

## Subtitle D—Federal Oil and Gas Development

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1       **Subtitle D—Federal Oil and Gas**  
2                                   **Development**

3       **SEC. 331. SHORT TITLE.**

4           This title may be cited as the “Federal Oil and Gas  
5 Act of 2009”.

6       **SEC. 332. OIL AND GAS PERMIT PROCESSING IMPROVE-**  
7                                   **MENT FUND.**

8           Section 35(c) of the Mineral Leasing Act (30 U.S.C.  
9 191(e)) is amended by adding at the end the following:

10                   “(4) **AUTHORIZATION OF APPROPRIATIONS.—**

11           There is authorized to be appropriated from the  
12           Fund, or to the extent adequate funds in the Fund  
13           are not available from miscellaneous receipts of the  
14           Treasury, for the coordination and processing of oil  
15           and gas use authorizations and for oil and gas in-  
16           spection and enforcement on onshore Federal land  
17           under the jurisdiction of the Pilot Project offices de-  
18           scribed in section 365(d) of the Energy Policy Act

1 of 2005 (42 U.S.C. 15924(d)) \$20,000,000 for each  
2 of fiscal years 2016 through 2020, to remain avail-  
3 able until expended.”.

4 **SEC. 333. FACILITATION OF COPRODUCTION OF GEO-**  
5 **THERMAL ENERGY ON OIL AND GAS LEASES.**

6 Section 4(b) of the Geothermal Steam Act of 1970  
7 (30 U.S.C. 1003(b)) is amended by adding at the end the  
8 following:

9 “(4) LAND SUBJECT TO OIL AND GAS LEASE.—  
10 Land under an oil and gas lease issued pursuant to  
11 the Mineral Leasing Act (30 U.S.C. 181 et seq.) or  
12 the Mineral Leasing Act for Acquired Lands (30  
13 U.S.C. 351 et seq.) that is subject to an approved  
14 application for permit to drill and from which oil  
15 and gas production is occurring may be available for  
16 leasing under subsection (c) by the holder of the oil  
17 and gas lease—

18 “(A) on a determination that—

19 “(i) geothermal energy will be pro-  
20 duced from a well producing or capable of  
21 producing oil and gas; and

22 “(ii) the public interest will be served  
23 by the issuance of such a lease; and

24 “(B) in order to provide for the coproduc-  
25 tion of geothermal energy with oil and gas.”.

1 **SEC. 334. IMPLEMENTATION OF INVENTORY OF OUTER**  
2 **CONTINENTAL SHELF RESOURCES.**

3 (a) IN GENERAL.—Section 357 of the Energy Policy  
4 Act of 2005 (42 U.S.C. 15912) is amended—

5 (1) in subsection (a)—

6 (A) in the first sentence of the matter pre-  
7 ceding paragraph (1), by striking “and analysis  
8 of oil and natural gas resources beneath all”  
9 and inserting “of oil and natural gas resources  
10 and an analysis of other marine resources (in-  
11 cluding present and potential uses of those re-  
12 sources for alternative energy production, navi-  
13 gation, fisheries, aquaculture, recreation, habi-  
14 tat, conservation, and military purposes)”;

15 (B) in paragraph (2)—

16 (i) by striking “3–D”; and

17 (ii) by adding “and” at the end; and

18 (C) by striking paragraphs (3) through (5)

19 and inserting in the following:

20 “(3) as prepared based on existing inventories  
21 and mapping of marine resources undertaken by the  
22 National Oceanographic and Atmospheric Adminis-  
23 tration and information provided by and with the as-  
24 sistance of the Department of Defense and other  
25 Federal and State agencies possessing relevant data,  
26 use any available data regarding alternative energy

1 potential, navigation uses, fisheries, aquaculture  
2 uses, recreational uses, habitat, conservation, and  
3 military uses.”; and

4 (2) by striking subsection (b) and inserting the  
5 following:

6 “(b) IMPLEMENTATION.—The Secretary shall carry  
7 out the inventory and analysis under subsection (a) in 3  
8 phases, with priority given to all or part of planning areas  
9 of the outer Continental Shelf—

10 “(1) estimated to have the greatest potential for  
11 energy development in barrel of oil equivalent; and

12 “(2) outside of any leased area or area sched-  
13 uled for leasing prior to calendar year 2011 under  
14 any outer Continental Shelf 5-year leasing program  
15 or amendment to the program under section 18 of  
16 the Outer Continental Shelf Lands Act (43 U.S.C.  
17 1344).

