## Union Calendar No. 714 H.R.6088

115th CONGRESS 2d Session

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[Report No. 115-921]

To amend the Mineral Leasing Act to authorize notifications of permit to drill, and for other purposes.

#### IN THE HOUSE OF REPRESENTATIVES

JUNE 13, 2018

Mr. CURTIS (for himself, Mr. BISHOP of Utah, Mr. GOSAR, Mr. GIANFORTE, Mr. WESTERMAN, and Mr. GOHMERT) introduced the following bill; which was referred to the Committee on Natural Resources

September 6, 2018

Additional sponsors: Mr. LAMALFA and Mr. CRAMER

September 6, 2018

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

[For text of introduced bill, see copy of bill as introduced on June 13, 2018]

### A BILL

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To amend the Mineral Leasing Act to authorize notifications of permit to drill, and for other purposes. Be it enacted by the Senate and House of Representa tives of the United States of America in Congress assembled,

#### 3 SECTION 1. SHORT TITLE.

4 This Act may be cited as the "Streamlining Permit5 ting Efficiencies in Energy Development Act" or the
6 "SPEED Act".

#### 7 SEC. 2. NOTIFICATIONS OF PERMIT TO DRILL.

8 The Mineral Leasing Act (30 U.S.C. 181 et seq.) is
9 amended by—

(1) redesignating section 44 as section 45; and
(2) inserting after section 43 the following:

#### 12 "SEC. 44. NOTIFICATIONS OF PERMIT TO DRILL.

13 "(a) IN GENERAL.—Not later than 1 year after the 14 date of the enactment of this section, the Secretary shall 15 establish procedures by which an operator may conduct 16 drilling and production activities on available Federal land 17 and non-Federal land after sending to the Secretary a noti-18 fication of permit to drill under this section in lieu of ob-19 taining an APD.

20 "(b) CONTENT OF NOTIFICATION.—To be considered a
21 complete notification of permit to drill under this section,
22 an operator shall include in the notification of permit to
23 drill submitted under this section—

24 "(1) a notification of permit to drill form;

25 "(2) a surface use plan of operations;

| 1  | "(3) a drilling plan;                                     |
|----|---|
| 2  | "(4) a well plat certified by a registered sur-           |
| 3  | veyor;  |
| 4  | "(5) an operator certification;                           |
| 5  | "(6) evidence of bond coverage; and                       |
| 6  | "(7) a notification of permit to drill fee in an          |
| 7  | amount to be determined by the Secretary.                 |
| 8  | "(c) Justifications for Objection.—                       |
| 9  | "(1) IN GENERAL.—Except as otherwise provided             |
| 10 | in this subsection, the Secretary may not object to a     |
| 11 | notification of permit to drill under this section if the |
| 12 | notification—   |
| 13 | "(A) demonstrates that the drilling oper-                 |
| 14 | ations described in the notification of permit to         |
| 15 | drill will be located in—                                 |
| 16 | ((i) a developed field, where there are                   |
| 17 | existing oil and gas wells within a 5-mile                |
| 18 | radius and for which an approved land use                 |
| 19 | plan or environmental review was prepared                 |
| 20 | within the last 10 years under the National               |
| 21 | Environmental Policy Act of 1969 (42                      |
| 22 | U.S.C. 4321 et seq.) that analyzed such                   |
| 23 | drilling operations as a reasonably foresee-              |
| 24 | able activity;  |

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| 1  | "(ii) a location or well pad site at         |
|----|--|
| 2  | which drilling has occurred within 10 years  |
| 3  | before the date of spudding the well and the |
| 4  | proposed operations do not increase the sur- |
| 5  | face disturbance on the location or well pad |
| 6  | site;  |
| 7  | "(iii) an area consisting of individual      |
| 8  | surface disturbances of less than 10 acres   |
| 9  | and the total surface disturbance on the     |
| 10 | lease is not greater than 150 acres and for  |
| 11 | which an approved land use plan or envi-     |
| 12 | ronmental review was prepared within the     |
| 13 | last 10 years under the National Environ-    |
| 14 | mental Policy Act of 1969 (42 U.S.C. 4321    |
| 15 | et seq.) that analyzed such drilling oper-   |
| 16 | ations as a reasonably foreseeable activity; |
| 17 | "(iv) an area consisting of Federal          |
| 18 | mineral interests that is located within the |
| 19 | boundaries of a communitization agreement    |
| 20 | or unit agreement which contains minerals    |
| 21 | leased by a State or private mineral owner   |
| 22 | for which a drilling permit has been ap-     |
| 23 | proved by a State regulatory agency; or      |
| 24 | "(v) an area in which a categorical ex-      |
| 25 | clusion under the National Environmental     |

