

111TH CONGRESS
2^D SESSION

S. _____

To enhance domestic energy security by increasing production from fossil-based resources in the outer Continental Shelf in an economically and environmentally responsible manner.

IN THE SENATE OF THE UNITED STATES

_____ introduced the following bill; which was read twice
and referred to the Committee on _____

A BILL

To enhance domestic energy security by increasing production from fossil-based resources in the outer Continental Shelf in an economically and environmentally responsible manner.

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. TABLE OF CONTENTS.**

4 The table of contents of this Act is as follows:

Sec. 1. Table of contents.

TITLE I—DOMESTIC ENERGY SECURITY

Sec. 101. Short title.

Sec. 102. Moratorium of oil and gas leasing in certain areas of the Gulf of Mexico.

Sec. 103. Revenue sharing from outer Continental Shelf areas in certain coastal States.

Sec. 104. Revenue sharing from areas in Alaska Adjacent zone.

1 (1) by striking subsection (a) and inserting the
2 following:

3 “(a) IN GENERAL.—Except as provided in subsection
4 (d), effective during the period beginning on the date of
5 enactment of this Act and ending on June 30, 2022, the
6 Secretary shall not offer for leasing, preleasing, or any re-
7 lated activity in the Eastern Planning Area that is within
8 45 miles of the coastline of the State of Florida.”; and

9 (2) by adding at the end the following:

10 “(d) EXCEPTIONS.—

11 “(1) DEFINITIONS.—In this paragraph:

12 “(A) DESTIN DOME AREA.—The term
13 ‘Destin Dome Area’ means the area in the Cen-
14 tral and Eastern Planning Areas of the outer
15 Continental Shelf identified as ‘Destin Dome
16 (NH16–08)’ in the document entitled ‘MMS
17 Gulf of Mexico Region Planning Areas and Ac-
18 tive Leases’ and dated May 14, 2009.

19 “(B) PENSACOLA AREA.—The term ‘Pen-
20 sacola Area’ means the area in the Central and
21 Eastern Planning Areas of the outer Conti-
22 nental Shelf identified as ‘Pensacola (NH16–
23 05)’ in the document entitled ‘MMS Gulf of
24 Mexico Region Planning Areas and Active
25 Leases’ and dated May 14, 2009.

1 “(2) AUTHORIZED AREAS.—The Secretary may
2 offer for leasing any area in the Destin Dome Area
3 or the Pensacola Area.”.

4 (b) NATIONAL DEFENSE AREA.—Section 12(d) of
5 the Outer Continental Shelf Lands Act (43 U.S.C.
6 1341(d)) is amended—

7 (1) by striking “The United States” and insert-
8 ing the following:

9 “(1) IN GENERAL.—The United States”; and

10 (2) by adding at the end the following:

11 “(2) REVIEW.—Annually, the Secretary of De-
12 fense shall—

13 “(A) review the areas of the outer Conti-
14 nental Shelf that have been designated as re-
15 stricted from exploration and operation to de-
16 termine whether the areas should remain under
17 restriction; and

18 “(B) based on the review under subpara-
19 graph (A), make recommendations to the Presi-
20 dent.”.

21 (c) LEASING OF MORATORIUM AREAS.—

22 (1) IN GENERAL.—As soon as practicable after
23 the date of enactment of this Act, the Secretary may
24 offer for leasing under the Outer Continental Shelf
25 Lands Act (43 U.S.C. 1331 et seq.), any areas made

1 available for leasing as a result of the amendments
2 made by subsection (a).

3 (2) ADMINISTRATION.—Notwithstanding the
4 omission of any areas made available for leasing
5 under paragraph (1) from the applicable 5-year plan
6 developed by the Secretary pursuant to section 18 of
7 the Outer Continental Shelf Lands Act (43 U.S.C.
8 1344), the Secretary may, as soon as practicable
9 after the date of enactment of this Act, amend the
10 applicable plan to include the areas.

11 (d) DISPOSITION OF QUALIFIED OUTER CONTI-
12 NENTAL SHELF REVENUES FROM MORATORIUM
13 AREAS.—

14 (1) DEFINITIONS.—In this subsection:

15 (A) GULF PRODUCING STATE.—The term
16 “Gulf producing State” means each of the
17 States of Alabama, Florida, Louisiana, Mis-
18 sissippi, and Texas.

19 (B) QUALIFIED OUTER CONTINENTAL
20 SHELF REVENUES.—The term “qualified outer
21 Continental Shelf revenues” means all rentals,
22 royalties, bonus bids, and other sums due and
23 payable to the United States from leases en-
24 tered into on or after the date of enactment of

1 this Act for any areas made available as a re-
2 sult of the amendments made by subsection (a).

3 (2) DISPOSITION.—Notwithstanding section 9
4 of the Outer Continental Shelf Lands Act (43
5 U.S.C. 1338) and subject to the other provisions of
6 his subsection, for each fiscal year, the Secretary of
7 the Treasury shall deposit 37.5 percent of qualified
8 outer Continental Shelf revenues in a special account
9 in the Treasury from which the Secretary shall dis-
10 burse 100 percent to Gulf producing States in ac-
11 cordance with paragraph (3).

12 (3) ALLOCATION.—Effective for fiscal year
13 2010 and each subsequent fiscal year, the amount
14 made available under paragraph (2) shall be allo-
15 cated to each Gulf producing State in amounts
16 (based on a formula established by the Secretary by
17 regulation) that are inversely proportional to the re-
18 spective distances between the point on the coastline
19 of each Gulf producing State that is closest to the
20 geographic center of the applicable leased tract and
21 the geographic center of the leased tract.

22 (4) CONFORMING AMENDMENT.—Section
23 105(f)(2) of the Gulf of Mexico Energy Security Act
24 of 2006 (43 U.S.C. 1331 note; Public Law 109–

1 432) is amended by striking “from any area” and
2 inserting “from—

3 “(A) any area in the Central and Eastern
4 Planning Areas of the outer Continental Shelf
5 identified as ‘2022 Moratoria Area’ in the docu-
6 ment entitled ‘P.L. 109–432’ and dated Decem-
7 ber 20, 2006; and

8 “(B) any area”.

9 (e) CONFORMING AMENDMENT.—Section 105 of the
10 Department of the Interior, Environment, and Related
11 Agencies Appropriations Act, 2006 (Public Law 109–54;
12 119 Stat. 521) (as amended by section 103(d) of the Gulf
13 of Mexico Energy Security Act of 2006 (43 U.S.C. 1331
14 note; Public Law 109–432)) is amended by inserting “and
15 any other area that the Secretary of the Interior may offer
16 for leasing, preleasing, or any related activity under sec-
17 tion 104 of that Act” after “2006”).

18 **SEC. 103. REVENUE SHARING FROM OUTER CONTINENTAL**

19 **SHELF AREAS IN CERTAIN COASTAL STATES.**

20 Section 18 of the Outer Continental Shelf Lands Act
21 (43 U.S.C. 1344) is amended by adding at the end the
22 following:

23 “(i) REVENUE SHARING FROM OUTER CONTI-
24 NENTAL SHELF AREAS IN CERTAIN COASTAL STATES.—

1 “(1) DEFINITIONS.—In this subsection through
2 subsection (j):

3 “(A) COASTAL POLITICAL SUBDIVISION.—
4 The term ‘coastal political subdivision’ of a
5 coastal State means a county-equivalent sub-
6 division of a coastal State all or part of which—

7 “(i) lies within the coastal zone (as
8 defined in section 304 of the Coastal Zone
9 Management Act of 1972 (16 U.S.C.
10 1453); and

11 “(ii) the closest point of which is not
12 more than 300 statute miles from the geo-
13 graphic center of any leased tract.

14 “(B) COASTAL STATE.—The term ‘coastal
15 State’ means a State with a coastal seaward
16 boundary within 300 statute miles distance of
17 the geographic center of a leased tract in an
18 Outer Continental Shelf planning area that—

19 “(i) as of January 1, 2000, had no oil
20 or natural gas production; and

21 “(ii) is not a Gulf producing State (as
22 defined in section 102 of the Gulf of Mex-
23 ico Energy Security Act of 2006 (43
24 U.S.C. 1331 note; Public Law 109–432)).

1 “(C) DISTANCE.—The terms ‘distance’ and
2 ‘distances’ mean minimum great circle distance
3 and distances, respectively.

4 “(D) LEASED TRACT.—The term ‘leased
5 tract’ means a tract leased under this Act for
6 the purpose of drilling for, developing, and pro-
7 ducing oil or natural gas resources.

8 “(E) OUTER CONTINENTAL SHELF
9 AREA.—The term ‘outer Continental Shelf area’
10 means—

11 “(i) any area withdrawn from dispo-
12 sition by leasing by the ‘Memorandum on
13 Withdrawal of Certain Areas of the United
14 States Outer Continental Shelf from Leas-
15 ing Disposition’, from 34 Weekly Comp.
16 Pres. Doc. 1111, dated June 12, 1998; or

17 “(ii) any area of the outer Continental
18 Shelf as to which Congress has denied the
19 use of appropriated funds or other means
20 for preleasing, leasing, or related activities.

21 “(F) SOUTHEASTERN STATE.—The term
22 ‘Southeastern State’ means each of the States
23 of Georgia, North Carolina, South Carolina,
24 and Virginia.

1 “(2) POST LEASING REVENUES.—If the Gov-
2 ernor or the Legislature of a coastal State requests
3 the Secretary to allow leasing in an outer Conti-
4 nental Shelf area and the Secretary allows the leas-
5 ing, in addition to any bonus bids, the coastal State
6 shall, without further appropriation or action, re-
7 ceive, from leasing of the area, 37.5 percent of—

8 “(A) any lease rental payments;

9 “(B) any lease royalty payments;

10 “(C) any royalty proceeds from a sale of
11 royalties taken in kind by the Secretary; and

12 “(D) any other revenues from a bidding
13 system under section 8.

14 “(3) ALLOCATION AMONG COASTAL POLITICAL
15 SUBDIVISIONS OF STATES.—

16 “(A) IN GENERAL.—The Secretary shall
17 pay 20 percent of the allocable share of each
18 coastal State, as determined under this sub-
19 section, directly to certain coastal political sub-
20 divisions of the coastal State.

21 “(B) ALLOCATION.—

22 “(i) IN GENERAL.—For each leased
23 tract used to calculate the allocation of a
24 coastal State, the Secretary shall pay the
25 coastal political subdivisions within 300

1 miles of the geographic center of the leased
2 tract based on the relative distance of such
3 coastal political subdivisions from the
4 leased tract in accordance with this sub-
5 paragraph.

6 “(ii) DISTANCES.—For each coastal
7 political subdivision described in clause (i),
8 the Secretary shall determine the distance
9 between the point on the coastal political
10 subdivision coastline closest to the geo-
11 graphic center of the leased tract and the
12 geographic center of the tract.

13 “(iii) PAYMENTS.—The Secretary
14 shall divide and allocate the qualified
15 Outer Continental Shelf revenues derived
16 from the leased tract among coastal polit-
17 ical subdivisions described in clause (i) in
18 amounts that are inversely proportional to
19 the applicable distances determined under
20 clause (ii).

21 “(4) CONSERVATION ROYALTY.—After making
22 distributions under paragraphs (1) and (2) and sec-
23 tion 31, the Secretary shall, without further appro-
24 priation or action, distribute a conservation royalty
25 equal to 12.5 percent of Federal royalty revenues de-

1 rived from an area leased under this section from all
2 areas leased under this section for any year, into the
3 land and water conservation fund established under
4 section 2 of the Land and Water Conservation Fund
5 Act of 1965 (16 U.S.C. 460l-5) to provide financial
6 assistance to States under section 6 of that Act (16
7 U.S.C. 460l-8).