18 “(c) REPORTS.—

19 “(1) FIRST PHASE.—Not later than 2 years  
20 after the date of enactment of this paragraph, the  
21 Secretary shall submit to Congress a report describ-  
22 ing the results of the first phase of the inventory  
23 and analysis under subsection (a).

24 “(2) SUBSEQUENT PHASES.—Not later than 2  
25 years after the date on which the report is submitted

1 under paragraph (1) and 2 years thereafter, the Sec-  
2 retary shall submit to Congress a report describing  
3 the results of the second and third phases, respec-  
4 tively, of the inventory and analysis under subsection  
5 (a).

6 “(3) PUBLIC AVAILABILITY.—A report sub-  
7 mitted under paragraph (1) or (2) shall be—

8 “(A) made publicly available; and

9 “(B) updated not less frequently than once  
10 every 5 years.”.

11 (b) RELATIONSHIP TO 5-YEAR PROGRAM.—The re-  
12 quirement that the Secretary of the Interior carry out the  
13 inventory required by the amendment made by subsection  
14 (a) shall not be considered to require, authorize, or provide  
15 a basis or justification for delay by the Secretary of the  
16 Interior or any other agency of the issuance of any outer  
17 Continental Shelf leasing program or amendment to the  
18 program under section 18 of the Outer Continental Shelf  
19 Lands Act (43 U.S.C. 1344), or any lease sale pursuant  
20 to that section.

21 (c) PERMITS.—Nothing in this section or an amend-  
22 ment made by this section precludes the issuance by the  
23 Secretary of the Interior of a permit to conduct geological  
24 and geophysical exploration of the outer Continental Shelf

1 in accordance with the Outer Continental Shelf Lands Act  
2 (43 U.S.C. 1331 et seq.) and other applicable law.

3 (d) FUNDING.—Section 999H(d) of the Energy Pol-  
4 icy Act of 2005 (42 U.S.C. 16378(d)) is amended by strik-  
5 ing paragraph (1) and inserting the following:

6 “(1) 35 percent shall be used for activities  
7 under section 999A(b)(1), except that for each of  
8 fiscal years 2010 through 2015 the amount made  
9 available under this paragraph shall be used to carry  
10 out section 357 (including completing necessary en-  
11 vironmental analyses under the National Environ-  
12 mental Policy Act of 1969 (42 U.S.C. 4321 et seq.)  
13 and using seismic technology to obtain accurate re-  
14 source estimates).”.

15 (e) AUTHORIZATION OF APPROPRIATIONS.—There  
16 are authorized to be appropriated to carry out this section,  
17 to be available until expended without fiscal year limita-  
18 tion—

19 (1) \$100,000,000 for each of fiscal years 2010  
20 through 2015; and

21 (2) \$50,000,000 for each of fiscal years 2016  
22 through 2020.

1 **SEC. 335. MINERALS MANAGEMENT SERVICE.**

2 Title III of the Federal Oil and Gas Royalty Manage-  
3 ment Act of 1982 (30 U.S.C. 1751 et seq.) is amended  
4 by adding at the end the following:

5 **“SEC. 310. MINERALS MANAGEMENT SERVICE.**

6 “(a) DIRECTOR.—Any Director of the Minerals Man-  
7 agement Service shall be appointed by the President, by  
8 and with the advice and consent of the Senate.

