

AMENDMENT RULES COMMITTEE PRINT 116-63
OFFERED BY MS. DEGETTE OF COLORADO

At the end of subtitle F of title XII, add the following:

1 **SEC. ____ . GAS WASTE REDUCTION AND ENHANCEMENT OF**
2 **GAS MEASURING AND REPORTING.**

3 (a) IN GENERAL.—Title I of the Federal Oil and Gas
4 Royalty Management Act of 1982 (30 U.S.C. 1711 et
5 seq.) is amended by adding at the end the following:

6 **“SEC. 118. GAS WASTE REDUCTION AND ENHANCEMENT OF**
7 **GAS MEASURING AND REPORTING.**

8 “(a) REGULATIONS FOR PREVENTING AND REDUC-
9 ING WASTE OF GAS VIA VENTING, FLARING, AND FUGI-
10 TIVE RELEASES.—

11 “(1) REQUIREMENT TO ISSUE REGULATIONS.—

12 Not later than 2 years after the date of enactment
13 of this section, the Secretary shall issue regulations
14 pursuant to the Secretary’s authority under the Min-
15 eral Leasing Act, the Federal Land Policy and Man-
16 agement Act of 1976, the Indian Mineral Leasing
17 Act of 1938, and other statutes authorizing the Sec-
18 retary to regulate oil and gas activities on Federal
19 land and Indian lands, that establish requirements

1 for reducing and preventing the waste of gas, includ-
2 ing by venting, flaring, and fugitive releases, from
3 covered operations.

4 “(2) CONTENT OF REGULATIONS.—The regula-
5 tions shall, with respect to covered operations—

6 “(A) require that, beginning not later than
7 3 years after the date of enactment of this sec-
8 tion, each operator captures at least 85 percent
9 of all gas produced in each year from each on-
10 shore well that is subject to a mineral leasing
11 law;

12 “(B) require that, beginning not later than
13 5 years after the date of enactment of this sec-
14 tion, each operator captures at least 99 percent
15 of all gas produced in each year from each on-
16 shore well that is subject to a mineral leasing
17 law;

18 “(C) require flaring of gas, rather than
19 venting, in all instances in which gas is not cap-
20 tured;

21 “(D) require that every application for a
22 permit to drill a production well—

23 “(i) demonstrate sufficient infrastruc-
24 ture and capacity is in place to capture the

1 expected quantity of produced gas from the
2 well; and

3 “(ii) be published with an opportunity
4 for a public comment period of at least 30
5 days;

6 “(E) beginning not later than 2 years after
7 the date of enactment of this section, prohibit
8 all new and refractured production wells from
9 flaring;

10 “(F) require the operator of any covered
11 operation that routinely flares gas before the ef-
12 fective date of a regulation prohibiting flaring
13 issued pursuant to subparagraph (E) to submit
14 a gas capture plan to the Secretary not later
15 than 180 days before such effective date that
16 ensures that such operator will meet the re-
17 quirements described in subparagraphs (A) and
18 (B);

19 “(G) set performance standards for newly
20 installed equipment based on modern equipment
21 that minimize gas loss from—

22 “(i) storage tanks;

23 “(ii) dehydrators;

24 “(iii) compressors;

25 “(iv) open-ended valves or lines;

1 “(v) pumps; and

2 “(vi) such other equipment as the
3 Secretary determines appropriate to reduce
4 and prevent gas release;

5 “(H) require that operators replace exist-
6 ing equipment within one year of the publica-
7 tion date of performance standards established
8 under subsection (G);

9 “(I) require the replacement of all high-
10 bleed gas-actuated pneumatic devices with low-
11 bleed or no-bleed devices not later than 180
12 days after the date of issuance of the regulation
13 enacted under subparagraph (A);

14 “(J) set performance standards based on
15 modern procedures and equipment that mini-
16 mize gas loss from—

17 “(i) downhole maintenance;

18 “(ii) liquids unloading;

