

117TH CONGRESS
1ST SESSION

H. R. 2415

To amend the Energy Policy Act of 2005 to require the Secretary of the Interior to establish a program to permanently plug, remediate, and reclaim orphaned wells and the surrounding lands and to provide funds to States and Tribal Governments to permanently plug, remediate, and reclaim orphaned wells and the surrounding lands, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 8, 2021

Ms. LEGER FERNANDEZ (for herself, Mr. GRIJALVA, Mr. LOWENTHAL, Ms. CASTOR of Florida, and Mr. MICHAEL F. DOYLE of Pennsylvania) introduced the following bill; which was referred to the Committee on Natural Resources

A BILL

To amend the Energy Policy Act of 2005 to require the Secretary of the Interior to establish a program to permanently plug, remediate, and reclaim orphaned wells and the surrounding lands and to provide funds to States and Tribal Governments to permanently plug, remediate, and reclaim orphaned wells and the surrounding lands, 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. SHORT TITLE.**

2 This Act may be cited as the “Orphaned Well Clean-
3 up and Jobs Act of 2021”.

4 **SEC. 2. ORPHANED WELL SITE PLUGGING, REMEDIATION,**
5 **AND RESTORATION.**

6 Section 349 of the Energy Policy Act of 2005 (Public
7 Law 109–58; 42 U.S.C. 15907) is amended to read as
8 follows:

9 **“SEC. 349. ORPHANED WELL SITE PLUGGING, REMEDI-**
10 **ATION, AND RESTORATION.**

11 “(a) FEDERAL PROGRAM.—

12 “(1) ESTABLISHMENT.—The Secretary, in co-
13 operation with the Secretary of Agriculture and af-
14 fected Indian Tribes, shall establish a program not
15 later than 180 days after the date of enactment of
16 this section to permanently plug orphaned wells and
17 remediate and reclaim orphaned wells located on
18 land administered by the land management agencies
19 within the Department of the Interior and the De-
20 partment of Agriculture.

21 “(2) ACTIVITIES.—The program under para-
22 graph (1) shall—

23 “(A) include a means of identifying, char-
24 acterizing, and inventorying orphaned wells on
25 Federal lands and ranking orphaned wells for
26 priority in permanent plugging, remediation,

1 and reclamation, based on public health and
2 safety, potential environmental harm, and other
3 land use priorities;

4 “(B) distribute funding according to the
5 priorities identified under subparagraph (A)
6 for—

7 “(i) permanently plugging orphaned
8 wells;

9 “(ii) remediating and reclaiming well
10 pads and access roads associated with or-
11 phaned wells;

12 “(iii) remediating soil and restoring
13 native species habitat that has been de-
14 graded due to the presence of orphaned
15 wells; and

16 “(iv) remediating lands, including ac-
17 cess roads, adjacent to orphaned wells and
18 decommissioning or removing pipelines, fa-
19 cilities, and infrastructure associated with
20 the orphaned well;

21 “(C) provide a public accounting of the
22 costs of permanently plugging, remediating, and
23 reclaiming each orphaned well;

24 “(D) seek to determine the identities of po-
25 tentially responsible parties associated with the

1 orphaned well, or their sureties or guarantors,
2 to the extent such information can be
3 ascertained, and make efforts to obtain reim-
4 bursement for expenditures to the extent prac-
5 ticable;

6 “(E) to the maximum extent possible, sup-
7 port research and development efforts aimed at
8 investigating, measuring, and tracking emis-
9 sions of methane and other gases associated
10 with orphaned wells;

11 “(F) measure and track contamination of
12 groundwater or surface water associated with
13 orphaned wells; and

14 “(G) reduce the negative effects of or-
15 phaned wells on environmental justice commu-
16 nities.

17 “(3) DEFINE ORPHANED WELL.—Not later
18 than 180 days after the date of enactment of this
19 section, the Secretary shall issue a final rule defin-
20 ing the term ‘orphaned well’ as such term applies to
21 Federal and Tribal land for the purposes of this sec-
22 tion.

23 “(4) IDLED WELLS.—

24 “(A) IN GENERAL.—The Secretary, acting
25 through the Director of the Bureau of Land

1 Management, shall annually review all idled
2 wells on Federal lands and take such measures
3 as such Director determines appropriate to re-
4 duce such Director's idled well inventory.