9 “(b) DISCRETION.—Nothing in this section affects  
10 the discretion granted to the Secretary by Reorganization  
11 Plan No. 3 of 1950 (43 U.S.C. 1451 note; 64 Stat. 1262;  
12 85 Stat. 76).”.

13 **SEC. 336. PRESERVATION OF GEOLOGICAL AND GEO-**  
14 **PHYSICAL DATA.**

15 Section 351(k) of the Energy Policy Act of 2005 (42  
16 U.S.C. 15908(k)) is amended by striking “2010” and in-  
17 serting “2020”.

18 **SEC. 337. ALASKA OCS PERMIT PROCESSING COORDINA-**  
19 **TION OFFICE.**

20 (a) ESTABLISHMENT.—The Secretary of the Interior  
21 (referred to in this section as the “Secretary”) shall estab-  
22 lish a regional joint outer Continental Shelf lease and per-  
23 mit processing office for the Alaska outer Continental  
24 Shelf region.

25 (b) MEMORANDUM OF UNDERSTANDING.—

1           (1) IN GENERAL.—Not later than 90 days after  
2 the date of enactment of this Act, the Secretary  
3 shall enter into a memorandum of understanding for  
4 the purposes of carrying out this section with—

5                   (A) the Secretary of Commerce;

6                   (B) the Chief of Engineers;

7                   (C) the Administrator of the Environ-  
8 mental Protection Agency; and

9                   (D) any other Federal agency that may  
10 have a role in permitting activities.

11           (2) STATE PARTICIPATION.—The Secretary  
12 shall request that the Governor of Alaska be a signa-  
13 tory to the memorandum of understanding.

14           (c) DESIGNATION OF QUALIFIED STAFF.—

15                   (1) IN GENERAL.—Not later than 30 days after  
16 the date of the signing of the memorandum of un-  
17 derstanding under subsection (b), each Federal sig-  
18 natory party shall, if appropriate, assign to the of-  
19 fice described in subsection (a) an employee who has  
20 expertise in the regulatory issues administered by  
21 the office in which the employee is employed relating  
22 to leasing and the permitting of oil and gas activities  
23 on the outer Continental Shelf.

24                   (2) DUTIES.—An employee assigned under  
25 paragraph (1) shall—

1 (A) not later than 90 days after the date  
2 of assignment, report to the office described in  
3 subsection (a);

4 (B) be responsible for all issues relating to  
5 the jurisdiction of the home office or agency of  
6 the employee; and

7 (C) participate as part of the team of per-  
8 sonnel working on proposed oil and gas leasing  
9 and permitting, including planning and environ-  
10 mental analyses.

11 (d) TRANSFER OF FUNDS.—For the purposes of co-  
12 ordination and processing of oil and gas use authorizations  
13 for the Alaska outer Continental Shelf region, the Sec-  
14 retary may authorize the expenditure or transfer of such  
15 funds as are necessary to—

16 (1) the Secretary of Commerce;

17 (2) the Chief of Engineers;

18 (3) the Administrator of the Environmental  
19 Protection Agency;

20 (4) any other Federal agency having a role in  
21 permitting activities; and

22 (5) the State of Alaska.

23 (e) SAVINGS PROVISION.—Nothing in this section af-  
24 fects—

1 (1) the operation of any Federal or State law;

2 or

3 (2) any delegation of authority made by the  
4 head of a Federal agency for employees that are as-  
5 signed to the coordination office.

6 (f) AUTHORIZATION OF APPROPRIATIONS.—There is  
7 authorized to be appropriated to carry out this section  
8 \$2,000,000 for each of fiscal years 2009 through 2019,  
9 to remain available until expended.

