

119TH CONGRESS
1ST SESSION

S. 722

To streamline the oil and gas permitting process and to recognize fee ownership for certain oil and gas drilling or spacing units, and for other purposes.

IN THE SENATE OF THE UNITED STATES

FEBRUARY 25, 2025

Mr. HOEVEN (for himself, Mr. BARRASSO, Mr. CRAMER, and Mr. DAINES) introduced the following bill; which was read twice and referred to the Committee on Energy and Natural Resources

A BILL

To streamline the oil and gas permitting process and to recognize fee ownership for certain oil and gas drilling or spacing units, 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.**

4 This Act may be cited as the “Bureau of Land Man-
5 agement Mineral Spacing Act”.

6 **SEC. 2. COMPLIANCE WITH BLM PERMITTING.**

7 (a) IN GENERAL.—Notwithstanding the Mineral
8 Leasing Act (30 U.S.C. 181 et seq.), the Federal Oil and
9 Gas Royalty Management Act of 1982 (30 U.S.C. 1701

1 et seq.), or subpart 3162 of part 3160 of title 43, Code
2 of Federal Regulations (or successor regulations), but sub-
3 ject to any applicable State or Tribal requirements and
4 subsection (c), the Secretary of the Interior shall not re-
5 quire a permit to drill for an oil and gas lease under the
6 Mineral Leasing Act (30 U.S.C. 181 et seq.) for an action
7 occurring within an oil and gas drilling or spacing unit
8 if—

9 (1) the Federal Government—

10 (A) owns less than 50 percent of the min-
11 erals within the oil and gas drilling or spacing
12 unit; and

13 (B) does not own or lease the surface es-
14 tate within the area directly impacted by the
15 action;

16 (2) the well is located on non-Federal land over-
17 lying a non-Federal mineral estate, but some portion
18 of the wellbore enters and produces from the Fed-
19 eral mineral estate subject to the lease; or

20 (3) the well is located on non-Federal land over-
21 lying a non-Federal mineral estate, but some portion
22 of the wellbore traverses but does not produce from
23 the Federal mineral estate subject to the lease.

1 (b) NOTIFICATION.—For each State permit to drill
2 or drilling plan that would impact or extract oil and gas
3 owned by the Federal Government—

4 (1) each lessee of Federal minerals in the unit,
5 or designee of a lessee, shall—

6 (A) notify the Secretary of the Interior of
7 the submission of a State application for a per-
8 mit to drill or drilling plan on submission of the
9 application; and

10 (B) provide a copy of the application de-
11 scribed in subparagraph (A) to the Secretary of
12 the Interior not later than 5 days after the date
13 on which the permit or plan is submitted;

14 (2) each lessee, designee of a lessee, or applica-
15 ble State shall notify the Secretary of the Interior of
16 the approved State permit to drill or drilling plan
17 not later than 45 days after the date on which the
18 permit or plan is approved; and

19 (3) each lessee or designee of a lessee shall pro-
20 vide, prior to commencing drilling operations, agree-
21 ments authorizing the Secretary of the Interior to
22 enter non-Federal land, as necessary, for inspection
23 and enforcement of the terms of the Federal lease.

24 (c) NONAPPLICABILITY TO INDIAN LANDS.—Sub-
25 section (a) shall not apply to Indian lands (as defined in

1 section 3 of the Federal Oil and Gas Royalty Management
 2 Act of 1982 (30 U.S.C. 1702)).

3 (d) EFFECT.—Nothing in this section affects—

4 (1) other authorities of the Secretary of the In-
 5 terior under the Federal Oil and Gas Royalty Man-
 6 agement Act of 1982 (30 U.S.C. 1701 et seq.); or

7 (2) the amount of royalties due to the Federal
 8 Government from the production of the Federal min-
 9 erals within the oil and gas drilling or spacing unit.

10 (e) AUTHORITY ON NON-FEDERAL LAND.—Section
 11 17(g) of the Mineral Leasing Act (30 U.S.C. 226(g)) is
 12 amended—

13 (1) by striking the subsection designation and
 14 all that follows through “Secretary of the Interior,
 15 or” in the first sentence and inserting the following:

16 “(g)(1) The Secretary of the Interior, or”; and

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

18 “(2)(A) In the case of an oil and gas lease under this
 19 Act on land described in subparagraph (B) located within
 20 an oil and gas drilling or spacing unit, nothing in this Act
 21 authorizes the Secretary of the Interior—

22 “(i) to require a bond to protect non-Federal
 23 land;

24 “(ii) to enter non-Federal land without the con-
 25 sent of the applicable landowner;

1 “(iii) to impose mitigation requirements; or

2 “(iv) to require approval for surface reclama-
3 tion.

4 “(B) Land referred to in subparagraph (A) is land
5 where—

6 “(i) the Federal Government—

7 “(I) owns less than 50 percent of the min-
8 erals within the oil and gas drilling or spacing
9 unit; and

10 “(II) does not own or lease the surface es-
11 tate within the area directly impacted by the
12 action;

13 “(ii) the well is located on non-Federal land
14 overlying a non-Federal mineral estate, but some
15 portion of the wellbore enters and produces from the
16 Federal mineral estate subject to the lease; or

17 “(iii) the well is located on non-Federal land
18 overlying a non-Federal mineral estate, but some
19 portion of the wellbore traverses but does not
20 produce from the Federal mineral estate subject to
21 the lease.”.

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