of energy resources within

| 110TH CONGRESS 2D SESSION | S. |
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| | and balanced development of energy resources wit anning Area of Colorado, and for other purposes |

IN THE SENATE OF THE UNITED STATES

Mr. SALAZAR introduced the following bill; which was read twice and referred to the Committee on

A BILL

To provide for orderly and balanced development of energy resources within the Roan Plateau Planning Area of Colorado, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Roan Plateau Oil and
- Gas Leasing Improvement Act of 2008".
- SEC. 2. FINDINGS AND PURPOSE.
- 7 (a) FINDINGS.—Congress finds that—
- 8 (1) the Roan Plateau Planning Area likely con-
- 9 tains significant energy resources, especially natural
- 10 gas;

| 1 | (2) the Roan Plateau Planning Area also is— |
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| 2 | (A) an important part of the natural herit- |
| 3 | age of the State of Colorado that provides im- |
| 4 | portant habitat for fish and wildlife, including |
| 5 | genetically pure populations of Colorado River |
| 6 | cutthroat trout, mule deer, and Rocky Moun- |
| 7 | tain elk; and |
| 8 | (B) increasingly important for hunters |
| 9 | fishermen, and other outdoor recreationists as |
| 10 | development has made other land in the west- |
| 11 | ern part of the State less conducive to those |
| 12 | uses; |
| 13 | (3) oil and gas development activities have the |
| 14 | potential to disturb the environment and pose a par- |
| 15 | ticular threat to habitats for wildlife and aquation |
| 16 | species on the Roan Plateau, while phased leasing of |
| 17 | the energy resources associated with the Roan Pla- |
| 18 | teau can result in payment by the leaseholders of |
| 19 | greater revenues than would result from more rapid |
| 20 | leasing; and |
| 21 | (4) phased development and long-range plan- |
| 22 | ning pursuant to unit agreements will— |
| 23 | (A) maximize lease revenues; |
| 24 | (B) reduce duplicative infrastructure, such |
| 25 | as roads, pipelines, and compressor stations; |

| 1 | (C) reduce overall ground disturbance; and |
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| 2 | (D) minimize habitat fragmentation. |
| 3 | (b) Purpose.—The purpose of this Act is to provide |
| 4 | for balanced development of the energy resources of the |
| 5 | Roan Plateau in a manner that minimizes the adverse im- |
| 6 | pacts on fish and wildlife habitats and environmental re- |
| 7 | sources and values while increasing the financial returns |
| 8 | to the United States and the State of Colorado. |
| 9 | SEC. 3. DEFINITIONS. |
| 10 | In this Act: |
| 11 | (1) Draft resource management plan.— |
| 12 | The term "draft resource management plan" means |
| 13 | the Draft Resource Management Plan Amendment |
| 14 | and Environmental Impact Statement of the Bureau |
| 15 | of Land Management for the Roan Plateau Planning |
| 16 | Area (2004). |
| 17 | (2) ELIGIBLE PUBLIC LAND.—The term "eligi- |
| 18 | ble public land" means — |
| 19 | (A) the public land within the 6,000-acre |
| 20 | developed tract of Oil Shale Reserve Numbered |
| 21 | 3 described in section 7439(a)(2) of title 10, |
| 22 | United States Code; and |
| 23 | (B) in the case of public land described in |
| 24 | the proposed resource management plan— |
| 25 | (i) a phased development area; and |

| 1 | (ii) any public land within the north- |
|----|---|
| 2 | eastern, northwestern, southeastern, or |
| 3 | southwestern quadrant of the Roan Pla- |
| 4 | teau Planning Area that is defined as |
| 5 | "below the rim" or "below the cliffs" in |
| 6 | figure 1–3. |
| 7 | (3) June 2007 Record of Decision.—The |
| 8 | term "record of decision" means the Record of Deci- |
| 9 | sion made available pursuant to the notice entitled |
| 10 | "Notice of Availability of the Record of Decision for |
| 11 | the Resource Management Plan Amendment |
| 12 | (RMPA) for Portions of the Roan Plateau Planning |
| 13 | Area and Supplemental Information for Proposed |
| 14 | Areas of Critical Environmental Concern (ACEC) |
| 15 | With Associated Resource Use Limitations for Pub- |
| 16 | lic Lands in Garfield and Rio Blanco Counties, CO" |
| 17 | (72 Fed. Reg. 32138), dated June 11, 2007. |
| 18 | (4) MARCH 2008 RECORD OF DECISION.—The |
| 19 | term "March 2008 Record of Decision" means the |
| 20 | Record of Decision for the Designation of Areas of |
| 21 | Critical Environmental Concern for the Roan Pla- |
| 22 | teau Resource Management Plan Amendment and |
| 23 | Environmental Impact Statement, dated March 15, |
| 24 | 2008. |