5 “(B) DEFINITION OF IDLED WELL.—Not
6 later than 6 months after the date of enactment
7 of this section, the Secretary, acting through
8 the Director of the Bureau of Land Manage-
9 ment, shall establish a definition for the term
10 ‘idled well’ for the purposes of this section.

11 “(5) COOPERATION AND CONSULTATIONS.—In
12 carrying out the program under paragraph (1), the
13 Secretary shall—

14 “(A) work cooperatively with the Secretary
15 of Agriculture, affected Indian Tribes, and the
16 States within which Federal land is located; and

17 “(B) consult with the Secretary of Energy
18 and the Interstate Oil and Gas Compact Com-
19 mission.

20 “(b) STATE ORPHANED WELL SITE PLUGGING, RE-
21 MEDIATION, AND RESTORATION.—

22 “(1) IN GENERAL.—

23 “(A) ACTIVITIES.—The Secretary shall
24 provide funding to States as described in this
25 section for any of the following purposes:

1 “(i) To permanently plug, remediate,
2 and reclaim orphaned wells located on
3 State- and privately-owned land.

4 “(ii) To identify and characterize un-
5 documented orphaned wells on State and
6 private lands.

7 “(iii) To rank orphaned wells on State
8 and private lands based on factors includ-
9 ing public health and safety, potential envi-
10 ronmental harm, and other land use prior-
11 ities.

12 “(iv) To make information regarding
13 the use of funds received under this sub-
14 section available on a public website.

15 “(v) To measure and track emissions
16 of methane and other gases associated with
17 orphaned wells.

18 “(vi) To measure and track contami-
19 nation of groundwater or surface water as-
20 sociated with orphaned wells.

21 “(vii) To remediate soil and restore
22 native species habitat that have been de-
23 graded due to the presence of orphaned
24 wells.

1 “(viii) To remediate lands, including
2 access roads, adjacent to orphaned wells
3 and decommission or remove pipelines, fa-
4 cilities, and infrastructure associated with
5 the orphaned well.

6 “(ix) To take such measures as such
7 State determines necessary to reduce the
8 negative effects of orphaned wells on envi-
9 ronmental justice communities.

10 “(x) To administer a program to
11 carry out activities described in clauses (i)
12 through (ix).

13 “(B) LIMITATION.—Except for funds re-
14 ceived by a State under paragraph (2)(A)(ii), a
15 State may not use more than 10 percent of the
16 funds received under this section in any fiscal
17 year for the purpose described in paragraph
18 (1)(A)(x).

19 “(2) INITIAL GRANTS.—

20 “(A) IN GENERAL.—The Secretary shall
21 distribute—

22 “(i) not more than \$25,000,000 to
23 each State that—

1 “(I) is a Member State or Asso-
2 ciate Member State of the Interstate
3 Oil and Gas Compact Commission;

4 “(II) requests funding under this
5 clause not later than 6 months after
6 the date of enactment of this section;

7 “(III) has at least one docu-
8 mented orphaned well;

9 “(IV) certifies to the Secretary
10 that such State can use at least 90
11 percent of the requested funding to
12 issue new contracts, amend existing
13 contracts, or issue grants for perma-
14 nent plugging, remediation, and rec-
15 lamation work within 180 days of re-
16 ceipt of funds; and

17 “(V) describes to the Secretary
18 how funds received under this clause
19 will employ individuals who have lost
20 employment during the period begin-
21 ning on March 1, 2020, and ending
22 on the date on which such State re-
23 quests funding under subclause (II);
24 and

1 “(ii) not more than \$5,000,000 to
2 each State that—

3 “(I) requests funding under this
4 clause;

5 “(II) does not receive a grant
6 under clause (i); and

7 “(III) certifies to the Secretary
8 that—

9 “(aa) such State has a per-
10 manent plugging, remediation,
11 and reclamation program for or-
12 phaned wells or the capacity to
13 start such a program; or

14 “(bb) such funds will be
15 used to conduct the administra-
16 tive work necessary to put to-
17 gether an application to receive
18 funds under paragraph (3).

19 “(B) DISTRIBUTION.—The Secretary shall
20 disburse funds to a State under this subpara-
21 graph not later than 30 days after such State
22 makes a certification to the Secretary that such
23 State is eligible to receive such funds.

24 “(C) 2 YEARS TO EXPEND FUNDS.—

1 “(i) IN GENERAL.—A State that re-
2 ceives funds under this paragraph shall re-
3 imburse the Secretary in an amount equal
4 to the amount of any unobligated funds
5 that remain 2 years after the date on
6 which such State receives funds under this
7 paragraph.