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| 1  | Policy Act of 1969 (42 U.S.C. 4321 et seq.)          |
|----|--|
| 2  | applies for oil and gas drilling or re-entry         |
| 3  | activities; or                                       |
| 4  | "(B) includes—                                       |
| 5  | "(i) an environmental review that con-               |
| 6  | cludes that actions described in the notifica-       |
| 7  | tion of permit to drill pose no significant          |
| 8  | effects on the human environment or threat-          |
| 9  | ened or endangered species; and                      |
| 10 | "(ii) an archeological review that con-              |
| 11 | cludes that actions described in the notifica-       |
| 12 | tion of permit to drill pose no significant          |
| 13 | effects on cultural or historic properties or        |
| 14 | resources.   |
| 15 | "(2) Endangered species protection.—                 |
| 16 | "(A) IN GENERAL.—Notwithstanding para-               |
| 17 | graph (1), the Secretary shall object to a notifi-   |
| 18 | cation of permit to drill if the activity described  |
| 19 | in such notification of permit to drill is likely to |
| 20 | jeopardize the continued existence of a species      |
| 21 | that is a threatened species or endangered species   |
| 22 | under the Endangered Species Act of 1973 (16         |
| 23 | U.S.C. 1531 et seq.) or result in the destruction    |
| 24 | or adverse modification of critical habitat of       |
| 25 | such species.  |
|    |  |

| 1  | "(B) WITHDRAWAL OF OBJECTION.—The                     |
|----|---|
| 2  | Secretary may withdraw an objection under sub-        |
| 3  | paragraph (A) if the operator consults with the       |
| 4  | Secretary on such objection and places condi-         |
| 5  | tions on the notification of permit to drill suffi-   |
| 6  | cient to comply with the Endangered Species Act       |
| 7  | of 1973 (16 U.S.C. 1531 et seq.).                     |
| 8  | "(3) NATIONAL HISTORIC PRESERVATION.—                 |
| 9  | "(A) IN GENERAL.—Notwithstanding para-                |
| 10 | graph (1), the Secretary shall object to a notifi-    |
| 11 | cation of permit to drill if the activity described   |
| 12 | in such notification of permit to drill is likely to  |
| 13 | affect properties listed, or eligible for listing, in |
| 14 | the National Register of Historic Places under        |
| 15 | section 306108 of title 54, United States Code        |
| 16 | (commonly known as the National Historic Pres-        |
| 17 | ervation Act of 1966).                                |
| 18 | "(B) WITHDRAWAL OF OBJECTION.—The                     |
| 19 | Secretary may withdraw an objection under sub-        |
| 20 | paragraph (A) if the operator consults with the       |
| 21 | Secretary on such objection and places condi-         |
| 22 | tions on the notification of permit to drill suffi-   |
| 23 | cient to comply with section 306108 of title 54,      |
| 24 | United States Code (commonly known as the Na-         |
| 25 | tional Historic Preservation Act of 1966).            |

| 1 "(d) | OBJECTION ( | OR NO ACTION.— |
|--------|-------------|----------------|
|--------|-------------|----------------|

| 2  | "(1) NOTIFICATION OF INCOMPLETE NOTIFICA-                 |
|----|---|
| 3  | TION.—Not later than 15 days after receipt of a noti-     |
| 4  | fication of permit to drill, or a revised notification of |
| 5  | permit to drill, from an operator under this section,     |
| 6  | the Secretary shall notify the operator in writing if     |
| 7  | the notification of permit to drill is not complete.      |
| 8  | "(2) NOTIFICATION OF OBJECTIONS.—Not later                |
| 9  | than 45 days after receipt of a complete notification     |
| 10 | of permit to drill from an operator under this section,   |
| 11 | the Secretary shall review the notification of permit     |
| 12 | to drill and—   |
| 13 | "(A) notify the operator in writing of any                |
| 14 | objections to the notification of permit to drill;        |
| 15 | or  |
| 16 | "(B) take no action.                                      |
| 17 | "(3) NO ACTION REQUIRED.—If the Secretary                 |
| 18 | has not notified an operator under either paragraph       |
| 19 | (1) or paragraph (2) within 45 days after receipt of      |
| 20 | a notification of permit to drill from the operator       |
| 21 | under this section, the operator may, without further     |
| 22 | action from the Secretary, conduct the drilling and       |
| 23 | production activities for which the notification of per-  |
| 24 | mit to drill was submitted.                               |

| 1  | "(4) Opportunity to resubmit notifica-                          |
|----|---|
| 2  | TION.—If the Secretary notifies an operator under               |
| 3  | paragraph (1) of an incomplete notification or para-            |
| 4  | graph (2) of an objection, the Secretary shall allow            |
| 5  | the operator to address such incomplete notification            |
| 6  | or objection and revise and resubmit the notification           |
| 7  | of permit to drill.   |
| 8  | "(5) Opportunity to resubmit notification                       |
| 9  | AS APD.—If the Secretary notifies an operator under             |
| 10 | paragraph (2) of an objection, the Secretary shall              |
| 11 | allow the operator to resubmit such information in              |
| 12 | the form of an APD.   |
| 13 | "(e) NOTIFICATION FEE.—The Secretary may not                    |
| 14 | charge an operator under this section a fee for submitting      |
| 15 | a notification of permit to drill greater than the fee the Sec- |
| 16 | retary charges an applicant for an APD.                         |
| 17 | "(f) Environmental Review.—                                     |
| 18 | "(1) IN GENERAL.—An environmental review or                     |
| 19 | archeological review described in subsection $(c)(1)(B)$        |
| 20 | may be completed by a third-party contractor ap-                |
| 21 | proved by the Secretary or pursuant to a memo-                  |
| 22 | randum of understanding between the operator and                |
| 23 | the Secretary.  |
| 24 | "(2) Field work Authorization.—The Sec-                         |
| 25 | retary shall issue a field work authorization to a              |