10 **SEC. 338. ALASKA NATURAL GAS PIPELINE.**

11 Section 116 of the Alaska Natural Gas Pipeline Act  
12 (15 U.S.C. 720n) is amended—

13 (1) in subsection (a)(3)—

14 (A) in the first sentence, by inserting be-  
15 fore the period at the end the following: “, ex-  
16 cept that a holder of a certificate may request  
17 the Secretary to extend the period to issue Fed-  
18 eral guarantee instruments for not more than  
19 180 days following the date of resolution of any  
20 reopening, contest, or other proceeding relating  
21 to the certificate”; and

22 (B) in the second sentence, by inserting  
23 before the period at the end the following: “, or  
24 connecting to pipeline infrastructure capable of

1 delivering commercially economic quantities of  
2 natural gas to the continental United States”;

3 (2) in subsection (b)—

4 (A) by striking paragraph (2);

5 (B) by redesignating paragraphs (3) and  
6 (4) as paragraphs (2) and (3), respectively; and

7 (C) in paragraph (2) (as so redesignated),  
8 by striking “and completion guarantees”;

9 (3) in subsection (c)(2), by striking  
10 “\$18,000,000,000” and inserting  
11 “\$30,000,000,000”;

12 (4) in subsection (d)—

13 (A) in the first sentence of paragraph (1),  
14 by inserting before the period at the end the  
15 following: “, except that an issued loan guar-  
16 antee instrument shall apply to not less than 80  
17 percent of project costs unless by previous con-  
18 sent of the borrower”; and

19 (B) in paragraph (2), by striking “An eli-  
20 gible” and inserting “A”; and

21 (5) in subsection (g)—

22 (A) by striking paragraph (2);

23 (B) by redesignating paragraphs (3) and  
24 (4) as paragraphs (2) and (3), respectively; and

1 (C) in paragraph (2) (as so redesignated),  
2 by inserting before the period at the end the  
3 following: “under subsection (a)(3), including  
4 direct lending from the Federal Financing  
5 Bank of all or a part of the amount to the hold-  
6 er, in lieu of a guarantee”.

7 **SEC. 339. DENALI NATIONAL PARK AND PRESERVE NAT-**  
8 **URAL GAS PIPELINE.**

9 (a) DEFINITIONS.—In this section:

10 (1) APPURTENANCE.—

11 (A) IN GENERAL.—The term “appur-  
12 tenance” includes cathodic protection or test  
13 stations, valves, signage, and buried commu-  
14 nication and electric cables.

15 (B) EXCLUSIONS.—The term “appur-  
16 tenance” does not include compressor stations.

17 (2) PARK.—The term “Park” means the Denali  
18 National Park and Preserve in the State of Alaska.

19 (3) SECRETARY.—The term “Secretary” means  
20 the Secretary of the Interior.

21 (b) PERMIT.—The Secretary may issue right-of-way  
22 permits for—

23 (1) a high-pressure natural gas transmission  
24 pipeline (including appurtenances) in non-wilderness  
25 areas within the boundary of Denali National Park

1 within, along, or near the approximately 7-mile seg-  
2 ment of the George Parks Highway that runs  
3 through the Park; and

4 (2) any distribution and transmission pipelines  
5 and appurtenances that the Secretary determines to  
6 be necessary to provide natural gas supply to the  
7 Park.

8 (c) TERMS AND CONDITIONS.—If a permit is issued  
9 under subsection (b), the permit—

10 (1) may be issued only—

11 (A) if the permit is consistent with the  
12 laws (including regulations) generally applicable  
13 to utility rights-of-way within units of the Na-  
14 tional Park System;

15 (B) in accordance with section 1106(a) of  
16 the Alaska National Interest Lands Conserva-  
17 tion Act (16 U.S.C. 3166(a)); and

18 (C) if, following an appropriate analysis  
19 prepared in compliance with the National Envi-  
20 ronmental Policy Act of 1969 (42 U.S.C. 4321  
21 et seq.), the route of the right-of-way through  
22 the Park is the route with the least adverse en-  
23 vironmental effects for the Park; and

24 (2) shall be subject to such terms and condi-  
25 tions as the Secretary determines to be necessary.