8 “(5) DEFICIT REDUCTION.—

9 “(A) IN GENERAL.—After making distribu-
10 tions in accordance with paragraphs (1) and (2)
11 and in accordance with section 31, the Sec-
12 retary shall, without further appropriation or
13 action, distribute an amount equal to 50 per-
14 cent of Federal royalty revenues derived from
15 all areas leased under this section for any year,
16 into direct Federal deficit reduction.

17 “(B) BUDGETARY TREATMENT.—Any
18 amounts distributed into direct Federal deficit
19 reduction under this paragraph shall not be in-
20 cluded for purposes determining budget levels
21 under section 201 of S. Con. Res. 21 (110th
22 Congress).”.

1 **SEC. 104. REVENUE SHARING FROM AREAS IN ALASKA AD-**
2 **JACENT ZONE.**

3 Section 18 of the Outer Continental Shelf Lands Act
4 (43 U.S.C. 1344) (as amended by section 103) is amended
5 by adding at the end the following:

6 “(j) REVENUE SHARING FROM AREAS IN ALASKA
7 ADJACENT ZONE.—

8 “(1) IN GENERAL.—Except as provided in para-
9 graph (2), effective beginning on the date that is 5
10 years after the date of enactment of this subsection,
11 revenues from production that derives from an area
12 in the Alaska Adjacent Zone shall be distributed in
13 the same proportion and for the same uses as pro-
14 vided in subsection (i).

15 “(2) ALLOCATION AMONG REGIONAL CORPORA-
16 TIONS.—

17 “(A) IN GENERAL.—The Secretary shall
18 pay 33 percent of any allocable share of the
19 State of Alaska, as determined under this sec-
20 tion, directly to certain Regional Corporations
21 established under section 7(a) of the Alaska
22 Native Claims Settlement Act (43 U.S.C.
23 1606(a)).

24 “(B) ALLOCATION.—

25 “(i) IN GENERAL.—For each leased
26 tract used to calculate the allocation of the

1 State of Alaska, the Secretary shall pay
2 the Regional Corporations, after deter-
3 mining those Native villages within the re-
4 gion of the Regional Corporation which are
5 within 300 miles of the geographic center
6 of the leased tract based on the relative
7 distance of such villages from the leased
8 tract, in accordance with this paragraph.

9 “(ii) DISTANCES.—For each such vil-
10 lage, the Secretary shall determine the dis-
11 tance between the point in the village clos-
12 est to the geographic center of the leased
13 tract and the geographic center of the
14 tract.

15 “(iii) PAYMENTS.—The Secretary
16 shall divide and allocate the qualified
17 Outer Continental Shelf revenues derived
18 from the leased tract among the qualifying
19 Regional Corporations in amounts that are
20 inversely proportional to the distances of
21 all of the Native villages within each quali-
22 fying region.

23 “(iv) REVENUES.—All revenues re-
24 ceived by each Regional Corporation shall
25 be—

1 “(I) treated by the Regional Cor-
2 poration as revenue subject to the dis-
3 tribution requirements of section
4 7(i)(1)(A) of the Alaska Native
5 Claims Settlement Act (43 U.S.C.
6 1606(i)(1)(A)); and

7 “(II) divided annually by the Re-
8 gional Corporation among all 12 Re-
9 gional Corporations in accordance
10 with section 7(i) of that Act.

11 “(v) FURTHER DISTRIBUTION.—A Re-
12 gional Corporation receiving revenues
13 under clause (iv)(II) shall further dis-
14 tribute 50 percent of the revenues received
15 in accordance with section 7(j) of the Alas-
16 ka Native Claims Settlement Act (43
17 U.S.C. 1606(j).”.

18 **SEC. 105. PRODUCTION OF OIL FROM CERTAIN ARCTIC**
19 **OFFSHORE LEASES.**

20 Section 5 of the Outer Continental Shelf Lands Act
21 (43 U.S.C. 1334) is amended by adding at the end the
22 following:

23 “(k) OIL TRANSPORTATION IN ARCTIC WATERS.—
24 The Secretary shall—

1 “(1) require that oil produced from Federal
2 leases in Arctic waters in the Chukchi Sea planning
3 area, Beaufort Sea planning area, or Hope Basin
4 planning area be transported by pipeline to onshore
5 facilities; and

6 “(2) provide for, and issue appropriate permits
7 for, the transportation of oil from Federal leases in
8 Arctic waters in preproduction phases (including ex-
9 ploration) by means other than pipeline.”.

10 **SEC. 106. EXPLORATION, LEASING, DEVELOPMENT, AND**

11 **PRODUCTION OF OIL IN AND FROM COASTAL**

12 **PLAIN.**

13 (a) DEFINITIONS.—In this section:

14 (1) COASTAL PLAIN.—The term “Coastal
15 Plain” means the area identified as the “1002
16 Coastal Plain Area” on the map.

17 (2) FINAL STATEMENT.—The term “Final
18 Statement” means the final legislative environmental
19 impact statement on the Coastal Plain, dated April
20 1987, and prepared pursuant to—

21 (A) section 1002 of the Alaska National
22 Interest Lands Conservation Act (16 U.S.C.
23 3142); and

1 (B) section 102(2)(C) of the National En-
2 vironmental Policy Act of 1969 (42 U.S.C.
3 4332(2)(C)).

4 (3) MAP.—The term “map” means the map en-
5 titled “Arctic National Wildlife Refuge”, dated Sep-
6 tember 2005, and prepared by the United States Ge-
7 ological Survey.

8 (4) SECRETARY.—The term “Secretary” means
9 the Secretary of the Interior (or the designee of the
10 Secretary), acting through the Director of the Bu-
11 reau of Land Management, in consultation with the
12 Director of the United States Fish and Wildlife
13 Service and in coordination with a State coordinator
14 appointed by the Governor of the State of Alaska.

15 (5) WESTERN COASTAL PLAIN.—The term
16 “Western Coastal Plain” means that area of the
17 Coastal Plain—

18 (A) that borders the land of the State of
19 Alaska to the west and State of Alaska offshore
20 waters of the Beaufort Sea on the north; and

21 (B) from which the Secretary, in the sole
22 discretion of the Secretary, finds oil and gas
23 can be produced through the use of horizontal
24 drilling or other subsurface technology from

1 sites outside or underneath the surface of the
2 Coastal Plain.

3 (b) LEASING PROGRAM FOR LAND WITHIN THE
4 WESTERN COASTAL PLAIN.—

5 (1) IN GENERAL.—

6 (A) AUTHORIZATION.—There is authorized
7 the exploration, leasing, development, and pro-
8 duction of oil and gas from the Western Coastal
9 Plain.

10 (B) ACTIONS.—The Secretary shall take
11 such actions as are necessary—

12 (i) to establish and implement, in ac-
13 cordance with this section, a competitive
14 oil and gas leasing program that will result
15 in an environmentally sound program for
16 the exploration, development, and produc-
17 tion of the oil and gas resources of the
18 Western Coastal Plain; and

19 (ii) to administer this section through
20 regulations, lease terms, conditions, re-
21 strictions, prohibitions, stipulations, and
22 other provisions that—

23 (I) ensure the oil and gas explo-
24 ration, development, and production
25 activities on the Western Coastal

1 Plain will result in no significant ad-
2 verse effect on fish and wildlife, fish
3 and wildlife habitat, subsistence re-
4 sources, and the environment;

5 (II) prohibit surface occupancy of
6 the Western Coastal Plain during oil
7 and gas development and production;
8 and

9 (III) require the application of
10 the best commercially available tech-
11 nology for oil and gas exploration, de-
12 velopment, and production to all ex-
13 ploration, development, and produc-
14 tion operations under this section in a
15 manner that ensures the receipt of
16 fair market value by the public for the
17 mineral resources to be leased.

18 (2) COMPLIANCE WITH REQUIREMENTS UNDER
19 CERTAIN OTHER LAWS.—

20 (A) COMPATIBILITY.—For purposes of the
21 National Wildlife Refuge System Administra-
22 tion Act of 1966 (16 U.S.C. 668dd et seq.)—

23 (i) the oil and gas leasing program
24 and activities authorized by this subsection
25 in the Western Coastal Plain shall be con-

1 sidered to be compatible with the purposes
2 for which the Arctic National Wildlife Ref-
3 uge was established; and

4 (ii) no further findings or decisions
5 shall be required to implement that pro-
6 gram and those activities.

7 (B) ADEQUACY OF DOI LEGISLATIVE ENVI-
8 RONMENTAL IMPACT STATEMENT.—The Final
9 Statement shall be considered to satisfy the re-
10 quirements of the National Environmental Pol-
11 icy Act of 1969 (42 U.S.C. 4321 et seq.) that
12 apply with respect to prelease activities, includ-
13 ing actions authorized to be taken by the Sec-
14 retary to develop and promulgate the regula-
15 tions for the establishment of a leasing program
16 authorized by this section before the conduct of
17 the first lease sale.

18 (3) RELATIONSHIP TO STATE AND LOCAL AU-
19 THORITY.—Nothing in this section expands or limits
20 any State or local regulatory authority.

21 (4) REGULATIONS.—

22 (A) IN GENERAL.—Not later than 1 year
23 after the date of enactment of this Act, the Sec-
24 retary shall promulgate such regulations as are
25 necessary to carry out this section.

1 (B) REVISION OF REGULATIONS.—The
2 Secretary shall periodically review and, as ap-
3 propriate, revise the rules and regulations pro-
4 mulgated under subparagraph (A) to reflect any
5 significant biological, environmental, or engi-
6 neering data that come to the attention of the
7 Secretary.

8 (c) LEASE SALES.—

9 (1) IN GENERAL.—Land may be leased pursu-
10 ant to this section to any person qualified to obtain
11 a lease for deposits of oil and gas under the Mineral
12 Leasing Act (30 U.S.C. 181 et seq.).

13 (2) PROCEDURES.—The Secretary shall, by reg-
14 ulation, establish procedures for—

15 (A) receipt and consideration of sealed
16 nominations for any area in the Western Coast-
17 al Plain for inclusion in, or exclusion from, a
18 lease sale;

19 (B) the holding of lease sales after the
20 nomination process described in subparagraph
21 (A); and

22 (C) public notice of, and comment on, des-
23 ignation of areas to be included in, or excluded
24 from, a lease sale.

1 (3) LEASE SALE BIDS.—Bidding for leases
2 under this section shall be by sealed competitive
3 cash bonus bids.

4 (4) ACREAGE MINIMUM IN FIRST SALE.—For
5 the first lease sale under this section, the Secretary
6 shall offer for lease those tracts the Secretary con-
7 siders to have the greatest potential for the dis-
8 covery of hydrocarbons, taking into consideration
9 nominations received pursuant to paragraph (2)(A),
10 but in no case less than 200,000 acres.

11 (5) TIMING OF LEASE SALES.—The Secretary
12 shall—

13 (A) not later than 18 months after the
14 date of enactment of this Act, conduct the first
15 lease sale under this section;

16 (B) not later than 2 years after the first
17 lease sale, conduct a second lease sale under
18 this section; and

19 (C) conduct additional sales at appropriate
20 intervals if, as determined by the Secretary,
21 sufficient interest in development exists to war-
22 rant the conduct of the additional sales.

23 (d) GRANT OF LEASES BY THE SECRETARY.—

24 (1) IN GENERAL.—On payment by a lessee of
25 such bonus as may be accepted by the Secretary, the

1 Secretary may grant to the highest responsible
2 qualified bidder in a lease sale conducted pursuant
3 to subsection (c) a lease for any land on the Western
4 Coastal Plain.

5 (2) SUBSEQUENT TRANSFERS.—

6 (A) IN GENERAL.—No lease issued under
7 this section may be sold, exchanged, assigned,
8 sublet, or otherwise transferred except with the
9 approval of the Secretary.

10 (B) CONDITION FOR APPROVAL.—Before
11 granting any approval under subparagraph (A),
12 the Secretary shall consult with, and give due
13 consideration to the opinion of, the Attorney
14 General.

