2) after the end of the 1-year period begin-
4 ning on the date of the issuance of such regulations,
5 any covered operation initiated before the date of the
6 issuance of such regulations.

7 “(d) ENFORCEMENT MECHANISMS.—

8 “(1) IN GENERAL.—The Secretary shall include
9 in the regulations issued under this section con-
10 sistent enforcement mechanisms for covered oper-
11 ations that are not in compliance with the require-
12 ments established by the regulations.

13 “(2) REQUIREMENTS.—The Secretary shall in-
14 clude in the enforcement mechanisms described in
15 paragraph (1)—

16 “(A) civil penalties for unauthorized vent-
17 ing and flaring, which shall—

18 “(i) apply in lieu of the penalties and
19 related provisions under section 109; and

20 “(ii) include production restrictions
21 and civil monetary penalties equivalent to
22 3 times the market value of the vented or
23 flared gas; and

1 “(B) civil penalties that apply to non-
2 compliance with other new or existing proce-
3 dures, which shall—

4 “(i) apply in addition to or in lieu of
5 the penalties and related provisions under
6 section 109;

7 “(ii) include production restrictions or
8 monetary penalties, or both; and

9 “(iii) in the case of monetary pen-
10 alties, be proportional to market condi-
11 tions.

12 “(e) DEFINITIONS.—In this section:

13 “(1) CAPTURE.—The term ‘capture’ means the
14 physical containment of natural gas for transpor-
15 tation to market or productive use of natural gas,
16 and includes reinjection and royalty-free on-site
17 uses.

18 “(2) COVERED OPERATIONS.—The term ‘cov-
19 ered operations’ means all oil and gas operations
20 that are subject to mineral leasing law or title V of
21 the Federal Land Policy and Management Act of
22 1976 (30 U.S.C. 1761 et seq.), regardless of size, in-
23 cluding production, storage, gathering, processing,
24 and handling operations.

1 “(3) FLARE AND FLARING.—The terms ‘flare’
2 and ‘flaring’ mean the intentional and controlled
3 burning of gas that occurs in the course of oil and
4 gas operations to limit release of gas to the atmos-
5 phere.

6 “(4) FUGITIVE RELEASE.—The term ‘fugitive
7 release’ means the unintentional and uncontrolled
8 release of gas into the atmosphere in the course of
9 oil and gas operations.

10 “(5) GAS CAPTURE PLAN.—The term ‘gas cap-
11 ture plan’ means a plan that includes specific goals,
12 including equipment and timelines, for capturing,
13 gathering, and processing gas produced under an oil
14 or gas lease.

15 “(6) GAS RELEASE.—The term ‘gas release’ in-
16 cludes all gas that is discharged to the atmosphere
17 via venting or fugitive release.

18 “(7) VENT AND VENTING.—The terms ‘vent’
19 and ‘venting’ mean the intentional and controlled re-
20 lease of gas into the atmosphere in the course of oil
21 and gas operations.”.

22 (b) CLERICAL AMENDMENT.—The table of contents
23 in section 1 of such Act is amended by inserting after the
24 item relating to section 117 the following:

“Sec. 118. Gas waste reduction and enhancement of gas measuring and report-
ing.”.

1 (c) UPDATES.—The Secretary of the Interior shall
2 update the regulations required by the amendments made
3 by this section when the Secretary determines appropriate,
4 but no less frequently than once every ten years, to reflect
5 new information regarding gas waste, the impacts of that
6 waste, and the availability of technologies and perform-
7 ance measures to reduce gas waste.

8 (d) APPLICATION OF PRIOR RULE.—The final rule
9 entitled “Waste Prevention, Production Subject to Roy-
10 ties, and Resource Conservation”, as published in the Fed-
11 eral Register November 18, 2016 (81 Fed. Reg. 83008),
12 is hereby reinstated, and each of its provisions shall apply
13 unless and until the effective date of a subsequent final
14 rule promulgated under the amendment made by sub-
15 section (a), or promulgated under another applicable au-
16 thority, that replaces or repeals such provision.

17 (e) ASSESSMENT OF VENTING, FLARING, AND FUGI-
18 TIVE RELEASES.—Not later than 180 days after the end
19 of the 1-year period beginning on the date the Secretary
20 of the Interior first receives data submitted under the re-
21 quirements established under subsection (b) of section 118
22 of the Federal Oil and Gas Royalty Management Act of
23 1982, as amended by this section, the Secretary shall—
24 (1) submit a report to Congress describing—

1 (A) the volume of fugitive releases, and gas
2 consumed or lost by venting and flaring, from
3 covered operations (as those terms are used in
4 such section); and

5 (B) additional regulations the Secretary
6 considers would help further curtail venting,
7 flaring, and fugitive releases, or the rational
8 basis for not issuing such additional regulations
9 if the Secretary considers additional regulations
10 would not be appropriate to further curtail
11 venting, flaring, and fugitive releases; and

12 (2) issue regulations described in the report re-
13 quired by paragraph (1)(B) not later than 1 year
14 after the date of the submission of the report.

○