8 “(ii) USE OF REIMBURSED FUNDS.—
9 The Secretary may use funds reimbursed
10 under this subparagraph to carry out any
11 activity under subsection (a)(2).

12 “(D) REPORT.—

13 “(i) IN GENERAL.—Not later than 15
14 months after the date on which a State re-
15 ceives funds under this paragraph, such
16 State shall submit a report to the Sec-
17 retary detailing how the State adhered to
18 the certifications required by subparagraph
19 (A).

20 “(ii) PUBLIC ACCESS.—The Secretary
21 shall make available on a publicly acces-
22 sible website each report submitted under
23 clause (i).

24 “(3) FORMULA GRANTS.—

25 “(A) FORMULA.—

1 “(i) IN GENERAL.—The Secretary
2 shall establish a formula for the distribu-
3 tion of funds under this paragraph to the
4 States described in clause (ii). Such for-
5 mula, with respect to an applicant State,
6 shall account for the following factors:

7 “(I) The job losses in the oil and
8 gas industry between March 1, 2020,
9 and the date of enactment of this sec-
10 tion.

11 “(II) The number of documented
12 orphaned wells and associated facili-
13 ties and the projected cost to perma-
14 nently plug and reclaim such wells.

15 “(III) The amount of oil or gas
16 produced in 2019, as determined by
17 the Administrator of the Energy In-
18 formation Administration.

19 “(ii) NOTIFICATION.—A State is de-
20 scribed in this clause if, not later than 45
21 days after the date of enactment of this
22 section, such State submits a notice to the
23 Secretary that such State intends to sub-
24 mit an application under subparagraph (B)
25 and includes in such notification the infor-

1 mation described in subclauses (I) through
2 (III) of clause (i) with respect to such
3 State.

4 “(iii) PUBLICATION.—The Secretary
5 shall, not later than 30 days after the date
6 described in clause (ii), publish on a public
7 website the amount that each State de-
8 scribed in clause (ii) is eligible to receive
9 under the formula established under clause
10 (i).

11 “(B) APPLICATION.—A State may apply to
12 receive funds under this paragraph by submit-
13 ting an application including—

14 “(i) a description of—

15 “(I) the State program for or-
16 phaned well permanent plugging, re-
17 mediation, and restoration, including
18 legal authorities, processes used to
19 identify and prioritize orphaned wells,
20 procurement mechanisms, and other
21 program elements demonstrating the
22 readiness of the State program to
23 carry out the proposed activities;

24 “(II) the activities to be carried
25 out with the grant, including an iden-

1 tification of the estimated health,
2 safety, habitat, and environmental
3 benefits of permanent plugging, reme-
4 diating, or reclaiming the orphaned
5 wells; and

6 “(III) how the information re-
7 garding the State’s activities under
8 this subsection will be made available
9 on a public website;

10 “(ii) an estimate of—

11 “(I) the number of orphaned
12 wells that will be permanently
13 plugged, remediated, or reclaimed;

14 “(II) the projected cost of perma-
15 nently plugging, remediating, or re-
16 claiming orphaned wells, adjacent
17 lands, and access roads;

18 “(III) the amount of that cost
19 that will be offset by the forfeiture of
20 financial assurance instruments, the
21 estimated salvage of well-site equip-
22 ment, or other proceeds from the or-
23 phaned wells and adjacent lands;

24 “(IV) the number of jobs that
25 will be created or saved through the

1 activities to be funded under this sub-
2 section; and

3 “(V) the amount of funds to be
4 spent on administrative costs;

5 “(iii) a certification that any financial
6 assurance instruments, including bonds,
7 available to cover permanent plugging, re-
8 mediation, or reclamation costs will be
9 used by the State; and

10 “(iv) the definitions and processes
11 used by the State to formally declare a well
12 orphaned or, if the State uses different ter-
13 minology, otherwise eligible for permanent
14 plugging, remediation, and reclamation by
15 the State, including the steps the State has
16 taken to identify the well’s most recent op-
17 erator.

