

AMENDMENT TO H.R. 6082
OFFERED BY MR. HOLT OF NEW JERSEY

Beginning at page 6, line 13, strike section 6 and insert the following:

1 **SEC. ____ . SAFETY REQUIREMENTS.**

2 The Secretary of the Interior shall require that drill-
3 ing operations conducted under each lease issued under
4 this Act meet requirements for—

5 (1) third-party certification of safety systems
6 related to well control, such as blowout preventers;

7 (2) performance of blowout preventers, includ-
8 ing quantitative risk assessment standards, subsea
9 testing, and secondary activation methods;

10 (3) independent third-party certification of well
11 casing and cementing programs and procedures;

12 (4) mandatory safety and environmental man-
13 agement systems by operators on the outer Conti-
14 nental Shelf (as that term is used in the Outer Con-
15 tinental Shelf Lands Act); and

16 (5) procedures and technologies to be used dur-
17 ing drilling operations to minimize the risk of igni-
18 tion and explosion of hydrocarbons.

1 **SEC. ____ . ELIGIBILITY FOR LEASES.**

2 (a) **LIMITATION ON ELIGIBILITY.—**

3 (1) **IN GENERAL.—**The Secretary of the Inte-
4 rior shall not offer any lease pursuant to this Act to
5 a person described in paragraph (2) unless the per-
6 son has renegotiated each covered lease with respect
7 to which the person is a lessee, to modify the pay-
8 ment responsibilities of the person to require the
9 payment of royalties if the price of oil and natural
10 gas is greater than or equal to the price thresholds
11 described in clauses (v) through (vii) of section
12 8(a)(3)(C) of the Outer Continental Shelf Lands Act
13 (43 U.S.C. 1337(a)(3)(C)).

14 (2) **PERSONS DESCRIBED.—**A person referred
15 to in paragraph (1) is a person that—

16 (A) is a lessee that—

17 (i) holds a covered lease on the date
18 on which the Secretary considers the
19 issuance of the lease under this Act; or

20 (ii) was issued a covered lease before
21 the date of enactment of this Act, but
22 transferred the covered lease to another
23 person or entity (including a subsidiary or
24 affiliate of the lessee) after the date of en-
25 actment of this Act; or

1 (B) any other person that has any direct
2 or indirect interest in, or that derives any ben-
3 efit from, a covered lease.

4 (b) DEFINITIONS.—In this section—

5 (1) COVERED LEASE.—The term “covered
6 lease” means a lease for oil or gas production in the
7 Gulf of Mexico that is—

8 (A) in existence on the date of enactment
9 of this Act;

10 (B) issued by the Department of the Inte-
11 rior under section 304 of the Outer Continental
12 Shelf Deep Water Royalty Relief Act (43
13 U.S.C. 1337 note; Public Law 104–58); and

14 (C) not subject to limitations on royalty re-
15 lief based on market price that are equal to or
16 less than the price thresholds described in
17 clauses (v) through (vii) of section 8(a)(3)(C) of
18 the Outer Continental Shelf Lands Act (43
19 U.S.C. 1337(a)(3)(C)).

20 (2) LESSEE.—The term “lessee” includes any
21 person or other entity that controls, is controlled by,
22 or is in or under common control with, a lessee.

1 **SEC. ____.** **ENSURING PRODUCTION OCCURS UNDER OFF-**
2 **SHORE FEDERAL OIL AND GAS LEASES.**

3 In carrying out this Act the Secretary of the Interior
4 shall ensure that the percentage of offshore Federal oil
5 and gas leases under which production is not occurring
6 is reduced.