15 (e) LEASE TERMS AND CONDITIONS.—

16 (1) IN GENERAL.—An oil or gas lease issued
17 pursuant to this section shall—

18 (A) provide for the payment of a royalty of
19 not less than 12 ½ percent of the quantity or
20 value of the production removed or sold from
21 the lease, as determined by the Secretary in ac-
22 cordance with regulations applicable to other
23 Federal oil and gas leases;

24 (B) provide that the Secretary may close,
25 on a seasonal basis, such portions of the West-

1 ern Coastal Plain to exploratory drilling activi-
2 ties as are necessary to protect caribou calving
3 areas and other species of fish and wildlife;

4 (C) require that each lessee of land within
5 the Western Coastal Plain shall be fully respon-
6 sible and liable for the reclamation of land with-
7 in the Western Coastal Plain and any other
8 Federal land that is adversely affected in con-
9 nection with exploration activities conducted
10 under the lease and within the Western Coastal
11 Plain by the lessee or by any of the subcontrac-
12 tors or agents of the lessee;

13 (D) provide that the lessee may not dele-
14 gate or convey, by contract or otherwise, the
15 reclamation responsibility and liability described
16 in subparagraph (C) to another person without
17 the express written approval of the Secretary;

18 (E) contain terms and conditions relating
19 to protection of fish and wildlife, fish and wild-
20 life habitat, subsistence resources, and the envi-
21 ronment as required under subsection
22 (b)(1)(B);

23 (F) provide that each lessee, and each
24 agent and contractor of a lessee, shall use the
25 best efforts of the lessee to provide a fair share

1 of employment and contracting for Alaska Na-
2 tives and Alaska Native Corporations from
3 throughout the State, as determined by the
4 level of obligation previously agreed to in the
5 Federal Agreement; and

6 (G) contain such other provisions as the
7 Secretary determines to be necessary to ensure
8 compliance with this section, including regula-
9 tions promulgated under this section.

10 (2) PROJECT LABOR AGREEMENTS.—The Sec-
11 retary, as a term and condition of each lease under
12 this section, and in recognizing the proprietary inter-
13 est of the Federal Government in labor stability and
14 in the ability of construction labor and management
15 to meet the particular needs and conditions of
16 projects to be developed under the leases issued pur-
17 suant to this section (including the special concerns
18 of the parties to those leases), shall require that
19 each lessee, and each agent and contractor of a les-
20 see, under this section negotiate to obtain a project
21 labor agreement for the employment of laborers and
22 mechanics on production, maintenance, and con-
23 struction under the lease.

24 (f) EXPEDITED JUDICIAL REVIEW.—

25 (1) FILING OF COMPLAINTS.—

1 (A) DEADLINE.—A complaint seeking judi-
2 cial review of a provision of this section or an
3 action of the Secretary under this section shall
4 be filed—

5 (i) except as provided in clause (ii),
6 during the 90-day period beginning on the
7 date on which the action being challenged
8 was carried out; or

9 (ii) in the case of a complaint based
10 solely on grounds arising after the 90-day
11 period described in clause (i), by not later
12 than 90 days after the date on which the
13 complainant knew or reasonably should
14 have known about the grounds for the
15 complaint.

16 (B) VENUE.—A complaint seeking judicial
17 review of a provision of this section or an action
18 of the Secretary under this section shall be filed
19 in the United States Court of Appeals for the
20 District of Columbia Circuit.

21 (C) SCOPE.—

22 (i) IN GENERAL.—Judicial review of a
23 decision of the Secretary relating to a lease
24 sale under this section (including an envi-

1 ronmental analysis of such a lease sale)
2 shall be—

3 (I) limited to a review of whether
4 the decision is in accordance with this
5 section; and

6 (II) based on the administrative
7 record of the decision.

8 (ii) PRESUMPTIONS.—Any identifica-
9 tion by the Secretary of a preferred course
10 of action relating to a lease sale, and any
11 analysis by the Secretary of environmental
12 effects, under this section shall be pre-
13 sumed to be correct unless proven other-
14 wise by clear and convincing evidence.

15 (2) LIMITATION ON OTHER REVIEW.—Any ac-
16 tion of the Secretary that is subject to judicial re-
17 view under this subsection shall not be subject to ju-
18 dicial review in any civil or criminal proceeding for
19 enforcement.

20 (g) FEDERAL AND STATE DISTRIBUTION OF REVE-
21 NUES.—Notwithstanding any other provision of law, of the
22 amount of adjusted bonus, rental, and royalty revenues
23 from oil and gas leasing and operations under this sec-
24 tion—

1 (1) 50 percent shall be paid semiannually to the
2 State of Alaska; and

3 (2) 50 percent shall be paid to the general fund
4 of the Treasury.

5 **SEC. 107. AUTHORIZATION OF ACTIVITIES AND EXPORTS**
6 **INVOLVING HYDROCARBON RESOURCES.**

7 (a) DEFINITION.—In this section, the term “United
8 States person” means—

9 (1) any United States citizen or alien lawfully
10 admitted for permanent residence in the United
11 States; and

12 (2) any person other than an individual, if 1 or
13 more individuals described in paragraph (1) own or
14 control at least 51 percent of the securities or other
15 equity interest in the person.

16 (b) AUTHORIZATION.—Notwithstanding any other
17 provision of law (including a regulation), United States
18 persons (including agents and affiliates of those United
19 States persons) may—

20 (1) engage in any transaction necessary for the
21 exploration for and extraction of hydrocarbon re-
22 sources from any portion of any foreign exclusive
23 economic zone that is contiguous to the exclusive
24 economic zone of the United States; and

1 (2) export without license authority all equip-
2 ment necessary for the exploration for or extraction
3 of hydrocarbon resources described in paragraph (1).

4 **SEC. 108. TRAVEL IN CONNECTION WITH AUTHORIZED HY-**
5 **DROCARBON EXPLORATION AND EXTRAC-**
6 **TION ACTIVITIES.**

7 Section 910 of the Trade Sanctions Reform and Ex-
8 port Enhancement Act of 2000 (22 U.S.C. 7209) is
9 amended by adding at the end the following:

10 “(c) GENERAL LICENSE AUTHORITY FOR TRAVEL-
11 RELATED EXPENDITURES BY PERSONS ENGAGING IN
12 HYDROCARBON EXPLORATION AND EXTRACTION ACTIVI-
13 TIES.—

14 “(1) IN GENERAL.—The Secretary of the
15 Treasury shall authorize under a general license the
16 travel-related transactions listed in section
17 515.560(e) of title 31, Code of Federal Regulations,
18 for travel to, from, or within Cuba in connection
19 with exploration for and the extraction of hydro-
20 carbon resources in any part of a foreign maritime
21 Exclusive Economic Zone that is contiguous to the
22 United States’ Exclusive Economic Zone.

23 “(2) PERSONS AUTHORIZED.—Persons author-
24 ized to travel to Cuba under this section include full-
25 time employees, executives, agents, and consultants

1 of oil and gas producers, distributors, and ship-
2 pers.”.

3 **TITLE II—STATE ENHANCED AU-**
4 **THORITY FOR COASTAL AND**
5 **OCEAN RESOURCES**
6 **Subtitle A—Outer Continental**
7 **Shelf**

8 **SEC. 201. OCS REGIONAL HEADQUARTERS.**

9 (a) ESTABLISHMENT.—Not later than 30 days after
10 the date of enactment of this Act, the Secretary of the
11 Interior shall establish—

12 (1) the headquarters for the Atlantic OCS Re-
13 gion in Columbia, South Carolina; and

14 (2) the headquarters for the Pacific OCS Re-
15 gion in Los Angeles, California.

16 (b) REGIONAL DIRECTORS.—Each regional head-
17 quarters established pursuant to this section shall be head-
18 ed by a regional director, who shall be an employee of the
19 Senior Executive Service (as defined in section 2101a of
20 title 5, United States Code).

21 (c) TREATMENT AS PERMANENT DUTY STATION.—

22 (1) IN GENERAL.—Except as provided in para-
23 graph (2), each regional headquarters established
24 pursuant to this section shall be the permanent duty
25 station for all Minerals Management Service per-

1 sonnel who spend at least 60 percent of the time of
2 the personnel on duty in support of activities in the
3 applicable region.

4 (2) REGIONAL INSPECTION STAFF.—Notwith-
5 standing paragraph (1), regional inspection staff of
6 the Minerals Management Service may be housed in
7 a location other than the applicable regional head-
8 quarters.

9 **SEC. 202. AUTHORITY TO USE DECOMMISSIONED OFF-**
10 **SHORE OIL AND GAS PLATFORMS AND**
11 **OTHER FACILITIES FOR ARTIFICIAL REEF,**
12 **SCIENTIFIC RESEARCH, OR OTHER USES.**

13 (a) SHORT TITLE.—This section may be cited as the
14 “Rigs to Reefs Act of 2010”.

15 (b) AUTHORITY.—The Outer Continental Shelf
16 Lands Act is amended by inserting after section 9 (43
17 U.S.C. 1338) the following:

18 **“SEC. 10. USE OF DECOMMISSIONED OFFSHORE OIL AND**
19 **GAS PLATFORMS AND OTHER FACILITIES**
20 **FOR ARTIFICIAL REEF, SCIENTIFIC RE-**
21 **SEARCH, OR OTHER USES.**

22 “(a) IN GENERAL.—Subject to subsections (b)
23 through (f), the Secretary shall promulgate regulations
24 under which the Secretary may authorize use of an off-
25 shore oil and gas platform or other facility that is decom-

1 missioned from service for oil and gas purposes for an arti-
2 ficial reef, scientific research, or any other use authorized
3 under section 8(p) or any other applicable Federal law.

4 “(b) TRANSFER REQUIREMENTS.—The Secretary
5 shall not allow the transfer of a decommissioned offshore
6 oil and gas platform or other facility to another person
7 unless the Secretary is satisfied that the transferee is suf-
8 ficiently bonded, endowed, or otherwise financially able to
9 fulfill the obligations of the transferee, including—

10 “(1) ongoing maintenance of the platform or
11 other facility;

12 “(2) any liability obligations that might arise;

13 “(3) removal of the platform or other facility if
14 determined necessary by the Secretary; and

15 “(4) any other requirements and obligations
16 that the Secretary may, by regulation, determine to
17 be appropriate.

18 “(c) PLUGGING AND ABANDONMENT.—The Sec-
19 retary shall ensure that plugging and abandonment of
20 wells is accomplished at an appropriate time under this
21 section.

22 “(d) POTENTIAL TO PETITION TO OPT-OUT OF REG-
23 ULATIONS.—

24 “(1) IN GENERAL.—An Adjacent State, with
25 the concurrence of the Governor and legislature of

1 the State, may preliminarily petition to opt-out of
2 the application of regulations promulgated under
3 this section to platforms and other facilities located
4 in the area of the Adjacent Zone of the State within
5 12 miles of the coastline.

6 “(2) ENVIRONMENTAL ASSESSMENT.—

7 “(A) IN GENERAL.—On receipt of the pre-
8 liminary petition, the Secretary shall complete
9 an environmental assessment that documents
10 the anticipated environmental effects of approv-
11 ing the petition.

12 “(B) PROVISION TO STATE.—The Sec-
13 retary shall provide the environmental assess-
14 ment to the State, which shall have the choice
15 of no action or confirming the petition of the
16 State by further action, with the concurrence of
17 the Governor and legislature of the State.

18 “(C) EXCEPTED AREAS.—The Secretary—

19 “(i) may except an area from the ap-
20 plication of such regulations; and

21 “(ii) shall approve any confirmed peti-
22 tion.

23 “(e) LIMITATION ON LIABILITY.—A person that had
24 used an offshore oil and gas platform or other facility for
25 oil and gas purposes and that no longer has any ownership

1 or control of the platform or other facility shall not be
2 liable under Federal law for any costs or damages arising
3 from the platform or other facility after the date the plat-
4 form or other facility is used for any purpose under sub-
5 section (a), unless the costs or damages arise from—

6 “(1) use of the platform or other facility by the
7 person for development or production of oil or gas;

8 or

9 “(2) another act or omission of the person.

