

105TH CONGRESS
2D SESSION

H. R. 4598

To protect the sanctity of contracts and leases entered into by surface patent holders with respect to coalbed methane gas.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 18, 1998

Mrs. CUBIN introduced the following bill; which was referred to the Committee on Resources

A BILL

To protect the sanctity of contracts and leases entered into by surface patent holders with respect to coalbed methane gas.

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. PROTECTION OF SANCTITY OF CONTRACTS**
4 **AND LEASES OF SURFACE PATENT HOLDERS**
5 **WITH RESPECT TO COALBED METHANE GAS.**

6 (a) IN GENERAL.—Subject to subsection (b), the
7 United States shall recognize as not infringing upon any
8 ownership rights of the United States to coalbed methane
9 any—

1 (1) contract or lease covering any land that was
2 conveyed by the United States under the Act enti-
3 tled “An Act for the protection of surface rights of
4 entrymen”, approved March 3, 1909 (30 U.S.C. 81),
5 or the Act entitled “An Act to provide for agricul-
6 tural entries on coal lands”, approved June 22,
7 1910 (30 U.S.C. 83 et seq.), that—

8 (A) was entered into by a person who has
9 title to the land derived under those Acts, and

10 (B) conveys rights to explore for, extract,
11 and sell coalbed methane from the land; or

12 (2) coalbed methane production from the land
13 described in paragraph (1) by a person who has title
14 to the land and who, on or before the date of enact-
15 ment of this Act, has filed an application with the
16 State oil and gas regulating agency for a permit to
17 drill an oil and gas well to a completion target lo-
18 cated in a coal formation.

19 (b) APPLICATION.—Subsection (a)—

20 (1) shall apply only to a valid contract or lease
21 described in subsection (a) that is in effect on the
22 date of enactment of this Act;

23 (2) shall not otherwise change the terms or con-
24 ditions of, or affect the rights or obligations of any
25 person under, such a contract or lease;

1 (3) shall apply only to land with respect to
2 which the United States is the owner of coal re-
3 served to the United States in a patent issued under
4 the Act of March 3, 1909 (30 U.S.C. 81), or the Act
5 of June 22, 1910 (30 U.S.C. 83 et seq.), the posi-
6 tion of the United States as the owner of the coal
7 not having passed to a third party by deed, patent,
8 or other conveyance by the United States;

9 (4) shall not apply to any interest in coal or
10 land conveyed, restored, or transferred by the
11 United States to a federally recognized Indian tribe,
12 including any conveyance, restoration, or transfer
13 made pursuant to the Indian Reorganization Act,
14 June 18, 1934 (c. 576, 48 Stat. 984, as amended);
15 the Act of June 28, 1938 (c. 776, 52 Stat. 1209 as
16 implemented by the order of September 14, 1938, 3
17 Fed. Reg. 1425); and including the area described in
18 §3 of Public Law 98–290; or any executive order;

19 (5) shall not be construed to constitute a waiver
20 of any rights of the United States with respect to
21 coalbed methane production that is not subject to
22 subsection (a); and

23 (6) shall not limit the right of any person who
24 entered into a contract or lease before the date of
25 enactment of this Act, or enters into a contract or

1 lease on or after the date of enactment of this Act,
2 for coal owned by the United States, to mine and re-
3 move the coal and to release coalbed methane with-
4 out liability to any person referred to in subsection
5 (a)(1)(A) or (a)(2).

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