19 “(iii) well completion; and

20 “(iv) such other procedures as the
21 Secretary determines appropriate to reduce
22 and prevent gas release;

23 “(K) require all operators to have leak de-
24 tection programs with regularly scheduled in-
25 spections that assess the entire covered oper-

1 ation using an infrared camera or other equip-
2 ment with methods that provide overall at least
3 equivalent sensitivity and effectiveness in de-
4 tecting leaks on a timely basis;

5 “(L) require any leaks found to be re-
6 paired promptly, and in any case not later than
7 4 weeks after the discovery of the leak, except
8 where exceptional circumstances warrant an ex-
9 tension of not more than 8 additional weeks;
10 and

11 “(M) require recordkeeping for—
12 “(i) equipment maintenance;
13 “(ii) leak detection and repair;
14 “(iii) venting events;
15 “(iv) flaring events; and
16 “(v) such other operations as the Sec-
17 retary determines appropriate to reduce
18 and prevent gas release.

19 “(b) GAS MEASURING, REPORTING, AND TRANS-
20 PARENCY REQUIREMENTS.—

21 “(1) IN GENERAL.—The Secretary shall, not
22 later than one year after the date of enactment of
23 this section, issue regulations requiring each oper-
24 ator to measure and report, with respect to all gas
25 subject to the mineral leasing laws, all such gas pro-

1 duced, consumed on site, or lost through venting,
2 flaring, or fugitive releases.

3 “(2) MEASURING AND REPORTING REQUIRE-
4 MENTS.—To account for all gas referred to in para-
5 graph (1), the Secretary shall issue regulations re-
6 quiring each operator to—

7 “(A) measure all production and disposi-
8 tion of gas with such accuracy that fugitive gas
9 releases can be calculated;

10 “(B) install metering devices to measure
11 all flared gas; and

12 “(C) report to the Secretary the volumes of
13 gas measured under the requirements described
14 in subparagraph (A), including—

15 “(i) all new measured values for pro-
16 duction and disposition, including vented
17 and flared volumes; and

18 “(ii) values for fugitive releases based
19 on guidelines for their calculation estab-
20 lished by the Secretary in such regulations.

21 “(3) TRANSPARENCY.—The Secretary shall
22 make all new data produced under the requirements
23 established by the Secretary under this subsection,
24 including calculated fugitive releases and volumes of

1 gas lost to venting and flaring, publicly available
2 through the internet—

3 “(A) without a fee or other access charge;

4 “(B) in a searchable, sortable, and
5 downloadable manner, to the extent technically
6 possible; and

7 “(C) as soon as technically practicable
8 after the report by the operator is filed.

9 “(c) APPLICATION.—Except as otherwise specified in
10 this section, the requirements established by the Secretary
11 under this section shall apply to—

12 “(1) the construction and operation of any cov-
13 ered operation initiated, including the refracturing of
14 existing wells, on or after the date of the issuance
15 of regulations under this section; and

16 “(2) after the end of the 1-year period begin-
17 ning on the date of the issuance of such regulations,
18 any covered operation initiated before the date of the
19 issuance of such regulations.

20 “(d) ENFORCEMENT MECHANISMS.—

21 “(1) IN GENERAL.—The Secretary shall include
22 in the regulations issued under this section con-
23 sistent enforcement mechanisms for covered oper-
24 ations that are not in compliance with the require-
25 ments established by the regulations.

1 “(2) REQUIREMENTS.—The Secretary shall in-
2 clude in the enforcement mechanisms described in
3 paragraph (1)—

4 “(A) civil penalties for unauthorized vent-
5 ing and flaring, which shall—

6 “(i) apply in lieu of the penalties and
7 related provisions under section 109; and

8 “(ii) include production restrictions
9 and civil monetary penalties equivalent to
10 3 times the market value of the vented or
11 flared gas; and

12 “(B) civil penalties that apply to non-
13 compliance with other new or existing proce-
14 dures, which shall—

15 “(i) apply in addition to or in lieu of
16 the penalties and related provisions under
17 section 109;

18 “(ii) include production restrictions or
19 monetary penalties, or both; and

20 “(iii) in the case of monetary pen-
21 alties, be proportional to market condi-
22 tions.

