

Restoring Community Input and Public Protections in Oil and Gas Leasing Act

Section by Section

Sec. 1 establishes the Act as the Restoring Community Input and Public Protections in Oil and Gas Leasing Act of 2021.

Sec. 2 amends the Mineral Leasing Act to modernize the federal leasing process, including:

- Restricting lease sales held in each state to no more than 3 times each year and on a rotating basis so that the lands under any BLM field office are available for lease no more than one time each year;
- Increasing royalty rates for onshore leases to not less than 18.75 percent;
- Increasing national minimum acceptable bid amounts to \$5 per acre and requiring the Secretary of Interior to adjust national minimum bid amounts for inflation at least once every four years;
- Increasing annual rental rates for oil and gas leases to \$3 for the first 2 years and \$5 in each subsequent year;
- Ending the practice of non-competitive leasing;
- Reducing initial lease terms from 10 years to 5 years; and
- Requiring the inclusion of terms in all leases as are necessary to preserve the ability to control or prohibit activities that pose serious and unacceptable impacts to the value of the leased lands for uses other than production of oil and gas.

Sec. 3 ensures transparency in the leasing system and landowner protections, by:

- Requiring individuals or companies to disclose their identity when nominating or bidding on parcels to lease;
- Requiring the Secretary of the Interior to notify surface landowners and holders of special recreation permits when oil and gas leases are offered on lands near their property or permits; and
- Requiring a surface land use agreement between the oil and gas operator and the landowner guaranteeing that the operator will minimize the impact to the surface estate owner to the maximum extent practicable, reclaim the site properly, and compensate the landowner for any damages as a result of drilling operations.

Sec. 4 requires that lease stipulations are adequately protective of the resource for which the stipulations are applied.

Sec. 6 bolsters internal review and analysis of parcels offered for lease.

Sec. 7 imposes certain acreage limitations.

Sec. 8 requires BLM and the U.S. Forest Service to continue to manage lands under lease for multiple uses until a company begins operations on the lease.

Sec. 9 prohibits the Secretary of Interior from using any lease for oil shale before the Secretary issues a finding that the technical and economic feasibility of development of and production from such deposit has been demonstrated.

Sec. 10 ensures transparency by requiring that the identity of each lease holder or operator be made publically available on the internet.

Sec. 11 allows for cancellation of the lease if the lease was improperly issued.

Sec. 12 requires the Secretary of the Interior to charge companies a fee to nominate lands for leasing.

Sec. 13 imposes water quality requirements and safeguards including:

- Requiring an oil and gas operator to replace the water supply if it has been contaminated or interrupted as a result of drilling or fracking;
- Requiring best management practices and appropriately available technologies are used to prevent, to the maximum extent possible, the long-term or permanent degradation of the surface or ground water source;
- Requiring all applications for a permit to drill on federal land to include a proposed water management plan in order to protect the quantity and quality of surface and ground water systems from adverse effects of the exploration, development, and reclamation processes.

Sec. 14 requires the Secretary of the Interior to issue regulations governing the use of hydraulic fracturing under oil and gas leases for federal lands, which should include baseline water testing and public disclosure of each chemical used for hydraulic fracturing.