

112TH CONGRESS
1ST SESSION

S. _____

To facilitate appropriate oil and gas development on Federal land and waters,
to limit the dependence of the United States on foreign sources of
oil and gas, and for other purposes.

IN THE SENATE OF THE UNITED STATES

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

A BILL

To facilitate appropriate oil and gas development on Federal
land and waters, to limit the dependence of the United
States on foreign sources of oil and gas, and for other
purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Oil and Gas Facilitation Act of 2011”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definition of Secretary.

2

TITLE I—OIL AND GAS LEASING

- Sec. 101. Extension of Oil and Gas Permit Processing Improvement Fund.
Sec. 102. Facilitation of coproduction of geothermal energy on oil and gas leases.

TITLE II—OUTER CONTINENTAL SHELF

- Sec. 201. Comprehensive inventory of outer Continental Shelf resources.
Sec. 202. Alaska OCS permit processing coordination office.
Sec. 203. Phase-out of mandatory Outer Continental Shelf deep water and deep gas royalty relief for future leases.

TITLE III—MISCELLANEOUS

- Sec. 301. Facilitation of Alaska natural gas pipeline.
Sec. 302. Exemption of trans-Alaska oil pipeline system from certain requirements.
Sec. 303. Permits for natural gas pipeline in Denali National Park and Preserve.

1 **SEC. 2. DEFINITION OF SECRETARY.**

2 In this Act, the term “Secretary” means the Sec-
3 retary of the Interior.

4 **TITLE I—OIL AND GAS LEASING**

5 **SEC. 101. EXTENSION OF OIL AND GAS PERMIT PROC-**
6 **ESSING IMPROVEMENT FUND.**

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

9 “(4) AUTHORIZATION OF APPROPRIATIONS.—

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

1 scribed in section 365(d) of the Energy Policy Act
2 of 2005 (42 U.S.C. 15924(d)) \$20,000,000 for each
3 of fiscal years 2016 through 2020, to remain avail-
4 able until expended.”.

5 **SEC. 102. FACILITATION OF COPRODUCTION OF GEO-**
6 **THERMAL ENERGY ON OIL AND GAS LEASES.**

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

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

19 “(A) on a determination that—

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

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

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

3 **TITLE II—OUTER CONTINENTAL**
4 **SHELF**

5 **SEC. 201. COMPREHENSIVE INVENTORY OF OUTER CONTI-**
6 **NENTAL SHELF RESOURCES.**

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

9 (1) in subsection (a)—

10 (A) by striking the first sentence of the
11 matter preceding paragraph (1) and inserting
12 the following: “The Secretary shall conduct a
13 comprehensive inventory of oil and natural gas
14 (including executing or otherwise facilitating
15 seismic studies of resources) and prepare a
16 summary (the latter prepared with the assist-
17 ance of, and based on information provided by,
18 the heads of appropriate Federal agencies) of
19 the information obtained under paragraph (3),
20 for the waters of the United States Outer Con-
21 tinental Shelf (referred to in this section as the
22 ‘OCS’) in the Atlantic Region, the Eastern Gulf
23 of Mexico, and the Alaska Region.”;

24 (B) in paragraph (2)—

1 (i) by striking “3-D” and inserting
2 “2-D and 3-D”; and

3 (ii) by adding “and” at the end; and
4 (C) by striking paragraphs (3) through (5)
5 and inserting in the following:

6 “(3) use existing inventories and mapping of
7 marine resources undertaken by the National Ocean-
8 ographic and Atmospheric Administration and with
9 the assistance of and based on information provided
10 by the Department of Defense and other Federal
11 and State agencies possessing relevant data, and use
12 any available data regarding alternative energy po-
13 tential, navigation uses, fisheries, aquaculture uses,
14 recreational uses, habitat, conservation, and military
15 uses.”; and

16 (2) by striking subsection (b) and inserting the
17 following:

18 “(b) IMPLEMENTATION.—The Secretary shall carry
19 out the inventory and analysis under subsection (a) in 3
20 phases, with priority given to all or part of applicable plan-
21 ning areas of the outer Continental Shelf—

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

24 “(2) outside of any leased area or area sched-
25 uled for leasing prior to calendar year 2011 under

1 any outer Continental Shelf 5-year leasing program
2 or amendment to the program under section 18 of
3 the Outer Continental Shelf Lands Act (43 U.S.C.
4 1344).

5 “(c) PLAN.—

6 “(1) IN GENERAL.—Not later than 90 days
7 after the date of enactment of this paragraph, the
8 Secretary shall submit to the Committee on Energy
9 and Natural Resources of the Senate and the Com-
10 mittee on Natural Resources of the House of Rep-
11 resentatives a report that provides a plan for exe-
12 cuting or otherwise facilitating the seismic studies
13 required under this section, including an estimate of
14 the costs to complete the seismic inventory by region
15 and environmental and permitting activities to facili-
16 tate expeditious completion.