10 “(f) OTHER LEASING AND USE NOT AFFECTED.—

11 This section, and the use of any offshore oil and gas plat-
12 form or other facility for any purpose under subsection
13 (a), shall not affect—

14 “(1) the authority of the Secretary to lease any
15 area under this Act; or

16 “(2) any activity otherwise authorized under
17 this Act.

18 “(g) DEADLINE FOR REGULATIONS.—Not later than
19 180 days after the date of enactment of the State En-
20 hanced Authority for Coastal and Ocean Resources Act
21 of 2010, the Secretary of the Interior shall promulgate
22 such regulations as are necessary to carry out this sec-
23 tion.”.

24 (c) STUDY AND REPORT ON EFFECTS OF REMOVAL
25 OF PLATFORMS.—Not later than 1 year after the date of

1 enactment of this Act, the Secretary of the Interior, in
2 consultation with other Federal agencies as the Secretary
3 considers advisable, shall conduct a study and submit a
4 report to Congress regarding how the removal of offshore
5 oil and gas platforms and other facilities from the outer
6 Continental Shelf would affect fish stocks and coral popu-
7 lations.

8 **SEC. 203. REVIEW OF OUTER CONTINENTAL SHELF EXPLO-**
9 **RATION PLANS.**

10 Section 11 of the Outer Continental Shelf Lands Act
11 (43 U.S.C. 1340) is amended by striking subsections (c)
12 and (d) and inserting the following:

13 “(c) EXPLORATION PLANS.—

14 “(1) PLAN PROVISIONS AND REVIEWS.—

15 “(A) PLAN PROVISIONS.—

16 “(i) IN GENERAL.—Except as other-
17 wise provided in this Act, before com-
18 mencing exploration pursuant to any oil
19 and gas lease issued or maintained under
20 this Act, the holder of the lease shall sub-
21 mit an exploration plan (referred to in this
22 subsection as a ‘plan’) to the Secretary for
23 review.

24 “(ii) SCOPE OF PLAN.—A plan may
25 apply to more than 1 lease held by—

1 “(I) a lessee in any 1 region of
2 the outer Continental Shelf; or

3 “(II) a group of lessees acting
4 under a unitization, pooling, or drill-
5 ing agreement.

6 “(iii) CERTIFICATION.—The lessee
7 shall certify that the plan is consistent
8 with—

9 “(I) the terms of the lease;

10 “(II) all statutory and regulatory
11 requirements in effect on the date of
12 issuance of the lease; and

13 “(III) any regulations promul-
14 gated under this Act relating to the
15 conservation of resources after the
16 date of the issuance of the lease.

17 “(iv) REQUIRED INFORMATION.—A
18 plan shall include, in the degree of detail
19 that the Secretary may by regulation re-
20 quire—

21 “(I) a schedule of anticipated ex-
22 ploration activities to be undertaken;

23 “(II) a description of equipment
24 to be used for those activities;

1 “(III) the general location of
2 each well to be drilled; and

3 “(IV) such other information as
4 the Secretary determines to be rel-
5 evant.

6 “(v) STATEMENT OF INTENTIONS.—

7 “(I) IN GENERAL.—The Sec-
8 retary may, by regulation, require
9 that a plan be accompanied by a gen-
10 eral statement of development and
11 production intentions.

12 “(II) EFFECT OF STATEMENT.—
13 A statement described in subclause (I)
14 shall be for planning purposes only
15 and shall not be binding on any party.

16 “(B) INITIAL REVIEW.—

17 “(i) IN GENERAL.—Not later than 10
18 days after a plan is submitted under sub-
19 paragraph (A), the Secretary shall review
20 the plan for completeness.

21 “(ii) NOTIFICATION.—If the Secretary
22 finds that a plan is not complete, the Sec-
23 retary shall notify the lessee with a de-
24 tailed explanation and require such modi-

1 fications of the plan as are necessary to
2 achieve completeness.

3 “(iii) REVIEW OF MODIFIED PLAN.—
4 The Secretary shall complete the review of
5 a modified plan for completeness not later
6 than 10 days after the date of receipt.

7 “(C) COMPLIANCE REVIEW.—

8 “(i) IN GENERAL.—Not later than 30
9 days after the date on which the Secretary
10 determines that a plan is complete under
11 subparagraph (B), the Secretary shall de-
12 termine if the plan is in compliance with
13 the lease and the statutory and regulatory
14 requirements described in subparagraph
15 (A)(iii).

16 “(ii) NOTIFICATION.—If the Secretary
17 finds that a plan is not in compliance, the
18 Secretary shall notify the lessee with a de-
19 tailed explanation and require such modi-
20 fications of the plan as are necessary to
21 achieve compliance.

22 “(iii) REVIEW OF MODIFIED PLAN.—
23 The Secretary shall complete the review of
24 a modified plan for compliance not later
25 than 30 days after the date of receipt.

1 “(iv) PROHIBITION.—The lessee shall
2 not take any action under the exploration
3 plan—

4 “(I) during the 30-day review pe-
5 riod; and

6 “(II) until the plan has been ap-
7 proved or modified to achieve compli-
8 ance as notified by the Secretary
9 under clause (ii).

10 “(d) PLAN REVISIONS.—

11 “(1) IN GENERAL.—The review process de-
12 scribed in subsection (c) shall apply to a review of
13 a significant revision of an exploration plan sub-
14 mitted to the Secretary under this subsection.

15 “(2) CONDUCT OF EXPLORATION ACTIVITIES.—

16 All exploration activities pursuant to any lease shall
17 be conducted in accordance with an exploration plan
18 or a revised exploration plan that has been sub-
19 mitted to and reviewed by the Secretary.

20 “(e) PERMIT TO DRILL.—Unless the Secretary deter-
21 mines that a permit to drill is necessary to be consistent
22 with the State Enhanced Authority for Coastal and Ocean
23 Resources Act of 2010, no permit to drill shall be required
24 for any wells included in an exploration plan approved
25 under this section.”.

1 **SEC. 204. RESERVATION OF LANDS AND RIGHTS.**

2 Section 12 of the Outer Continental Shelf Lands Act
3 (43 U.S.C. 1341) (as amended by section 102(b)) is
4 amended—

5 (1) by striking “Sec. 12” and all that follows
6 through “The President” and inserting the fol-
7 lowing:

8 **“SEC. 12. RESERVATIONS.**

9 **“(a) AUTHORITY OF THE PRESIDENT.—**

10 **“(1) IN GENERAL.—**The President”; and

11 (2) in subsection (a), by adding at the end the
12 following:

13 **“(2) LENGTH OF WITHDRAWAL.—**A withdrawal
14 by the President may be for a term of not to exceed
15 5 years.

16 **“(3) CONSIDERATIONS.—**When considering po-
17 tential uses of the outer Continental Shelf, to the
18 maximum extent practicable, the President shall ac-
19 commodate competing interests and potential uses.

20 **“(4) PRIOR WITHDRAWALS .—**

21 **“(A) BY THE PRESIDENT.—**The President
22 may partially or completely revise or revoke any
23 prior withdrawal made by the President under
24 this section.

25 **“(B) INITIATED BY A STATE.—**The Presi-
26 dent may not revise or revoke a withdrawal that

1 was initiated by a petition from a State and ap-
2 proved by the Secretary under subsection (h).

3 “(5) LIMITATION ON ACREAGE WITHDRAWN.—

4 In the area of the outer Continental Shelf that is
5 more than 75 miles from any coastline, not more
6 than 25 percent of the acreage of any OCS Planning
7 Area may be withdrawn from leasing under this sec-
8 tion at any point in time.”; and

9 (3) by adding at the end the following:

10 “(g) AVAILABILITY FOR LEASING WITHIN CERTAIN
11 AREAS OF THE OUTER CONTINENTAL SHELF.—

12 “(1) PROHIBITION AGAINST LEASING.—

13 “(A) UNAVAILABLE FOR LEASING WITH-
14 OUT STATE REQUEST.—Except as otherwise
15 provided in this subsection, beginning on the
16 date of enactment of the this subsection, the
17 Secretary shall not offer for leasing for oil and
18 gas, or natural gas—

19 “(i) any area within 35 miles of the
20 coastline that was withdrawn from disposi-
21 tion by leasing in the Atlantic OCS Re-
22 gion, the Pacific OCS Region, or the Gulf
23 of Mexico OCS Region Eastern Planning
24 Area, as depicted on the maps referred to
25 in this subparagraph, under the ‘Memo-

1 random on Withdrawal of Certain Areas of
2 the United States Outer Continental Shelf
3 from Leasing Disposition’, 34 Weekly
4 Comp. Pres. Doc. 1111, dated June 12,
5 1998;

6 “(ii) any area within 35 miles of the
7 coastline not withdrawn from leasing under
8 that Memorandum that is included within
9 the territorial waters, lying within the ex-
10 clusive economic zone and the outer Conti-
11 nental Shelf, and adjacent to—

12 “(I) the Commonwealth of Puer-
13 to Rico;

14 “(II) Guam;

15 “(III) American Samoa;

16 “(IV) the Commonwealth of the
17 Northern Mariana Islands;

18 “(V) the United States Virgin Is-
19 lands; or

20 “(VI) any other territory or pos-
21 session of the United States; or

22 “(iii) any area within 35 miles of the
23 coastline within the Florida Straits Plan-
24 ning Area as indicated on the map entitled
25 ‘Atlantic OCS Region State Adjacent

1 Zones and OCS Planning Areas’, dated
2 September 2005 and on file in the Office
3 of the Director, Minerals Management
4 Service.

5 “(B) AREAS BETWEEN 35 AND 75 MILES
6 FROM THE COASTLINE.—Unless an Adjacent
7 State petitions under subsection (h) not later
8 than 1 year after the date of the enactment of
9 this subsection for natural gas leasing or by the
10 date that is 3 years after the date of enactment
11 of this subsection, for oil and gas leasing, the
12 Secretary shall offer for leasing—

13 “(i) any area more than 35 miles but
14 less than 75 miles from the coastline that
15 was withdrawn from disposition by leasing
16 in the Atlantic OCS Region, the Pacific
17 OCS Region, or the Gulf of Mexico OCS
18 Region Eastern Planning Area, as depicted
19 on the maps referred to in this subpara-
20 graph, under the ‘Memorandum on With-
21 drawal of Certain Areas of the United
22 States Outer Continental Shelf from Leas-
23 ing Disposition’, 34 Weekly Comp. Pres.
24 Doc. 1111, dated June 12, 1998; or

1 “(2) PETITION FOR LEASING.—

2 “(A) PETITIONS.—

3 “(i) IN GENERAL.—On enactment of a
4 State law authorizing the action described
5 in this paragraph, the Governor of a State
6 shall submit to the Secretary a petition re-
7 questing that the Secretary make available
8 any area that is within the Adjacent Zone
9 of the State, included under paragraph (1),
10 and that—

11 “(I) is greater than 35 miles
12 from any point on the coastline of a
13 Neighboring State for the conduct of
14 offshore leasing, preleasing, and re-
15 lated activities with respect to natural
16 gas leasing; or

17 “(II) is greater than 50 miles
18 from any point on the coastline of a
19 Neighboring State for the conduct of
20 offshore leasing, preleasing, and re-
21 lated activities with respect to oil and
22 gas leasing.

23 “(ii) OTHER LEASING.—The Adjacent
24 State may petition for leasing any other

1 area within the Adjacent Zone of the Adja-
2 cent State—

3 “(I) if leasing is allowed in the
4 similar area of the Adjacent Zone of
5 the applicable Neighboring State; or

6 “(II) if leasing is not allowed, if
7 the Neighboring State, acting through
8 the Governor of the Neighboring
9 State, expresses the concurrence of
10 the Neighboring State with the peti-
11 tion.