23 “(e) DEFINITIONS.—In this section:

24 “(1) CAPTURE.—The term ‘capture’ means the
25 physical containment of natural gas for transpor-

1 tation to market or productive use of natural gas,
2 and includes reinjection and royalty-free on-site
3 uses.

4 “(2) COVERED OPERATIONS.—The term ‘cov-
5 ered operations’ means all oil and gas operations
6 that are subject to mineral leasing law or title V of
7 the Federal Land Policy and Management Act of
8 1976 (30 U.S.C. 1761 et seq.), regardless of size, in-
9 cluding production, storage, gathering, processing,
10 and handling operations.

11 “(3) FLARE AND FLARING.—The terms ‘flare’
12 and ‘flaring’ mean the intentional and controlled
13 burning of gas that occurs in the course of oil and
14 gas operations to limit release of gas to the atmos-
15 phere.

16 “(4) FUGITIVE RELEASE.—The term ‘fugitive
17 release’ means the unintentional and uncontrolled
18 release of gas into the atmosphere in the course of
19 oil and gas operations.

20 “(5) GAS CAPTURE PLAN.—The term ‘gas cap-
21 ture plan’ means a plan that includes specific goals,
22 including equipment and timelines, for capturing,
23 gathering, and processing gas produced under an oil
24 or gas lease.

1 “(6) GAS RELEASE.—The term ‘gas release’ in-
2 cludes all gas that is discharged to the atmosphere
3 via venting or fugitive release.

4 “(7) VENT AND VENTING.—The terms ‘vent’
5 and ‘venting’ mean the intentional and controlled re-
6 lease of gas into the atmosphere in the course of oil
7 and gas operations.”.

8 (b) CLERICAL AMENDMENT.—The table of contents
9 in section 1 of such Act is amended by inserting after the
10 item relating to section 117 the following:

 “Sec. 118. Gas waste reduction and enhancement of gas measuring and report-
 ing.”.

11 (c) UPDATES.—The Secretary of the Interior shall
12 update the regulations required by the amendments made
13 by this section when the Secretary determines appropriate,
14 but no less frequently than once every ten years, to reflect
15 new information regarding gas waste, the impacts of that
16 waste, and the availability of technologies and perform-
17 ance measures to reduce gas waste.

18 (d) APPLICATION OF PRIOR RULE.—The final rule
19 entitled “Waste Prevention, Production Subject to Royal-
20 ties, and Resource Conservation”, as published in the Fed-
21 eral Register November 18, 2016 (81 Fed. Reg. 83008),
22 is hereby reinstated, and each of its provisions shall apply
23 unless and until the effective date of a subsequent final
24 rule promulgated under the amendment made by sub-

1 section (a), or promulgated under another applicable au-
2 thority, that replaces or repeals such provision.

3 (e) ASSESSMENT OF VENTING, FLARING, AND FUGI-
4 TIVE RELEASES.—Not later than 180 days after the end
5 of the 1-year period beginning on the date the Secretary
6 of the Interior first receives data submitted under the re-
7 quirements established under subsection (b) of section 118
8 of the Federal Oil and Gas Royalty Management Act of
9 1982, as amended by this section, the Secretary shall—

10 (1) submit a report to Congress describing—

11 (A) the volume of fugitive releases, and gas
12 consumed or lost by venting and flaring, from
13 covered operations (as those terms are used in
14 such section); and

15 (B) additional regulations the Secretary
16 considers would help further curtail venting,
17 flaring, and fugitive releases, or the rational
18 basis for not issuing such additional regulations
19 if the Secretary considers additional regulations
20 would not be appropriate to further curtail
21 venting, flaring, and fugitive releases; and

22 (2) issue regulations described in the report re-
23 quired by paragraph (1)(B) not later than 1 year
24 after the date of the submission of the report.