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

22 “(3) SUBSEQUENT PHASES.—Not later than 2
23 years after the date on which the report is submitted
24 under paragraph (2) and 2 years thereafter, the Sec-
25 retary shall submit to Congress a report describing

1 the results of the second and third phases, respec-
2 tively, of the inventory and analysis under subsection
3 (a).

4 “(4) PUBLIC AVAILABILITY.—A report sub-
5 mitted under paragraph (2) or (3) shall be—

6 “(A) made publicly available; and

7 “(B) updated not less frequently than once
8 every 5 years.”.

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

18 (c) PERMITS.—Nothing in this section or an amend-
19 ment made by this section—

20 (1) precludes the issuance by the Secretary of
21 a permit to conduct geological and geophysical explo-
22 ration of the outer Continental Shelf in accordance
23 with the Outer Continental Shelf Lands Act (43
24 U.S.C. 1331 et seq.) and other applicable law; or

1 (2) otherwise alters the requirements of applica-
2 ble law with respect to the issuance of such a permit
3 or any other activities undertaken by the Secretary
4 in connection with the inventory.

5 (d) AUTHORIZATION OF APPROPRIATIONS.—There
6 are authorized to be appropriated to carry out this section,
7 to be available until expended without fiscal year limita-
8 tion—

9 (1) \$100,000,000 for each of fiscal years 2012
10 through 2017; and

11 (2) \$50,000,000 for each of fiscal years 2018
12 through 2022.

13 **SEC. 202. ALASKA OCS PERMIT PROCESSING COORDINA-**
14 **TION OFFICE.**

15 (a) ESTABLISHMENT.—The Secretary shall establish
16 a regional joint outer Continental Shelf lease and permit
17 processing office for the Alaska outer Continental Shelf
18 region.

19 (b) MEMORANDUM OF UNDERSTANDING.—

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

24 (A) the Secretary of Commerce;

25 (B) the Chief of Engineers;

1 (C) the Administrator of the Environ-
2 mental Protection Agency; and

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

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

8 (c) DESIGNATION OF QUALIFIED STAFF.—

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

18 (2) DUTIES.—An employee assigned under
19 paragraph (1) shall—

20 (A) not later than 90 days after the date
21 of assignment, report to the office described in
22 subsection (a);

23 (B) be responsible for all issues relating to
24 the jurisdiction of the home office or agency of
25 the employee; and

1 (C) participate as part of the applicable
2 team of personnel working on proposed oil and
3 gas leasing and permitting, including planning
4 and environmental analyses.

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

10 (1) the Secretary of Commerce;

11 (2) the Chief of Engineers;

12 (3) the Administrator of the Environmental
13 Protection Agency;

14 (4) any other Federal agency having a role in
15 permitting activities; and

16 (5) the State of Alaska.

17 (e) SAVINGS PROVISION.—Nothing in this section af-
18 fects—

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

20 or

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

24 (f) AUTHORIZATION OF APPROPRIATIONS.—There is
25 authorized to be appropriated to carry out this section

1 \$2,000,000 for each of fiscal years 2012 through 2022,
2 to remain available until expended.

3 **SEC. 203. PHASE-OUT OF MANDATORY OUTER CONTI-**
4 **NENTAL SHELF DEEP WATER AND DEEP GAS**
5 **ROYALTY RELIEF FOR FUTURE LEASES.**

6 (a) IN GENERAL.—Sections 344 and 345 of the En-
7 ergy Policy Act of 2005 (42 U.S.C. 15904, 15905) are
8 repealed.

9 (b) ADMINISTRATION.—The Secretary shall not be
10 required to provide for royalty relief in the lease sale terms
11 beginning with the first lease sale held on or after the date
12 of enactment of this Act for which a final notice of sale
13 has not been published.