12 “(iii) SECRETARIAL FINDING.—The
13 Secretary shall only consider a petition
14 under clause (ii) after—

15 “(I) making a finding that leas-
16 ing is allowed in the similar area of
17 the Adjacent Zone of the applicable
18 Neighboring State; or

19 “(II) receiving the concurrence of
20 the Neighboring State.

21 “(iv) DATE OF RECEIPT.—The date of
22 receipt by the Secretary of a concurrence
23 by a Neighboring State shall constitute the
24 date of receipt of the petition for the area
25 for which the concurrence applies.

1 “(B) LIMITATIONS ON LEASING.—In its
2 petition, a State with an Adjacent Zone that
3 contains leased tracts may condition new leas-
4 ing for oil and gas, or natural gas, for tracts
5 within 35 miles of the coastline by—

6 “(i) requiring a net reduction in the
7 number of production platforms;

8 “(ii) requiring a net increase in the
9 average distance of production platforms
10 from the coastline;

11 “(iii) limiting permanent surface occu-
12 pancy on new leases to areas that are more
13 than 10 miles from the coastline;

14 “(iv) limiting certain tracts to being
15 produced from shore or from platforms lo-
16 cated on other tracts; or

17 “(v) other conditions that the Adja-
18 cent State may consider appropriate if the
19 Secretary does not determine that produc-
20 tion is made economically or technically
21 impracticable or otherwise impossible.

22 “(C) ACTION BY SECRETARY.—

23 “(i) IN GENERAL.—Not later than 90
24 days after receipt of a petition of a State
25 under subparagraph (A), the Secretary

1 shall approve the petition, unless the Sec-
2 retary determines that leasing the area
3 would probably cause serious harm or
4 damage to the marine resources of the Ad-
5 jacent Zone of the State.

6 “(ii) ENVIRONMENTAL ASSESS-
7 MENT.—Prior to approving the petition,
8 the Secretary shall complete an environ-
9 mental assessment that documents the an-
10 ticipated environmental effects of leasing
11 in the area included within the scope of the
12 petition.

13 “(D) FAILURE TO ACT.—If the Secretary
14 fails to approve or deny a petition in accordance
15 with subparagraph (C), the petition shall be
16 considered to be approved 90 days after receipt
17 of the petition.

18 “(E) AMENDMENT OF 5-YEAR LEASING
19 PROGRAM.—

20 “(i) IN GENERAL.—Except as pro-
21 vided in clause (ii), notwithstanding section
22 18, not later than 180 days after the ap-
23 proval of a petition under subparagraph
24 (C) or (D), after the expiration of the time
25 limits established by paragraph (1)(B), the

1 Secretary shall amend the 5-Year Outer
2 Continental Shelf Oil and Gas Leasing
3 Program (in effect on the date of enact-
4 ment of this subsection) to include 1 or
5 more lease sales for at least 75 percent of
6 the associated areas.

7 “(ii) EXCEPTION.—

8 “(I) IN GENERAL.—The Sec-
9 retary shall not make the amendment
10 described in clause (i) if there are,
11 from the date of approval, expiration
12 of the time limits, or the date of en-
13 actment of this subsection, as applica-
14 ble, less than 1 year remaining in the
15 5-Year Leasing Program described in
16 clause (i).

17 “(II) SUBSEQUENT LEASING
18 PROGRAM.—In a case described in
19 subclause (I), the Secretary shall in-
20 clude the associated areas within lease
21 sales under the next 5-Year Leasing
22 Program.

23 “(iii) NO FURTHER CONSULTATIONS
24 REQUIRES.—For purposes of amending the
25 5-Year Program in accordance with this

1 section, further consultations with States
2 shall not be required.

3 “(iv) ENVIRONMENTAL ASSESS-
4 MENT.—For purposes of this section, an
5 environmental assessment performed under
6 the National Environmental Policy Act of
7 1969 (42 U.S.C. 4321 et seq.) to assess
8 the effects of approving the petition shall
9 be sufficient to support the amendment of
10 the 5-Year Leasing Program.

11 “(h) OPTION TO PETITION FOR EXTENSION OF
12 WITHDRAWAL FROM LEASING WITHIN CERTAIN AREAS
13 OF OUTER CONTINENTAL SHELF.—

14 “(1) IN GENERAL.—On enactment of a State
15 law authorizing the action described in this sub-
16 section, the Governor of a State may submit to the
17 Secretary a petition requesting that the Secretary
18 extend for a period of time of not more than 5 years
19 for the petition the withdrawal from leasing for all
20 or part of any area within the Adjacent Zone of the
21 State located more than 35 miles, but less than 75
22 miles, from the coastline that is subject to sub-
23 section (g)(1)(B).

1 “(2) EXTENSIONS.—A State may extend with-
2 drawal under this subsection multiple times for any
3 particular area, except that the State may not—

4 “(A) extend the withdrawal not more than
5 once per calendar year for any particular area.

6 “(B) extend the withdrawal for a total of
7 more than 5 years from the date of enactment
8 of the State law describe in paragraph (1).

9 “(3) SEPARATE PETITIONS.—A State shall sub-
10 mit separate petitions, with separate votes by the
11 legislature of the State, for oil and gas leasing and
12 for natural gas leasing.

13 “(4) SCOPE OF PETITIONS.—A petition of a
14 State may request certain areas to be withdrawn
15 from all leasing and certain areas to be withdrawn
16 only from 1 type of leasing.

17 “(i) EFFECT OF OTHER LAWS.—

18 “(1) IN GENERAL.—Adoption by any Adjacent
19 State of any constitutional provision, or enactment
20 of any State law, that has the effect, as determined
21 by the Secretary, of restricting the Governor or the
22 legislature, or both, of the State from exercising full
23 discretion related to subsection (g) or (h) shall for
24 the duration of the restriction—

1 “(A) prohibit any sharing of OCS receipts
2 (as that term is defined in section 9(a)) under
3 this Act with the Adjacent State, and the coast-
4 al political subdivisions of the Adjacent State;
5 and

6 “(B) prohibit the Adjacent State from ex-
7 ercising any authority under subsection (h).

8 “(2) TIMING.—The Secretary shall make the
9 determination of the existence of a restricting con-
10 stitutional provision or State statute not later than
11 30 days after receipt of a petition by any outer Con-
12 tinental Shelf lessee or coastal State.

13 “(j) AREA OF THE GULF OF MEXICO EAST OF THE
14 MILITARY MISSION LINE.—

15 “(1) DEFINITION OF MILITARY MISSION
16 LINE.—In this subsection, the term ‘Military Mis-
17 sion Line’ means a line located at 86 degrees, 41
18 minutes West Longitude, and extending south from
19 the coast of Florida to the outer boundary of United
20 States exclusive economic zone in the Gulf of Mex-
21 ico.

22 “(2) CONSULTATION.—When preparing the
23 leasing program under section 18, the Secretary
24 shall consult with the Secretary of Defense regard-

1 ing military operational needs in the area of the Gulf
2 of Mexico east of the Military Mission Line.

3 “(3) PROHIBITION ON LEASING.—The Sec-
4 retary shall not offer for leasing for oil and gas or
5 natural gas any part of the area described in para-
6 graph (2) for which the Secretary of Defense finds
7 oil and gas operations cannot, or cannot be modified
8 to, compatibly coexist with military operations.

9 “(4) REVENUE SHARING.—If any part of the
10 area described in paragraph (2) is leased—

11 “(A) 50 percent of the OCS receipts (as
12 that term is defined in section 9(a)) from a
13 lease within the area shall be paid under section
14 9; and

15 “(B) 50 percent of the OCS receipts shall
16 be paid annually to the National Guards of all
17 States, allocated by the Secretary among the
18 States on a per capita basis using the entire
19 population of the States.”.

20 **SEC. 205. OUTER CONTINENTAL SHELF LEASING PROGRAM.**

21 Section 18 of the Outer Continental Shelf Lands Act
22 (43 U.S.C. 1344) (as amended by section 104) is amend-
23 ed—

24 (1) in subsection (a)(3)—

1 (A) by striking “(3) The Secretary” and
2 inserting the following:

3 “(3) TIMING AND LOCATION OF LEASING.—

4 “(A) DEFINITION OF AVAILABLE UN-
5 LEASED ACREAGE.—In this paragraph, the
6 term ‘available unleased acreage’ means that
7 portion of the outer Continental Shelf that is
8 not under lease at the time of the proposed
9 lease sale, and has not otherwise been made un-
10 available for leasing by law or a moratorium on
11 leasing.

12 “(B) SELECTION.—The Secretary”; and

13 (B) by adding at the end the following:

14 “(C) UNLEASED ACREAGE.—The Secretary
15 shall, in each 5-year program, include lease
16 sales that when considered as a whole propose
17 to offer for oil and gas or natural gas leasing
18 at least 75 percent of the available unleased
19 acreage within each OCS Planning Area.”;

20 (2) in subsection (c), by striking “(c)(1)” and
21 all that follows through “(3) Within nine months”
22 and inserting the following:

23 “(c) PREPARATION OF PROPOSED LEASING PRO-
24 GRAM.—

1 “(1) IN GENERAL.—Except as provided in [sec-
2 tion 2(b)?], during the preparation of any proposed
3 leasing program under this section, the Secretary—

4 “(A) shall consider and analyze leasing
5 throughout the entire outer Continental Shelf
6 without regard to any other law affecting the
7 leasing;

8 “(B) shall invite and consider suggestions
9 from any interested Federal agency, including
10 the Attorney General, in consultation with the
11 Federal Trade Commission, and from the Gov-
12 ernor of any coastal State; and

13 “(C) may invite or consider any sugges-
14 tions from—

15 “(i) the executive of any local govern-
16 ment in a coastal State that have been pre-
17 viously submitted to the Governor of the
18 State; and

19 “(ii) from any other person.

20 “(2) COMMENTS ON PROPOSED PROGRAM AC-
21 TION.—

22 “(A) IN GENERAL.—After the consider-
23 ation and analysis required by paragraph (1),
24 including the consideration of the suggestions
25 received under subparagraphs (B) and (C) of

1 that paragraph, the Secretary shall publish in
2 the Federal Register a proposed leasing pro-
3 gram accompanied by a draft environmental im-
4 pact statement prepared pursuant to the Na-
5 tional Environmental Policy Act of 1969 (42
6 U.S.C. 4321 et seq.).

7 “(B) SUBMISSION TO GOVERNOR.—After
8 publishing the proposed leasing program and
9 during the comment period provided for the
10 draft environmental impact statement, the Sec-
11 retary shall submit a copy of the proposed pro-
12 gram to the Governor of each affected State for
13 review and comment.

14 “(C) ACTION BY GOVERNOR.—The Gov-
15 ernor may solicit comments from those execu-
16 tives of local governments in the State of the
17 Governor that the Governor, in the discretion of
18 the Governor, determines will be affected by the
19 proposed program.

20 “(D) ACTION BY SECRETARY.—If any
21 comment by a Governor is received by the Sec-
22 retary at least 15 days before submission to
23 Congress under paragraph (3) and includes a
24 request for any modification of the proposed
25 program, the Secretary shall reply in writing,

1 granting or denying the request in whole or in
2 part, or granting the request in such modified
3 form as the Secretary considers appropriate,
4 and stating the reasons of the Secretary for the
5 grant, denial, or modification.

6 “(E) SUBMISSION TO CONGRESS.—The
7 submission to Congress of the proposed pro-
8 gram under paragraph (3) shall include copies
9 of all correspondence between the Secretary and
10 the Governor of any affected State and any ad-
11 ditional information and data relating to the
12 correspondence.