| 1 | (5) Mineral Lease.—The term "mineral |
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| 2 | lease" means a lease of minerals owned by the |
| 3 | United States pursuant to the Mineral Leasing Act |
| 4 | (30 U.S.C. 181 et seq.). |
| 5 | (6) Phased development area.—The term |
| 6 | "phased development area" means each of the 6 |
| 7 | tracts of public domain land on the top of the Roan |
| 8 | Plateau, each of which is— |
| 9 | (A) depicted in figure 2–1 on page 2–26 of |
| 10 | the proposed resource management plan; and |
| 11 | (B) described, respectively, as— |
| 12 | (i) the Anvil Ridge Oil & Gas Phased |
| 13 | Development Area; |
| 14 | (ii) the Cook Ridge Oil & Gas Phased |
| 15 | Development Area; |
| 16 | (iii) the Corral Ridge Oil & Gas |
| 17 | Phased Development Area; |
| 18 | (iv) the Long Ridge East Oil & Gas |
| 19 | Phased Development Area; |
| 20 | (v) the Long Ridge West Oil & Gas |
| 21 | Phased Development Area; and |
| 22 | (vi) the Short Ridge Oil & Gas |
| 23 | Phased Development Area. |
| 24 | (7) Proposed resource management |
| 25 | PLAN.—The term "proposed resource management |

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| 1 | plan" means the proposed Resource Management |
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| 2 | Plan and Environmental Impact Statement of the |
| 3 | Bureau of Land Management for the Roan Plateau |
| 4 | Management Area (August 2006). |
| 5 | (8) Public Land.—The term "public land" |
| 6 | has the meaning given the term "public lands" in |
| 7 | section 103 of the Federal Land Policy and Manage- |
| 8 | ment Act of 1976 (43 U.S.C. 1702). |
| 9 | (9) RESOURCE MANAGEMENT PLAN AMEND- |
| 10 | MENT.—The term "resource management plan |
| 11 | amendment" means the Resource Management Plan |
| 12 | Amendment and Final Environmental Impact State- |
| 13 | ment of the Bureau of Land Management for the |
| 14 | Roan Plateau Planning Area (2006). |
| 15 | (10) ROAN PLATEAU PLANNING AREA.—The |
| 16 | term "Roan Plateau Planning Area" means public |
| 17 | land in the State that is covered by the draft re- |
| 18 | source management plan. |
| 19 | (11) Secretary.—The term "Secretary" |
| 20 | means the Secretary of the Interior, acting through |
| 21 | the Director of the Bureau of Land Management. |
| 22 | (12) State.—The term "State" means the |
| 23 | State of Colorado. |

| 1 | SEC. 4. SPECIAL PROTECTION AREAS. |
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| 2 | (a) Designation.—There are designated the fol- |
| 3 | lowing Special Protection Areas: |
| 4 | (1) All public land identified as an Area of Crit- |
| 5 | ical Environmental Concern (ACEC) on the map en- |
| 6 | titled "Alternative II Management" of the draft re- |
| 7 | source management plan. |
| 8 | (2) All public land located within the water- |
| 9 | sheds or drainages of Northwater Creek and the |
| 10 | East Fork of Parachute Creek above the confluence |
| 11 | with First Anvil Creek. |
| 12 | (3) All public land identified as subject to a No |
| 13 | Ground Disturbance (NGD/NSO) stipulation on the |
| 14 | map entitled "Alternative II Stipulations" of the re- |
| 15 | source management plan amendment. |
| 16 | (b) Management.—Except as otherwise provided in |
| 17 | this Act, the Secretary shall manage the Special Protec- |
| 18 | tion Areas in a manner that prevents irreparable damage |
| 19 | to the fish and wildlife resources and the historical, cul- |
| 20 | tural, scenic, and environmental resources and values |
| 21 | within those areas. |
| 22 | (c) Terms and Conditions.—Except as provided in |
| 23 | subsection (d), the Secretary shall include in any mineral |
| 24 | lease entered into for any land within a Special Protection |
| 25 | Area and for any Federal minerals underlying the |
| 26 | Northwater Creek drainage— |

