

106TH CONGRESS  
1ST SESSION

# H. R. 3181

To permit the leasing of oil and gas rights on certain lands held in trust for the Navajo Nation or allotted to a member of the Navajo Nation, in any case in which there is consent from a specified percentage interest in the parcel of land under consideration for lease.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 28, 1999

Mr. UDALL of New Mexico (for himself, Mr. HAYWORTH, and Mr. CANNON) introduced the following bill; which was referred to the Committee on Resources

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## A BILL

To permit the leasing of oil and gas rights on certain lands held in trust for the Navajo Nation or allotted to a member of the Navajo Nation, in any case in which there is consent from a specified percentage interest in the parcel of land under consideration for lease.

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. LEASES OF NAVAJO INDIAN ALLOTTED LANDS.**

4       (a) DEFINITIONS.—In this section:

5               (1) INDIAN TRIBE.—The term “Indian tribe”  
6       has the meaning given the term in section 4(e) of

1 the Indian Self-Determination and Education Assist-  
2 ance Act (25 U.S.C. 450b(e)).

3 (2) INDIVIDUALLY OWNED NAVAJO INDIAN AL-  
4 LOTTED LAND.—The term “individually owned Nav-  
5 ajo Indian allotted land” means Navajo Indian allot-  
6 ted land that is owned in whole or in part by 1 or  
7 more individuals.

8 (3) NAVAJO INDIAN.—The term “Navajo In-  
9 dian” means a member of the Navajo Nation.

10 (4) NAVAJO INDIAN ALLOTTED LAND.—The  
11 term “Navajo Indian allotted land” means a single  
12 parcel of land that—

13 (A) is located within the jurisdiction of the  
14 Navajo Nation; and

15 (B)(i) is held in trust or restricted status  
16 by the United States for the benefit of Navajo  
17 Indians or members of another Indian tribe;  
18 and

19 (ii) was—

20 (I) allotted to a Navajo Indian; or

21 (II) taken into trust or restricted sta-  
22 tus by the United States for a Navajo In-  
23 dian.

1           (5) OWNER.—The term “owner” means, in the  
2           case of any interest in land described in paragraph  
3           (4)(B)(i), the beneficial owner of the interest.

4           (6) SECRETARY.—The term “Secretary” means  
5           the Secretary of the Interior.

6           (b) APPROVAL BY THE SECRETARY.—

7           (1) IN GENERAL.—The Secretary may approve  
8           an oil or gas lease or agreement that affects individ-  
9           ually owned Navajo Indian allotted land, if—

10                 (A) the owners of not less than the appli-  
11                 cable percentage (determined under paragraph  
12                 (2)) of the undivided interest in the Navajo In-  
13                 dian allotted land that is covered by the oil or  
14                 gas lease or agreement consent in writing to the  
15                 lease or agreement; and

16                 (B) the Secretary determines that approv-  
17                 ing the lease or agreement is in the best inter-  
18                 est of the owners of the undivided interest in  
19                 the Navajo Indian allotted land.

20           (2) PERCENTAGE INTEREST.—The applicable  
21           percentage referred to in paragraph (1)(A) shall be  
22           determined as follows:

23                 (A) If there are 10 or fewer owners of the  
24                 undivided interest in the Navajo Indian allotted

1 land, the applicable percentage shall be 100  
2 percent.

3 (B) If there are more than 10 such own-  
4 ers, but fewer than 51 such owners, the applica-  
5 ble percentage shall be 80 percent.

6 (C) If there are 51 or more such owners,  
7 the applicable percentage shall be 60 percent.

8 (3) AUTHORITY OF SECRETARY TO SIGN LEASE  
9 OR AGREEMENT ON BEHALF OF CERTAIN OWN-  
10 ERS.—The Secretary may give written consent to an  
11 oil or gas lease or agreement under paragraph (1)  
12 on behalf of an individual Indian owner if—

13 (A) the owner is deceased and the heirs to,  
14 or devisees of, the interest of the deceased  
15 owner have not been determined; or

16 (B) the heirs or devisees referred to in  
17 subparagraph (A) have been determined, but 1  
18 or more of the heirs or devisees cannot be lo-  
19 cated.

20 (4) EFFECT OF APPROVAL.—

21 (A) APPLICATION TO ALL PARTIES.—

22 (i) IN GENERAL.—Subject to subpara-  
23 graph (B), an oil or gas lease or agreement  
24 approved by the Secretary under para-  
25 graph (1) shall be binding on the parties

described in clause (ii), to the same extent as if all of the owners of the undivided interest in Navajo Indian allotted land covered under the lease or agreement consented to the lease or agreement.

(ii) DESCRIPTION OF PARTIES.—The parties referred to in clause (i) are—

(I) the owners of the undivided interest in the Navajo Indian allotted land covered under the lease or agreement referred to in clause (i); and

(II) all other parties to the lease or agreement.

(B) EFFECT ON INDIAN TRIBE.—If—

(i) an Indian tribe is the owner of a portion of an undivided interest in Navajo Indian allotted land; and

(ii) an oil or gas lease or agreement under paragraph (1) is otherwise applicable to such portion by reason of this subsection even though the Indian tribe did not consent to the lease or agreement,

then the lease or agreement shall apply to such portion of the undivided interest (including entitlement of the Indian tribe to payment under

1 the lease or agreement), but the Indian tribe  
2 shall not be treated as a party to the lease or  
3 agreement and nothing in this subsection (or in  
4 the lease or agreement) shall be construed to  
5 affect the sovereignty of the Indian tribe.

6 (5) DISTRIBUTION OF PROCEEDS.—

7 (A) IN GENERAL.—The proceeds derived  
8 from an oil or gas lease or agreement that is  
9 approved by the Secretary under paragraph (1)  
10 shall be distributed to all owners of the undi-  
11 vided interest in the Navajo Indian allotted land  
12 covered under the lease or agreement.

13 (B) DETERMINATION OF AMOUNTS DIS-  
14 TRIBUTED.—The amount of the proceeds under  
15 subparagraph (A) distributed to each owner  
16 under that subparagraph shall be determined in  
17 accordance with the portion of the undivided in-  
18 terest in the Navajo Indian allotted land cov-  
19 ered under the lease or agreement that is owned  
20 by that owner.

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