13 “(3) SUBMISSION OF PROPOSED PROGRAM.—
14 Not later than 9 months”; and

15 (3) by adding at the end the following:

16 “(k) PROJECTION OF STATE ADJACENT ZONE RE-
17 SOURCES AND STATE AND LOCAL GOVERNMENT SHARES
18 OF OCS RECEIPTS.—Concurrent with the publication of
19 the scoping notice at the beginning of the development of
20 each 5-year outer Continental Shelf oil and gas leasing
21 program, or as soon thereafter as practicable, the Sec-
22 retary shall—

23 “(1) provide to each Adjacent State an estimate
24 of proven and potential oil and gas resources located
25 within the Adjacent Zone of the State; and

1 “(2) provide to each Adjacent State, and coast-
2 al political subdivisions of each Adjacent State—

3 “(A) a projection of the OCS receipts (as
4 that term is defined in section 9(a)) that the
5 Secretary expects will be shared with each Ad-
6 jacent State, the coastal political subdivisions of
7 the Adjacent State, and **【tribal governments】**
8 under Federal and State law using the assump-
9 tion that the unleased tracts within the Adja-
10 cent Zone of the State are fully made available
11 for leasing, including long-term projected OCS
12 receipts; and

13 “(B) a macroeconomic estimate of the im-
14 pact of the leasing on the national economy and
15 each State economy, including the impact on in-
16 vestment, jobs, revenues, personal income, and
17 other categories.”.

18 **SEC. 206. COORDINATION WITH ADJACENT STATES.**

19 Section 19 of the Outer Continental Shelf Lands Act
20 (43 U.S.C. 1345) is amended—

21 (1) in the first sentence of subsection (a), by in-
22 serting “, for any tract located within the Adjacent
23 Zone of the Adjacent State,” after “government”;
24 and

25 (2) by adding at the end the following:

1 “(f) COORDINATION WITH ADJACENT STATES.—

2 “(1) FEDERAL ACTION.—

3 “(A) IN GENERAL.—Except as provided in
4 subparagraph (B) and [paragraphs (1) and (3)
5 of section 307(c) of the Coastal Zone Manage-
6 ment Act of 1972 (16 U.S.C. 1456(c))], no
7 Federal agency may permit or otherwise ap-
8 prove, without the concurrence of the Adjacent
9 State, the construction of a crude oil or petro-
10 leum products pipeline within the area of the
11 Adjacent Zone of the Adjacent State that is
12 withdrawn from oil and gas or natural gas leas-
13 ing.

14 “(B) EXCEPTION.—A Federal agency may
15 approve without the concurrence of the Adja-
16 cent State a pipeline described in subparagraph
17 (A) to pass through the Adjacent Zone if at
18 least 50 percent of the production projected to
19 be carried by the pipeline during the first 10
20 years of operation of the pipeline is from areas
21 of the Adjacent Zone of the Adjacent State.

22 “(2) STATE ACTION.—

23 “(A) IN GENERAL.—Except as provided in
24 subparagraph (B), no State may act to prohibit
25 the construction within the Adjacent Zone of

1 the State, or the State waters of the State, of
2 a natural gas pipeline that will transport nat-
3 ural gas produced from the outer Continental
4 Shelf.

5 “(B) EXCEPTION.—An Adjacent State
6 may prevent a proposed natural gas pipeline
7 landing location if the State proposes 2 alter-
8 nate landing locations in the Adjacent State
9 that are—

10 “(i) acceptable to the Adjacent State;

11 and

12 “(ii) located within 50 miles on either
13 side of the proposed landing location.”.

14 **SEC. 207. ENVIRONMENTAL STUDIES.**

15 Section 20(d) of the Outer Continental Shelf Lands
16 Act (43 U.S.C. 1346(d)) is amended—

17 (1) by striking “(d) The Secretary” and insert-
18 ing the following:

19 “(d) ENVIRONMENTAL CONSIDERATIONS.—

20 “(1) IN GENERAL.—The Secretary”; and

21 (2) by adding at the end the following:

22 “(2) APPLICATION OF NEPA.—

23 “(A) IN GENERAL.—For all programs,
24 lease sales, leases, and actions under this Act,
25 this paragraph shall apply regarding the appli-

1 cation of the National Environmental Policy
2 Act of 1969 (42 U.S.C. 4321 et seq.).

3 “(B) LEASE SUSPENSIONS AND PRELIMI-
4 NARY ACTIVITIES.—

5 “(i) IN GENERAL.—The granting or
6 directing lease suspensions and the con-
7 duct of all preliminary nondrilling activities
8 on outer Continental Shelf tracts, includ-
9 ing seismic data acquisition activities, shall
10 be categorically excluded from the require-
11 ment to prepare an environmental assess-
12 ment or an environmental impact state-
13 ment.

14 “(ii) EXCEPTIONS.—The Secretary
15 shall not be required to analyze whether
16 any exceptions to a categorical exclusion
17 apply for activities conducted under this
18 Act.

19 “(C) ENVIRONMENTAL IMPACT STATE-
20 MENT FOR 5-YEAR PROGRAM.—The environ-
21 mental impact statement developed in support
22 of each 5-year oil and gas leasing program shall
23 provide the environmental analysis for all lease
24 sales to be conducted under the program and

1 the sales shall not be subject to further environ-
2 mental analysis.

3 “(D) EXPLORATION PLANS.—

4 “(i) IN GENERAL.—Exploration plans
5 shall not be subject to any requirement to
6 prepare an environmental impact state-
7 ment.

8 “(ii) CATEGORICAL EXCLUSION.—The
9 Secretary may find that exploration plans
10 are eligible for categorical exclusion from
11 environmental assessment due to—

12 “(I) the impacts of the explo-
13 ration plan already having been con-
14 sidered within a separate environ-
15 mental impact statement; or

16 “(II) substantial mitigation
17 measures included within the plan.

18 “(E) FURTHER DEVELOPMENT AND PRO-
19 Duction PLANS.—Within each OCS Planning
20 Area, after the preparation of the first develop-
21 ment and production plan environmental impact
22 statement for a leased tract within the Area, fu-
23 ture development and production plans for
24 leased tracts within the Area shall only require

1 the preparation of a new environmental assess-
2 ment unless—

3 “(i) the most recent development and
4 production plan environmental impact
5 statement within the Area was finalized
6 more than 10 years prior to the date of the
7 approval of the plan; and

8 “(ii) the Secretary finds that the ap-
9 plicable leased tract is—

10 “(I) fundamentally different in
11 environmental sensitivity;

12 “(II) substantially more distant
13 from response vessels and infrastruc-
14 ture; and

15 “(III) fundamentally lacking in
16 environmental studies.”.

17 **SEC. 208. REVIEW OF OUTER CONTINENTAL SHELF DEVEL-**
18 **OPMENT AND PRODUCTION PLANS.**

19 Section 25 of the Outer Continental Shelf Lands Act
20 (43 U.S.C. 1351) is amended to read as follows:

21 **“SEC. 25. REVIEW OF OUTER CONTINENTAL SHELF DEVEL-**
22 **OPMENT AND PRODUCTION PLANS.**

23 “(a) DEFINITION OF PLAN.—In this section, the
24 term ‘plan’ means a development and production plan de-
25 scribed in subsection (b).

1 “(b) PLAN REQUIREMENTS.—

2 “(1) IN GENERAL.—Prior to development and
3 production pursuant to an oil and gas lease issued
4 on or after September 18, 1978, for any area of the
5 outer Continental Shelf, or issued or maintained
6 prior to September 18, 1978, for any area of the
7 outer Continental Shelf, with respect to which no oil
8 or gas has been discovered in commercial quantities
9 prior to September 18, 1978, the lessee shall submit
10 a development and production plan to the Secretary
11 for review.

12 “(2) STATEMENT OF FACILITIES AND OPER-
13 ATION.—A plan shall be accompanied by a state-
14 ment describing all facilities and operations, other
15 than those on the outer Continental Shelf, proposed
16 by the lessee and known by the lessee (regardless of
17 whether the facilities and operations are owned or
18 operated by the lessee) that will be constructed or
19 used in the development and production of oil or gas
20 from the lease area, including—

21 “(A) the location and site of the facilities
22 and operations;

23 “(B) the land, labor, material, and energy
24 requirements associated with the facilities and
25 operations; and

1 “(C) all environmental and safety safe-
2 guards to be implemented.

3 “(3) SUBMISSION TO GOVERNORS OF AFFECTED
4 STATES AND LOCAL GOVERNMENTS.—Except for any
5 privileged or proprietary information (as the term is
6 defined in regulations promulgated by the Sec-
7 retary), the Secretary, not later than 30 days after
8 receipt of a plan and statement, shall—

9 “(A) submit the plan and statement to the
10 Governor of any affected State, and on request,
11 to the executive of any affected local govern-
12 ment; and

13 “(B) make the plan and statement avail-
14 able to any appropriate interstate regional enti-
15 ty and the public.

16 “(c) DEVELOPMENT AND PRODUCTION ACTIVITIES
17 IN ACCORDANCE WITH PLAN AS LEASE REQUIREMENT.—

18 “(1) IN GENERAL.—After the date of enact-
19 ment of the State Enhanced Authority for Coastal
20 and Ocean Resources Act of 2010, no oil and gas
21 lease may be issued pursuant to this Act in any re-
22 gion of the outer Continental Shelf, unless the lease
23 requires that development and production activities
24 be carried out in accordance with a plan that com-
25 plies with the requirements of this section.

1 “(2) ADDITIONAL APPLICABILITY.—This sec-
2 tion shall also apply to leases that do not have an
3 approved development and production plan as of the
4 date of enactment of the State Enhanced Authority
5 for Coastal and Ocean Resources Act of 2010.

6 “(d) SCOPE AND CONTENTS OF PLAN.—A plan may
7 apply to more than 1 oil and gas lease, and shall include,
8 in the degree of detail established by regulations promul-
9 gated by the Secretary, a description of—

10 “(1) the general work to be performed;

11 “(2) all facilities and operations located on the
12 outer Continental Shelf that are proposed by the les-
13 see or known by the lessee (regardless of whether
14 the facilities and operations are owned or operated
15 by the lessee) to be directly related to the proposed
16 development, including—

17 “(A) the location and size of the facilities
18 and operations; and

19 “(B) the land, labor, material, and energy
20 requirements associated with the facilities and
21 operations;

22 “(3) the environmental safeguards to be imple-
23 mented on the outer Continental Shelf, including a
24 description of how the safeguards are to be imple-
25 mented;

1 “(4) all safety standards to be met, including a
2 description of how the standards are to be met;

3 “(5) an expected rate of development and pro-
4 duction and a time schedule for performance; and

5 “(6) such other relevant information as the Sec-
6 retary may require under [subsection (a) and this
7 subsection].

8 “(e) COMPLETENESS REVIEW OF PLAN.—

9 “(1) CERTIFICATION.—

10 “(A) IN GENERAL.—Before commencing
11 any activity under a plan pursuant to any oil
12 and gas lease issued or maintained under this
13 Act, the lessee shall certify that the plan is con-
14 sistent with—

15 “(i) the terms of the lease;

16 “(ii) all statutory and regulatory re-
17 quirements in effect on the date of
18 issuance of the lease; and

19 “(iii) any regulations promulgated
20 under this Act related to the conservation
21 of resources after the date of lease
22 issuance.

23 “(B) REQUIREMENT.—The plan shall in-
24 clude all information and documentation re-
25 quired under subsection (d).

1 “(2) SECRETARIAL REVIEW.—

2 “(A) IN GENERAL.—Not later than 30
3 days after the date on which the plan is sub-
4 mitted, the Secretary shall review the plan for
5 completeness.

6 “(B) NOTIFICATION.—If the Secretary
7 finds that a plan is not complete, the Secretary
8 shall notify the lessee with a detailed expla-
9 nation of the modifications to the plan that are
10 necessary to achieve completeness.

11 “(C) REVIEW OF MODIFIED PLAN.—The
12 Secretary shall complete a review of a modified
13 plan for completeness not later than 30 days
14 after the date of receipt.

15 “(f) REVIEW FOR CONSISTENCY OF THE PLAN.—

16 “(1) INITIAL REVIEW.—After a determination
17 that a plan is complete, the Secretary shall conduct
18 a review of the plan not later 90 days after the date
19 of receipt to ensure that the plan is consistent with
20 the terms of the lease and all statutory and regu-
21 latory requirements applicable to the lease.