| 1 | (1) a stipulation prohibiting surface occupancy |
|----|---|
| 2 | or surface disturbance for purposes of exploration |
| 3 | for or development of oil or natural gas; and |
| 4 | (2) such other terms and conditions as are nec- |
| 5 | essary to protect and enhance the biological and eco- |
| 6 | logical values associated with public land covered by |
| 7 | the lease. |
| 8 | (d) Nonwaivability.— |
| 9 | (1) In general.—Except as provided in para- |
| 10 | graph (2), a stipulation, term, or condition described |
| 11 | in subsection $(c)(1)$ shall not be subject to waiver |
| 12 | exemption, or exception. |
| 13 | (2) Exceptions for existing ridge-top |
| 14 | ROADS.—The Secretary may allow the holder of a |
| 15 | mineral lease to occupy the surface of public land |
| 16 | identified on the map entitled "Alternative II Man- |
| 17 | agement" of the draft resource management plan |
| 18 | that has a surveyed slope of not more than 20 per- |
| 19 | cent and is within 600 feet on either side of the cen- |
| 20 | ter line of the following existing ridge-top roads (not |
| 21 | including any secondary roads or spur roads appur- |
| 22 | tenant to the ridge-top roads, other than the road |
| 23 | described in subparagraph (F)): |
| 24 | (A) Anvil Points Road. |
| 25 | (B) Long Ridge Road. |

| 1 | (C) Short Ridge Road. |
|----|--|
| 2 | (D) Cook Ridge Road. |
| 3 | (E) Corral Ridge Road, numbered 8,000 |
| 4 | off of Cow Creek Road, but only in areas that |
| 5 | are outside the watershed of Trapper Creek. |
| 6 | (F) The spur road off of Cow Creek Road |
| 7 | and Corral Ridge Road in sec. 1, 2, and 11, T. |
| 8 | 5 S., R. 95 W., but only on the north and west |
| 9 | sides of the road. |
| 10 | (e) Conditions for Oil and Gas Exploration |
| 11 | AND DEVELOPMENT ALONG EXISTING RIDGE-TOP |
| 12 | Roads.— |
| 13 | (1) In general.—The Secretary may permit |
| 14 | oil and gas exploration and development activities |
| 15 | within the development corridors designated under |
| 16 | subsection (d) only after— |
| 17 | (A) site-specific consultation with the De- |
| 18 | partment of Natural Resources of the State; |
| 19 | (B) the conduct of a detailed review and |
| 20 | analysis of the proposed location and activities; |
| 21 | and |
| 22 | (C) incorporation of operational and proce- |
| 23 | dural practices to avoid, minimize, or mitigate |
| 24 | any potential impacts to biological or ecological |

| 1 | resources, including state-of-the-art measures to |
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| 2 | minimize erosion from stormwater runoff. |
| 3 | (2) Compliance with federal and state |
| 4 | LAW.—Any oil and gas exploration and development |
| 5 | activities authorized under subsection (d)(2) shall |
| 6 | comply with applicable Federal and State laws (in- |
| 7 | cluding regulations). |
| 8 | (f) Public Comment.—Before permitting oil and |
| 9 | gas exploration and development activities under sub- |
| 10 | section (d)(2), the Secretary shall provide notice and an |
| 11 | opportunity for public comment. |
| 12 | SEC. 5. PHASED MINERAL LEASING. |
| 13 | (a) In General.— |
| 14 | (1) Leases.—Except as provided in paragraph |
| 15 | (2) and to the extent consistent with this Act, the |
| 16 | |
| | Secretary may issue mineral leases affecting public |
| 17 | land within the Roan Plateau Planning Area pursu- |
| 17 18 | · · · · · · · · · · · · · · · · · · · |
| | land within the Roan Plateau Planning Area pursu- |
| 18 | land within the Roan Plateau Planning Area pursuant to the Mineral Leasing Act (30 U.S.C. 181 et |
| 18 19 | land within the Roan Plateau Planning Area pursuant to the Mineral Leasing Act (30 U.S.C. 181 et seq.). |
| 18 19 20 | land within the Roan Plateau Planning Area pursuant to the Mineral Leasing Act (30 U.S.C. 181 et seq.). (2) OIL SHALE.—The Secretary may not permit |
| 18 19 20 21 | land within the Roan Plateau Planning Area pursuant to the Mineral Leasing Act (30 U.S.C. 181 et seq.). (2) OIL SHALE.—The Secretary may not permit through a lease or other means any exploration for |