3 "(3) REQUEST FOR CONCURRENCE.—The Sec4 retary shall allow a third-party contractor to submit
5 a request to the State Historic Preservation Office on
6 behalf of the Secretary.

7 "(g) ADDITIONAL SURFACE USE PERMITS.—The Sec8 retary may not require an operator that has submitted a
9 notification of permit to drill for which the Secretary did
10 not object to obtain a surface use permit for an action in11 cluded in the notification of permit to drill.

12 "(h) SITE INSPECTION.—The Secretary may not re-13 quire an operator that has submitted a notification of per-14 mit to drill for which the Secretary did not object to submit 15 to a site inspection before commencement of the activities 16 described in the notification of permit to drill.

17 "(i) FEDERAL ENFORCEMENT.—The Secretary may
18 conduct inspections of and evaluate activities described in
19 a notification of permit to drill for purposes of bringing
20 an enforcement action. The Secretary may suspend enforce21 ment proceedings if the operator modifies its activities to
22 comply with the notification of permit to drill or obtains
23 an APD for such activities.

24 "(j) APPLICATION OF NEPA.—

| 1  | "(1) NO ACTION BY SECRETARY.—The decision               |
|----|---|
| 2  | by the Secretary to take no action under subsection     |
| 3  | (c)(1)(B)(2) shall not constitute a major Federal ac-   |
| 4  | tion under section $102(2)(C)$ of the National Environ- |
| 5  | mental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).       |
| 6  | "(2) Development of regulations.—The de-                |
| 7  | velopment of any regulation pursuant to this section    |
| 8  | shall constitute a major Federal action under section   |
| 9  | 102(2)(C) of the National Environmental Policy Act      |
| 10 | of 1969 (42 U.S.C. 4332(2)(C)).                         |
| 11 | "(k) DEFINITIONS.—In this section:                      |
| 12 | "(1) APD.—The term 'APD' means an applica-              |
| 13 | tion to drill or re-enter a well.                       |
| 14 | "(2) Available federal land.—The term                   |
| 15 | 'available Federal land' means Federal land that—       |
| 16 | "(A) is located within the boundaries of a              |
| 17 | State;  |
| 18 | (B) is not held by the United States in                 |
| 19 | trust for the benefit of a federally recognized In-     |
| 20 | dian Tribe;   |
| 21 | "(C) is not a unit of the National Park                 |
| 22 | System;   |
| 23 | "(D) is not a unit of the National Wildlife             |
| 24 | Refuge System;  |

| 1  | ((E) is not a Congressionally-approved wil-           |
|----|---|
| 2  | derness area under the Wilderness Act (16 U.S.C.      |
| 3  | 1131 et seq.); and                                    |
| 4  | ((F) is managed by the Director of the Bu-            |
| 5  | reau of Land Management or the Chief of the           |
| 6  | U.S. Forest Service.                                  |
| 7  | "(3) Drilling operations.—The term 'drilling          |
| 8  | operations' means the drilling or re-entry of a well. |
| 9  | "(4) DRILLING PLAN.—The term 'drilling plan'          |
| 10 | means a plan containing—                              |
| 11 | "(A) a description of the drilling program;           |
| 12 | ((B) the surface and projected completion             |
| 13 | zone location;  |
| 14 | "(C) pertinent geologic data;                         |
| 15 | "(D) expected hazards;                                |
| 16 | ((E) proposed mitigation measures to ad-              |
| 17 | dress such hazards;                                   |
| 18 | ``(F) any other information specified in ap-          |
| 19 | plicable notices or orders; and                       |
| 20 | "(G) any other pertinent data as the Sec-             |
| 21 | retary may require.                                   |
| 22 | "(5) Surface use plan of operation.—The               |
| 23 | term 'surface use plan of operation' means a plan     |
| 24 | containing—   |
| 25 | "(A) the road and drill pad location;                 |

| 1 | "(B) details of pad construction;            |
|---|--|
| 2 | "(C) methods for containment and disposal    |
| 3 | of waste material;                           |
| 4 | "(D) plans for reclamation of the surface;   |
| 5 | ``(E) any other information specified in ap- |
| 6 | plicable orders or notices; and              |
| 7 | ``(F) any other pertinent data as the Sec-   |
| 8 | retary may require.".                        |

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