22 “(2) REVIEW OF MODIFIED PLAN.—The Sec-
23 retary shall complete a review of a modified plan for
24 consistency not later than 30 days after the date of
25 receipt.

1 “(3) PROHIBITION.—The lessee shall not con-
2 duct any production activities under the plan on the
3 outer Continental Shelf—

4 “(A) during the 90-day review period; and

5 “(B) until the plan has been approved or
6 modified to achieve compliance.

7 “(4) NO FURTHER APPROVAL NECESSARY.—

8 After review by the Secretary of a plan under this
9 section, a lessee may operate pursuant to the plan
10 without further review or approval by the Secretary.

11 “(g) PERMITS TO DRILL.—Unless the Secretary
12 finds that a permit to drill is necessary to be consistent
13 with the State Enhanced Authority for Coastal and Ocean
14 Resources Act of 2010, no permit to drill shall be required
15 for any wells included in a plan under this section.

16 “(h) REVIEW OF REVISION OF THE APPROVED
17 PLAN.—

18 “(1) IN GENERAL.—A lessee may submit to the
19 Secretary any revision of a plan if the lessee deter-
20 mines that the revision—

21 “(A) will lead to greater recovery of oil or
22 natural gas;

23 “(B) will improve the efficiency, safety,
24 and environmental protection of the recovery
25 operation;

1 “(C) is the only means available to avoid
2 substantial economic hardship to the lessee; or

3 “(D) is otherwise not inconsistent with this
4 Act, to the extent the revision is consistent with
5 protection of the human, marine, and coastal
6 environments.

7 “(2) PROCESS FOR REVIEW.—The review proc-
8 ess described in subsections (e) and (f) shall apply
9 to a review of a revision submitted under this sub-
10 section.

11 “(i) CANCELLATION OF LEASE ON FAILURE TO SUB-
12 MIT PLAN OR COMPLY WITH PLAN.—

13 “(1) IN GENERAL.—If the owner of any lease
14 fails to submit a plan in accordance with regulations
15 promulgated under this section, or fails to comply
16 with a plan, the lease may be canceled in accordance
17 with subsections (c) and (d) of section 5.

18 “(2) NO COMPENSATION.—Termination of a
19 lease due to failure to comply with a plan (including
20 any required modification or revision) shall not enti-
21 tle a lessee to any compensation.

22 “(j) PRODUCTION AND TRANSPORTATION OF NAT-
23 URAL GAS.—

24 “(1) IN GENERAL.—If any plan submitted to
25 the Secretary pursuant to this section provides for

1 the production and transportation of natural gas,
2 the lessee shall contemporaneously submit to the
3 Federal Energy Regulatory Commission (referred to
4 in this subsection as the ‘Commission’) the portion
5 of the plan that relates to the facilities for transpor-
6 tation of natural gas.

7 “(2) ENVIRONMENTAL IMPACT STATEMENT.—
8 The Secretary and the Commission shall agree as to
9 whether the Secretary or the Commission shall—

10 “(A) prepare an environmental impact
11 statement pursuant to the National Environ-
12 mental Policy Act of 1969 (42 U.S.C. 4321 et
13 seq.) applicable to the portion of the plan de-
14 scribed in paragraph (1); or

15 “(B) conduct studies as to the effect on
16 the environment of implementing that portion
17 of the plan.

18 “(3) NO DUPLICATION OF EFFORT.—

19 “(A) IN GENERAL.—Except as provided in
20 subparagraph (B), findings and recommenda-
21 tions by the agency that prepares the environ-
22 mental impact statement or conducts the stud-
23 ies pursuant to the agreement described in
24 paragraph (2) shall be adopted by the other
25 agency, which shall not independently prepare

1 another environmental impact statement or du-
2 plicate the studies with respect to the relevant
3 portion of the plan.

4 “(B) EXCEPTION.—The Commission, in
5 connection with the review by the Commission
6 of an application for a certificate of public con-
7 venience and necessity applicable to the trans-
8 portation facilities pursuant to section 7 of the
9 Natural Gas Act (15 U.S.C. 717f), may prepare
10 the environmental studies or statement that are
11 relevant to certification of the transportation
12 facilities that have not been covered by an envi-
13 ronmental impact statement or studies prepared
14 by the Secretary.

15 “(4) REGULATIONS.—

16 “(A) IN GENERAL.—The Secretary, in con-
17 sultation with the Commission, shall promul-
18 gate regulations to implement this subsection.

19 “(B) AUTHORITY OF COMMISSION.—The
20 Commission shall retain sole authority with re-
21 spect to—

22 “(i) rules and procedures applicable to
23 the filing of any application with the Com-
24 mission; and

1 “(ii) all aspects of the review by the
2 Commission of, and action on, any such
3 application.”.

4 **SEC. 209. INCOMPATIBLE USES OF OUTER CONTINENTAL**
5 **SHELF.**

6 (a) IN GENERAL.—Except as provided in subsection
7 (b), no Federal agency shall authorize the construction or
8 operation of any facility, or designate or maintain a re-
9 stricted transportation corridor or operating area on the
10 outer Continental Shelf or in State waters, that would be
11 incompatible with, as determined by the Secretary of the
12 Interior—

13 (1) oil and gas or natural gas leasing; or

14 (2) the exploration and production of tracts
15 that have geological potential for oil or natural gas
16 development.

17 (b) EXCEPTIONS.—Subsection (a) shall not apply to
18 any facility, transportation corridor, or operating area, the
19 construction, operation, designation, or maintenance of
20 which is or would be—

21 (1) located in any area of the outer Continental
22 Shelf in which oil, gas, or natural gas leasing is pro-
23 hibited under Federal law;

24 (2) used for a military readiness activity (as de-
25 fined in section 315(f) of the Bob Stump National

1 Defense Authorization Act for Fiscal Year 2003 (16
2 U.S.C. 703 note; Public Law 107–314)); or

3 (3) required in the national interest, as deter-
4 mined by the President.

5 **Subtitle B—Oil and Gas**

6 **SEC. 211. DELEGATION OF AUTHORITY.**

7 (a) MINERALS MANAGEMENT SERVICE.—

8 (1) IN GENERAL.—Not later than 30 days after
9 the date of enactment of this Act, the Administrator
10 of the Environmental Protection Agency shall dele-
11 gate to the Minerals Management Service the per-
12 mitting and enforcement authority under the Clean
13 Air Act (42 U.S.C. 7401 et seq.) and the Federal
14 Water Pollution Control Act (33 U.S.C. 1251 et
15 seq.) for the Federal outer Continental Shelf for all
16 activities conducted under the Outer Continental
17 Shelf Lands Act (43 U.S.C. 1331 et seq.).

18 (2) TREATMENT.—The Minerals Management
19 Service shall be treated no less favorably under a
20 delegation described in paragraph (1) than would
21 the government of a State for that purpose.

22 (b) ISSUANCE OF AREA-WIDE PERMITS.—After re-
23 ceiving the delegated authority under subsection (a)(1),
24 the Minerals Management Service shall issue 5-year area-
25 wide permits under the Clean Air Act (42 U.S.C. 7401

1 et seq.) and Federal Water Pollution Control Act (33
2 U.S.C. 1251 et seq.) for activities conducted under the
3 Outer Continental Shelf Lands Act (42 U.S.C. 1331 et
4 seq.) for each outer Continental Shelf Planning Area upon
5 written request by a lessee or association of lessees.

6 **SEC. 212. REPURCHASE OF CERTAIN LEASES.**

7 (a) **AUTHORITY TO REPURCHASE AND CANCEL CER-**
8 **TAIN LEASES.**—The Secretary of the Interior (referred to
9 in this section as the “Secretary”) shall repurchase and
10 cancel any Federal oil and gas, geothermal, coal, oil shale,
11 tar sands, or other mineral lease, whether onshore or off-
12 shore (excluding any outer Continental Shelf oil and gas
13 leases that were subject to litigation in the Court of Fed-
14 eral Claims on January 1, 2010), if the lessee requests
15 the repurchase and cancellation and the Secretary deter-
16 mines that the lease qualifies for repurchase and cancella-
17 tion under the regulations promulgated under this section.

18 (b) **REGULATIONS.**—

19 (1) **IN GENERAL.**—Not later than 1 year after
20 the date of enactment of this Act, the Secretary
21 shall promulgate final regulations describing the
22 conditions and process under which a lease referred
23 to in subsection (a) qualifies for voluntary repur-
24 chase and cancellation.

1 (2) REQUIREMENTS.—The regulations shall
2 provide that—

3 (A) the Secretary shall repurchase and
4 cancel a lease after written request by the lessee
5 upon a finding by the Secretary that—

6 (i) a request by the lessee for a re-
7 quired permit or other approval complied
8 with applicable law and terms of the lease,
9 and the permit or other approval was de-
10 nied;

11 (ii) a Federal agency failed to act on
12 a request or application by the lessee for a
13 required permit, other approval, or admin-
14 istrative appeal within a regulatory or stat-
15 utory timeframe associated with the re-
16 quested action, whether advisory or man-
17 datory (or, if there was no established
18 timeframe, during the 180-day period be-
19 ginning on the date of receipt by the agen-
20 cy of the request); or

21 (iii) a Federal agency attached a con-
22 dition of approval, without agreement by
23 the lessee, to a required permit or other
24 approval if the condition of approval was
25 not mandated by Federal law (including a

1 regulation) in effect on the date of
2 issuance of the lease, or was not specifi-
3 cally allowed under the terms of the lease
4 or any stipulations to the lease;

5 (B) a lessee shall not be required to ex-
6 haust administrative remedies regarding a per-
7 mit request, administrative appeal, or other re-
8 quired request for approval for the purposes of
9 this section;

10 (C) the Secretary shall make a final agen-
11 cy decision on a request by a lessee under this
12 section not later than 180 days after the date
13 of receipt of the request;

14 (D) compensation to a lessee to repurchase
15 and cancel a lease under this section shall be—

16 (i) paid in the amount that a lessee
17 would have been entitled to receive in a
18 restitution case for a material breach of
19 contract; and

20 (ii) in the form of a check or elec-
21 tronic transfer from the Department of the
22 Treasury from funds deposited in miscella-
23 neous receipts under the authority of the
24 same Act that authorized the issuance of
25 the lease being repurchased; and

1 (E) the failure of the Secretary to make a
2 final agency decision on a request by a lessee
3 under this section by the date that is 180 days
4 after the date of receipt by the Secretary of the
5 request shall result in a 10-percent increase in
6 the compensation due to the lessee if the lease
7 is ultimately repurchased.

8 (c) NO EFFECT ON OTHER RIGHTS.—Nothing in this
9 section affects any other right that a lessee would have
10 in the absence of this section.

11 **SEC. 213. OFFSITE ENVIRONMENTAL MITIGATION.**

12 (a) IN GENERAL.—Notwithstanding any other provi-
13 sion of law—

14 (1) any person conducting activities under a
15 provision of law described in subsection (b) may, for
16 the purpose of satisfying any mitigation require-
17 ments associated with the activities, submit to the
18 Secretary proposed mitigation measures on a site
19 away from the area affected by the activities; and

20 (2) the Secretary shall accept the proposed
21 measures if the Secretary determines that the meas-
22 ures substantially achieve the purposes for which
23 mitigation measures are required.

24 (b) PROVISIONS OF LAW.—The provisions of law re-
25 ferred to in subsection (a) are—

1 (1) the Act of March 1, 1911 (commonly known
2 as the “Weeks Law”) (16 U.S.C. 480 et seq.);

3 (2) section 2320 of the Revised Statutes (30
4 U.S.C. 23);

5 (3) the Mineral Leasing Act (30 U.S.C. 181 et
6 seq.);

7 (4) the Mineral Leasing Act for Acquired
8 Lands (30 U.S.C. 351 et seq.);

9 (5) the Act of July 31, 1947 (commonly known
10 as the “Materials Act of 1947”) (30 U.S.C. 601 et
11 seq.);

12 (6) the Geothermal Steam Act of 1970 (30
13 U.S.C. 1001 et seq.); and

14 (7) the Outer Continental Shelf Lands Act (43
15 U.S.C. 1331 et seq.).