| 1 | (1) In General.—Subject to paragraph (2), |
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| 2 | the Secretary may not at any time issue mineral |
| 3 | leases for public land within more than 1 of the |
| 4 | phased development areas. |
| 5 | (2) Initial phased development area.— |
| 6 | The Secretary, in consultation with and concurrence |
| 7 | by the Department of Natural Resources of the |
| 8 | State and pursuant to this subsection, may select an |
| 9 | area for initial issuance of mineral leases. |
| 10 | (3) Factors.—In making the selection under |
| 11 | paragraph (2), the Secretary shall, to the maximum |
| 12 | extent practicable— |
| 13 | (A) minimize environmental and ecological |
| 14 | impact; |
| 15 | (B) minimize disturbance to natural areas |
| 16 | atop the Roan Plateau; |
| 17 | (C) maximize use of existing access roads |
| 18 | and oil and gas pipeline and production infra- |
| 19 | structure; |
| 20 | (D) consider patterns of private land own- |
| 21 | ership adjacent to public land; |
| 22 | (E) protect and promote ecological diver- |
| 23 | sity; |
| 24 | (F) minimize adverse effects on wildlife |
| 25 | populations, habitat, and migration patterns; |

| 1 | (G) minimize adverse effects on watershed |
|----|---|
| 2 | values; and |
| 3 | (H) maximize the revenues likely to be ob- |
| 4 | tained by the United States and, pursuant to |
| 5 | the Mineral Leasing Act (30 U.S.C. 181 et |
| 6 | seq.), the State. |
| 7 | (4) Choice of initial area.—The Secretary |
| 8 | may select as the initial area for offering of leases |
| 9 | only— |
| 10 | (A) the Anvil Ridge Oil and Gas Develop- |
| 11 | ment Area; or |
| 12 | (B) the Corral Ridge Oil and Gas Develop- |
| 13 | ment Area. |
| 14 | (5) Public comment.—Before making a selec- |
| 15 | tion of a phased development area under this sub- |
| 16 | section, the Secretary shall provide notice and an op- |
| 17 | portunity for public comment. |
| 18 | (c) Environmental Protection.—Each mineral |
| 19 | lease affecting public land within the Roan Plateau Plan- |
| 20 | ning Area shall include provisions to ensure the protection |
| 21 | of the environment, including minimum pad spacing that |
| 22 | incorporates current state-of-the-art drilling technologies |
| 23 | and clustered development. |
| 24 | (d) Bonus Bids and Leases.—In entering into |
| 25 | leases for oil or gas exploration and development on public |

- 1 land within the Roan Plateau Planning Area, the Sec-
- 2 retary may include minimum bonus bid amounts and lease
- 3 sizes that are above the limits established under subpara-
- 4 graphs (A) and (B) of section 17(b)(1) of the Mineral
- 5 Leasing Act (30 U.S.C. 226(b)(1)), to the extent the Sec-
- 6 retary considers the amounts and sizes appropriate to ac-
- 7 complish the purposes of this Act, including maximization
- 8 of lease revenues and protection of the environment.
- 9 (e) Reports.—Not later than 1 year after the date
- 10 on which leases are first offered pursuant to this section
- 11 and annually thereafter, the Secretary shall submit to the
- 12 appropriate committees of Congress a report that includes
- 13 detailed information about—
- 14 (1) the status of exploration or development ac-
- 15 tivities pursuant to leases entered into under this
- section and the stipulations and other terms and
- 17 conditions applicable to each such lease;
- 18 (2) the nature and effectiveness of actions
- taken to mitigate adverse effects of exploration or
- development activities pursuant to the leases and to
- 21 reclaim land affected by the activities;
- 22 (3) the effectiveness of the actions described in
- paragraph (2); and
- 24 (4) the effects of such exploration or develop-
- 25 ment activities on—

| 1 | (A) water quality and quantity; |
|----|--|
| 2 | (B) air quality; |
| 3 | (C) the viability of native fish populations; |
| 4 | (D) wildlife habitat and populations; |
| 5 | (E) opportunities for hunting, fishing, and |
| 6 | other recreational activities; and |
| 7 | (F) land affected by any discharges or |
| 8 | spills related to the activities. |
| 9 | SEC. 6. SELECTION OF SUBSEQUENT LEASING AREAS. |
| 10 | (a) In General.—Subject to subsection (d) and con- |
| 11 | sistent with this Act, the Secretary, in consultation with |
| 12 | and concurrence by the Department of Natural Resources |
| 13 | of the State, may select the second and each subsequent |
| 14 | phased development area for issuance of mineral leases. |
| 15 | (b) Requirements.—Each selection under this sec- |
| 16 | tion shall be made in accordance with the requirements |
| 17 | of section 5(b)(3) that apply to the initial selection. |
| 18 | (e) Public Comment.—Before making a selection of |
| 19 | a subsequent phased development area under this section, |
| 20 | the Secretary shall provide notice and an opportunity for |
| 21 | public comment. |
| 22 | (d) Conditions.—Selection and leasing of the sec- |
| 23 | ond or any subsequent phased development area shall |
| 24 | occur only if— |
| | |