14 **TITLE III—MISCELLANEOUS**

15 **SEC. 301. FACILITATION OF ALASKA NATURAL GAS PIPE-**
16 **LINE.**

17 Section 116 of the Alaska Natural Gas Pipeline Act
18 (15 U.S.C. 720n) is amended—

19 (1) in subsection (a)(3)—

20 (A) in the first sentence, by inserting be-
21 fore the period at the end the following: “, ex-
22 cept that a holder of a certificate may request
23 the Secretary to extend the period to issue Fed-
24 eral guarantee instruments for not more than
25 180 days following the date of resolution of any

1 reopening, contest, or other proceeding relating
2 to the certificate”; and

3 (B) in the second sentence, by inserting
4 before the period at the end the following: “, or
5 connecting to pipeline infrastructure capable of
6 delivering commercially economic quantities of
7 natural gas to the continental United States”;
8 (2) in subsection (b)—

9 (A) by striking paragraph (2);

10 (B) by redesignating paragraphs (3) and
11 (4) as paragraphs (2) and (3), respectively; and

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

14 (3) in subsection (c)(2), by striking
15 “\$18,000,000,000” and inserting
16 “\$30,000,000,000”;

17 (4) in subsection (d)—

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

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

1 (5) in subsection (g)—

2 (A) by striking paragraph (2);

3 (B) by redesignating paragraphs (3) and

4 (4) as paragraphs (2) and (3), respectively; and

5 (C) in paragraph (2) (as so redesignated),

6 by inserting before the period at the end the

7 following: “under subsection (a)(3), including

8 direct lending from the Federal Financing

9 Bank of all or a part of the amount to the hold-

10 er, in lieu of a guarantee”.

11 **SEC. 302. EXEMPTION OF TRANS-ALASKA OIL PIPELINE**

12 **SYSTEM FROM CERTAIN REQUIREMENTS.**

13 The Trans-Alaska Pipeline Authorization Act (43

14 U.S.C. 1651 et seq.) is amended by adding at the end

15 the following:

16 **“SEC. 208. EXEMPTION OF TRANS-ALASKA OIL PIPELINE**

17 **SYSTEM FROM CERTAIN REQUIREMENTS.**

18 “(a) IN GENERAL.—Except as provided in subsection

19 (b), no part of the trans-Alaska oil pipeline system shall

20 be considered to be a district, site, building, structure, or

21 object for purposes of section 106 of the National Historic

22 Preservation Act (16 U.S.C. 470f), regardless of whether

23 all or part of the trans-Alaska oil pipeline system may oth-

24 erwise be listed on, or eligible for listing on, the National

25 Register of Historic Places.

1 “(b) INDIVIDUAL ELEMENTS.—

2 “(1) IN GENERAL.—Subject to subsection (c),
3 the Secretary of the Interior may identify up to 3
4 sections of the trans-Alaska oil pipeline system that
5 possess national or exceptional historic significance,
6 and that should remain after the pipeline is no
7 longer used for the purpose of oil transportation.

8 “(2) HISTORIC SITE.—Any sections identified
9 under paragraph (1) shall be considered to be a his-
10 toric site.

11 “(3) VIEWS.—In making the identification
12 under this subsection, the Secretary shall consider
13 the views of—

14 “(A) the owners of the pipeline;

15 “(B) the State Historic Preservation Offi-
16 cer;

17 “(C) the Advisory Council on Historic
18 Preservation; and

19 “(D) the Federal Coordinator for Alaska
20 Natural Gas Transportation Projects.

21 “(c) CONSTRUCTION, MAINTENANCE, RESTORATION,
22 AND REHABILITATION ACTIVITIES.—Subsection (b) does
23 not prohibit the owners of the trans-Alaska oil pipeline
24 system from carrying out construction, maintenance, res-

1 toration, or rehabilitation activities on or for a section of
2 the system described in subsection (b).”.

3 **SEC. 303. PERMITS FOR NATURAL GAS PIPELINE IN DENALI**
4 **NATIONAL PARK AND PRESERVE.**

5 (a) DEFINITIONS.—In this section:

6 (1) APPURTENANCE.—

7 (A) IN GENERAL.—The term “appur-
8 tenance” includes cathodic protection or test
9 stations, valves, signage, and buried commu-
10 nication and electric cables relating to the oper-
11 ation of high-pressure natural gas transmission.

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

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

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

18 (1) a high-pressure natural gas transmission
19 pipeline (including appurtenances) in non-wilderness
20 areas within the boundary of Denali National Park
21 within, along, or near the approximately 7-mile seg-
22 ment of the George Parks Highway that runs
23 through the Park; and

24 (2) any distribution and transmission pipelines
25 and appurtenances that the Secretary determines to

1 be necessary to provide natural gas supply to the
2 Park.

3 (c) TERMS AND CONDITIONS.—A permit authorized
4 under subsection (b)—

5 (1) may be issued only—

6 (A) if the permit is consistent with the
7 laws (including regulations) generally applicable
8 to utility rights-of-way within units of the Na-
9 tional Park System;

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

13 (C) if, following an appropriate analysis
14 prepared in compliance with the National Envi-
15 ronmental Policy Act of 1969 (42 U.S.C. 4321
16 et seq.), the route of the right-of-way is the
17 route through the Park with the least adverse
18 environmental effects for the Park; and

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