

**Calendar No. 554**117<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION**S. 4227****[Report No. 117-203]**

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.

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**IN THE SENATE OF THE UNITED STATES**

MAY 16, 2022

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

NOVEMBER 17, 2022

Reported by Mr. MANCHIN, with amendments

[Omit the part struck through and insert the part printed in *italic*]

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**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,*

1 **SECTION 1. COMPLIANCE WITH BLM PERMITTING.**

2 (a) ~~IN GENERAL.~~—Notwithstanding any other provi-  
 3 sion of law but subject to any State requirements, a Bu-  
 4 reau of Land Management drilling permit shall not be re-  
 5 quired under the Federal Oil and Gas Royalty Manage-  
 6 ment Act of 1982 (30 U.S.C. 1701 et seq.) or section  
 7 3164.1 of title 43, Code of Federal Regulations (or a suc-  
 8 cessor regulation), for an action occurring within an oil  
 9 and gas drilling or spacing unit if—

10 (a) *IN GENERAL.*—*Notwithstanding the Mineral Leas-*  
 11 *ing Act (30 U.S.C. 181 et seq.), the Federal Oil and Gas*  
 12 *Royalty Management Act of 1982 (30 U.S.C. 1701 et seq.),*  
 13 *or subpart 3162 of title 43, Code of Federal Regulations*  
 14 *(or successor regulations), but subject to any State or Tribal*  
 15 *requirements and subsection (c), the Secretary of the Inte-*  
 16 *rior shall not require a permit to drill for an oil and gas*  
 17 *lease under the Mineral Leasing Act (30 U.S.C. 181 et seq.)*  
 18 *for an action occurring within an oil and gas drilling or*  
 19 *spacing unit if—*

20 (1) less than 50 percent of the minerals within  
 21 the oil and gas drilling or spacing unit are minerals  
 22 owned by the Federal Government; and

23 (2) the Federal Government does not own or  
 24 lease the surface estate within the area directly im-  
 25 pacted by the action.

1       (b) NOTIFICATION.—Each State with an approved  
2 permit to drill or drilling plan that would impact or extract  
3 oil and gas owned by the Federal Government shall notify  
4 the Secretary of the Interior of the approved permit to  
5 drill or drilling plan not later than 45 days after the date  
6 on which the permit or plan is approved.

7       (c) ROYALTIES.—Nothing in this section affects the  
8 amount of royalties due to the Federal Government from  
9 the production of the Federal minerals within the oil and  
10 gas drilling or spacing unit.

11       (b) NOTIFICATION.—*For each State permit to drill or*  
12 *drilling plan that would impact or extract oil and gas*  
13 *owned by the Federal Government—*

14               (1) *each lessee, or designee of a lessee, shall—*

15                       (A) *notify the Secretary of the Interior of*  
16 *the submission of a State application for a per-*  
17 *mit to drill or drilling plan on submission of the*  
18 *application; and*

19                       (B) *provide a copy of the application de-*  
20 *scribed in subparagraph (A) to the Secretary of*  
21 *the Interior not later than 5 days after the date*  
22 *on which the permit or plan is submitted; and*

23               (2) *each lessee, designee of a lessee, or applicable*  
24 *State shall notify the Secretary of the Interior of the*  
25 *approved State permit to drill or drilling plan not*

1       *later than 45 days after the date on which the permit*  
2       *or plan is approved.*

3       (c) *NONAPPLICABILITY TO INDIAN LANDS.*—*Subsection*  
4       (i) *shall not apply to Indian lands (as defined in section*  
5       3 *of the Federal Oil and Gas Royalty Management Act of*  
6       1982 *(30 U.S.C. 1702)).*

7       (d) *EFFECT.*—*Nothing in this section affects—*

8               (1) *other authorities of the Secretary of the Inte-*  
9               *rior under the Federal Oil and Gas Royalty Manage-*  
10              *ment Act of 1982 (30 U.S.C. 1701 et seq.); or*

11              (2) *the amount of royalties due to the Federal*  
12              *Government from the production of the Federal min-*  
13              *erals within the oil and gas drilling or spacing unit.*



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