16 **SEC. 214. REGULATION OF ONSHORE SURFACE-DIS-**
17 **TURBING ACTIVITIES.**

18 Section 17 of the Mineral Leasing Act (30 U.S.C.
19 226) is amended by striking subsection (g) and inserting
20 the following:

21 “(g) REGULATION OF SURFACE-DISTURBING ACTIVI-
22 TIES.—

23 “(1) REGULATION OF SURFACE-DISTURBING
24 ACTIVITIES.—Notwithstanding any other law, the
25 Secretary of the Interior or, with respect to land in

1 the National Forest System, the Secretary of Agri-
2 culture (referred to in this subsection as the ‘Sec-
3 retary concerned’), shall—

4 “(A) regulate all surface-disturbing activi-
5 ties conducted pursuant to any lease issued
6 under this Act; and

7 “(B) determine reclamation and other ac-
8 tions as required in the interest of conservation
9 of surface resources.

10 “(2) SUBMISSION OF EXPLORATION PLAN; COM-
11 PLETION REVIEW; COMPLIANCE REVIEW.—

12 “(A) IN GENERAL.—Prior to beginning oil
13 and gas exploration activities, a lessee shall
14 submit an exploration plan to the Secretary
15 concerned under paragraph (1) for review.

16 “(B) INITIAL REVIEW FOR COMPLETE-
17 NESS.—Not later than 10 days after receiving
18 an exploration plan for review under subpara-
19 graph (A), subject to subparagraph (E), the
20 Secretary concerned shall review the plan for
21 completeness.

22 “(C) INCOMPLETE PLANS.—If the Sec-
23 retary concerned determines that an exploration
24 plan submitted under subparagraph (A) is in-

1 complete, the Secretary concerned shall, in writ-
2 ing—

3 “(i) notify the lessee of the determina-
4 tion (including of the option to modify and
5 resubmit the exploration plan); and

6 “(ii) specify the items or information
7 needed to complete the exploration plan.

8 “(D) SUBSEQUENT REVIEW FOR COM-
9 PLETENESS.—Not later than 10 days after the
10 date of receipt of any modified exploration plan
11 submitted under subparagraph (C)(i), subject
12 to subparagraph (E), the Secretary concerned
13 shall review the modified exploration plan for
14 completeness.

15 “(E) CRITERIA FOR COMPLETENESS.—To
16 be considered to be complete under subpara-
17 graph (B) or (D), an exploration plan shall in-
18 clude, in such degree of detail as shall be deter-
19 mined by the Secretary concerned by regula-
20 tion—

21 “(i) a drilling plan containing a de-
22 scription of the drilling program;

23 “(ii) a description of the surface and
24 projected completion zone location;

25 “(iii) pertinent geological data;

1 “(iv) an assessment of expected haz-
2 ards, and proposed mitigation measures to
3 address such hazards;

4 “(v) a schedule of anticipated explo-
5 ration activities to be undertaken;

6 “(vi) a description of equipment to be
7 used for those activities;

8 “(vii) a certification from the lessee
9 stating that the exploration plan complies
10 with all lease, regulatory, and statutory re-
11 quirements in effect on the date of
12 issuance of the lease, and any regulations
13 promulgated after that date, relating to
14 the conservation of resources;

15 “(viii) evidence that the lessee has se-
16 cured an adequate bond, surety, or other
17 financial arrangement prior to commence-
18 ment of any surface-disturbing activity;

19 “(ix) a plan that details the complete
20 and timely reclamation of the lease tract;
21 and

22 “(x) such other relevant information
23 as the Secretary concerned may require
24 under the State Enhanced Authority for
25 Coastal and Ocean Resources Act of 2010.

1 “(F) DEADLINE FOR REVIEW.—Not later
2 than 30 days after the date on which the Sec-
3 retary concerned determines under subpara-
4 graph (B) or (D) that an exploration plan is
5 complete, the Secretary concerned shall—

6 “(i) conduct a review of the explo-
7 ration plan to determine whether the explo-
8 ration plan is consistent with all statutory
9 and regulatory requirements described in
10 subparagraph (E)(vii); and

11 “(ii) submit to the lessee—

12 “(I) a statement of approval that
13 the exploration plan is consistent with
14 those requirements; or

15 “(II) if the Secretary concerned
16 determines that an exploration plan is
17 not consistent with all of those re-
18 quirements, a detailed written expla-
19 nation of such modifications of the ex-
20 ploration plan as are necessary to
21 achieve compliance with those require-
22 ments.

23 “(G) PROHIBITION ON ACTION.—A lessee
24 shall not take any action under an exploration
25 plan covered by this subsection during a 30-day

1 review period described in subparagraph (F), or
2 at any time thereafter, until—

3 “(i) the lessee receives a statement
4 under subparagraph (F)(ii)(I); or

5 “(ii) the exploration plan has been
6 modified to achieve compliance pursuant to
7 a notification received under subparagraph
8 (F)(ii)(II).

9 “(H) OPERATION UNDER EXPLORATION
10 PLAN.—After review and approval of an explo-
11 ration plan by the Secretary concerned under
12 this subsection, a lessee may operate pursuant
13 to the plan without further review or approval
14 by the Secretary concerned.

15 “(I) PERMITS TO DRILL.—Unless the Sec-
16 retary finds that a permit to drill is necessary
17 to be consistent with the State Enhanced Au-
18 thority for Coastal and Ocean Resources Act of
19 2010, no permit to drill shall be required for
20 any wells included in an exploration plan under
21 this section.

22 “(3) PLAN REVISIONS; CONDUCT OF EXPLO-
23 RATION ACTIVITIES.—

24 “(A) IN GENERAL.—If a significant revi-
25 sion of an exploration plan under this sub-

1 section is submitted to the Secretary concerned,
2 the Secretary concerned shall review that re-
3 vised plan in accordance with the procedure de-
4 scribed in paragraph (2).

5 “(B) EXPLORATION ACTIVITIES.—All ex-
6 ploration activities pursuant to any lease shall
7 be conducted in accordance with an exploration
8 plan, or revision of such a plan, that has been
9 submitted to and reviewed by the Secretary
10 concerned under this subsection.

11 “(4) SUBMISSION OF DEVELOPMENT AND PRO-
12 DUCATION PLAN; COMPLETENESS REVIEW; COMPLI-
13 ANCE REVIEW.—

14 “(A) IN GENERAL.—Prior to beginning oil
15 and gas development and production activities,
16 a lessee shall submit a development and produc-
17 tion plan to the Secretary of the Interior for re-
18 view.

19 “(B) INITIAL REVIEW FOR COMPLETE-
20 NESS.—Not later than 30 days after receiving
21 a development and production plan for review
22 under subparagraph (A), subject to subpara-
23 graph (E), the Secretary of the Interior shall
24 review the plan for completeness.

1 “(C) INCOMPLETE PLANS.—If the Sec-
2 retary of the Interior determines that a develop-
3 ment and production plan submitted under sub-
4 paragraph (A) is incomplete, the Secretary of
5 the Interior shall, in writing—

6 “(i) notify the lessee of the determina-
7 tion (including of the option to modify and
8 resubmit the development and production
9 plan); and

10 “(ii) specify the items or information
11 needed to complete the development and
12 production plan.

13 “(D) SUBSEQUENT REVIEW FOR COM-
14 PLETENESS.—Not later than 30 days after the
15 date of receipt of any modified development and
16 production plan submitted under subparagraph
17 (C)(i), subject to subparagraph (E), the Sec-
18 retary of the Interior shall review the modified
19 plan for completeness.

20 “(E) CRITERIA FOR COMPLETENESS.—To
21 be considered to be complete under subpara-
22 graph (B) or (D), a development and produc-
23 tion plan shall include, in such degree of detail
24 as shall be determined by the Secretary of the
25 Interior by regulation—

1 duction, including the ways in which the
2 safeguards are to be implemented;

3 “(viii) a description of all safety
4 standards to be met, including the ways in
5 which the standards are to be met;

6 “(ix) an estimate of the expected rate
7 of development and production and a time
8 schedule for performance;

9 “(x) a certification from the lessee
10 stating that the development and produc-
11 tion plan complies with all lease, regu-
12 latory, and statutory requirements in effect
13 on the date of issuance of the lease, and
14 any regulations promulgated after that
15 date, relating to the conservation of re-
16 sources;

17 “(xi) evidence that the lessee has se-
18 cured an adequate bond, surety, or other
19 financial arrangement prior to commence-
20 ment of any surface-disturbing activity;

21 “(xii) a plan that details the complete
22 and timely reclamation of the lease tract;
23 and

1 “(xiii) such other relevant information
2 as the Secretary of the Interior may by
3 regulation require.

4 “(F) DEADLINE FOR REVIEW.—Not later
5 than 120 days after the date on which the Sec-
6 retary of the Interior determines under sub-
7 paragraph (B) or (D) that a development and
8 production plan is complete, the Secretary of
9 the Interior shall—

10 “(i) conduct a review of the plan to
11 determine whether the plan is consistent
12 with all statutory and regulatory require-
13 ments described in subparagraph (E)(x);
14 and

15 “(ii) submit to the lessee—

16 “(I) a statement of approval that
17 the plan is consistent with those re-
18 quirements; or

19 “(II) if the Secretary of the Inte-
20 rior determines that a plan is not con-
21 sistent with all of those requirements,
22 a detailed written explanation of such
23 modifications of the plan as are nec-
24 essary to achieve compliance with
25 those requirements.

1 “(G) PROHIBITION ON ACTION.—A lessee
2 shall not take any action under a development
3 and production plan during a 120-day review
4 period described in subparagraph (F), or at any
5 time thereafter, until—

6 “(i) the lessee receives a statement
7 under subparagraph (F)(ii)(I); or

8 “(ii) the exploration plan has been
9 modified to achieve compliance pursuant to
10 a notification received under subparagraph
11 (F)(ii)(II).

12 “(H) OPERATION UNDER DEVELOPMENT
13 AND PRODUCTION PLAN.—After review and ap-
14 proval of a development and production plan by
15 the Secretary of the Interior under this sub-
16 section, a lessee may operate pursuant to the
17 plan without further review or approval by the
18 Secretary of the Interior.

19 “(5) PLAN REVISIONS; CONDUCT OF DEVELOP-
20 MENT AND PRODUCTION ACTIVITIES.—

21 “(A) IN GENERAL.—If a significant revi-
22 sion of a development and production plan
23 under this subsection is submitted to the Sec-
24 retary of the Interior, the Secretary of the Inte-

1 prior shall review that revised plan in accordance
2 with the procedure described in paragraph (4).

3 “(B) DEVELOPMENT AND PRODUCTION AC-
4 TIVITIES.—All development and production ac-
5 tivities pursuant to any lease shall be conducted
6 in accordance with a development and produc-
7 tion plan, or revision of such a plan, that has
8 been submitted to and reviewed by the Sec-
9 retary of the Interior under this subsection.

10 “(6) CANCELLATION OF LEASE ON FAILURE TO
11 SUBMIT PLAN OR COMPLY WITH APPROVED PLAN.—

12 “(A) IN GENERAL.—In any case in which
13 the owner of a lease fails to submit a plan in
14 accordance with this subsection, or fails to com-
15 ply with such a plan, the lease may be canceled
16 in accordance with section 31.

17 “(B) NO ENTITLEMENT TO COMPENSA-
18 TION.—Cancellation of a lease under this para-
19 graph because of failure to comply with a plan
20 described in subparagraph (A), including re-
21 quired modifications to or revisions of such a
22 plan, shall not entitle a lessee to any compensa-
23 tion.”.