1 (1) wells have been completed to recover at 2 least 90 percent of the recoverable natural gas in 3 each previously selected phased development area; 4 and 5 (2) reclamation of ground disturbance to a 5-6 year interim reclamation standard as set forth in 7 Appendix C of the June 2007 Record of Decision 8 has occurred on at least 99 percent of the public 9 land leased in each previously-selected phased devel-10 opment area. SEC. 7. FEDERAL UNITIZATION AGREEMENTS. 12 (a) In General.—The Secretary, in consultation 13 with and concurrence by the Department of Natural Resources of the State, shall ensure that each lease for oil 14 15 or gas exploration and development on public land within the Roan Plateau Planning Area under this Act contains 16 17 a stipulation that requires the lessee to join a Federal unitization agreement that is approved by the Secretary 18 covering all leases offered in the relevant phased develop-19 20 ment area. 21 (b) Contents.—The unitization agreement under 22 subsection (a) shall— 23 (1) identify the operator of the unit; (2) allocate costs and benefits of production to 24 25 all of the covered lessees; and

| 1 | (3) provide a development plan for the leased |
|----|---|
| 2 | area. |
| 3 | SEC. 8. RECORD OF DECISION. |
| 4 | (a) Reclamation Requirements and Disturb- |
| 5 | ANCE LIMITATIONS.—Each development activity con- |
| 6 | ducted under a mineral lease affecting public land within |
| 7 | the Roan Plateau Planning Area shall be subject to the |
| 8 | reclamation requirements and disturbance limitations of |
| 9 | the June 2007 Record of Decision and the March 2008 |
| 10 | Record of Decision, including the limitation on the total |
| 11 | unreclaimed surface disturbance on the Plateau to 350 |
| 12 | acres. |
| 13 | (b) Continued Application.—The June 2007 |
| 14 | Record of Decision and the March 2008 Record of Deci- |
| 15 | sion shall continue to apply to the Roan Plateau Planning |
| 16 | Area to the extent that the June 2007 Record of Decision |
| 17 | and the March 2008 Record of Decision are consistent |
| 18 | with this Act. |
| 19 | SEC. 9. CONFORMING AMENDMENTS. |
| 20 | Section 7439 of title 10, United States Code, is |
| 21 | amended— |
| 22 | (1) in subsection (b)— |
| 23 | (A) in paragraph (1)— |

| 1 | (i) by striking "(1) Beginning on No- |
|----|---|
| 2 | vember 18, 1997, or as soon thereafter as |
| 3 | practicable, the" and inserting "The"; and |
| 4 | (ii) in the first sentence— |
| 5 | (I) by striking "shall" and insert- |
| 6 | ing "may"; and |
| 7 | (II) by inserting ", as authorized |
| 8 | under the Roan Plateau Oil and Gas |
| 9 | Leasing Improvement Act of 2008" |
| 10 | before the period at the end; and |
| 11 | (B) by striking paragraph (2); and |
| 12 | (2) in subsection (f)— |
| 13 | (A) in paragraph (1), by striking "speci- |
| 14 | fied in paragraph (2)" and inserting "beginning |
| 15 | on November 18, 1997, and ending on the date |
| 16 | of enactment of the Roan Plateau Oil and Gas |
| 17 | Leasing Improvement Act of 2008"; and |
| 18 | (B) by striking paragraph (2) and insert- |
| 19 | ing the following: |
| 20 | "(2) Beginning on the date of enactment of the Roan |
| 21 | Plateau Oil and Gas Leasing Improvement Act of 2008, |
| 22 | any amounts received by the United States from a lease |
| 23 | under this section (including amounts in the form of sales, |
| 24 | bonuses, royalties (including interest charges collected |
| 25 | under the Federal Oil and Gas Royalty Management Act |

- 1 of 1982 (30 U.S.C. 1701 et seq.)), and rentals) shall be
- 2 deposited in the Treasury of the United States, for use
- 3 in accordance with section 35 of the Mineral Leasing Act
- 4 (30 U.S.C. 191).".