18 “(C) REVIEW OF STATE DEFINITIONS AND
19 PROCESSES.—The Secretary may only dis-
20 tribute funds to a State under this paragraph
21 if the Secretary determines that—

22 “(i) such State has taken appropriate
23 steps to protect taxpayers from unneces-
24 sarily paying for permanent plugging, re-
25 mediation, and reclamation costs;

1 “(ii) the processes of such State for
2 declaring a well eligible for permanent
3 plugging by the State are reasonable; and

4 “(iii) the definition provided by the
5 State for the term ‘orphaned well’ (or an
6 alternate term, if applicable), if such term
7 differs from the definition given such term
8 in subsection (h)(5)(A)(ii), is reasonable.

9 “(D) 5 YEARS TO EXPEND FUNDS.—A
10 State that receives funds under this paragraph
11 shall reimburse the Secretary in an amount
12 equal to the amount of any unobligated funds
13 that remain 5 years after the date on which
14 such State receives funds under this paragraph.

15 “(E) CONSULTATION.—In making a deter-
16 mination under this paragraph regarding the
17 eligibility of a State to receive funds, the Sec-
18 retary shall consult with the Administrator of
19 the Environmental Protection Agency, the Sec-
20 retary of Energy, and the Interstate Oil and
21 Gas Compact Commission.

22 “(F) CONSIDERATION TIMELINE.—Not
23 later than 60 days after receiving a completed
24 application that meets the requirements of this

1 section from a State under this paragraph, the
2 Secretary shall issue a grant to such State.

3 “(4) DISCRETIONARY GRANTS.—

4 “(A) IN GENERAL.—

5 “(i) REGULATORY IMPROVEMENT
6 GRANT.—

7 “(I) IN GENERAL.—Beginning on
8 the date that is 6 months after the
9 date on which the first grant is issued
10 under paragraph (2), the Secretary
11 may provide funding in an amount
12 not to exceed \$20,000,000 per grant
13 to a State if the State meets one of
14 the following criteria:

15 “(aa) The State has
16 strengthened restrictions on
17 methane emissions from oil and
18 gas operations that result in a
19 level of emissions not higher than
20 the level that would be permitted
21 if the final rule entitled ‘Oil and
22 Natural Gas Sector: Emission
23 Standards for New, Recon-
24 structed, and Modified Sources’
25 and published in the Federal

1 Register on June 3, 2016 (81
2 Fed. Reg. 35824) were in effect.

3 “(bb) The State has
4 strengthened its plugging and
5 abandonment rules to require
6 that an operator of a well takes
7 steps to isolate all oil-bearing or
8 gas-bearing strata encountered in
9 the well, protect underground or
10 surface water suitable for irriga-
11 tion, farming, or other domestic
12 purposes from the infiltration or
13 addition of any detrimental sub-
14 stances, and to prevent subse-
15 quent damage to life, health,
16 property, and other resources.

17 “(cc) The State has made
18 improvements to State programs
19 designed to prevent future or-
20 phaned well burdens, including
21 bonding reform or other financial
22 assurance reform, alternative
23 funding mechanisms for or-
24 phaned well programs, and re-
25 forms to well transfer and tem-

porary abandonment programs in
the 10 years preceding the date
that the States applies for a
grant under this paragraph.

“(II) LIMITATION.—The Sec-
retary may only issue one grant per
criterion per State under this clause.

“(ii) MATCHING GRANT.—

“(I) IN GENERAL.—Beginning on
the date that is 6 months after the
date on which the first grant is issued
under paragraph (2), the Secretary
may provide funding to a State in an
amount equal to the difference be-
tween—

“(aa) the amount of funds
such State expended on average
in fiscal years 2010 through
2019 to permanently plug, reme-
diate, and reclaim orphaned wells
and associated facilities; and

“(bb) the amount of funds
such State certifies to the Sec-
retary such State will expend for
such purposes in the fiscal year

1 in which such State will receive
2 such grant.

3 “(II) ANNUAL GRANT.—The Sec-
4 retary may issue one grant per State
5 per fiscal year under this clause.

6 “(III) LIMITATION ON TOTAL
7 FUNDS PROVIDED TO A STATE.—The
8 Secretary may not provide a total of
9 more than \$30,000,000 to a State
10 under this clause during the period of
11 fiscal years 2021 through 2031.

12 “(B) APPLICATION.—

13 “(i) IN GENERAL.—A State may apply
14 to receive funds under this paragraph by
15 submitting an application including—

16 “(I) each of the elements re-
17 quired in an application under para-
18 graph (3)(B);

19 “(II) a description of measures
20 such State has taken to address or-
21 phaned wells, including by increasing
22 State spending on well permanent
23 plugging, remediation, and reclama-
24 tion and by improving regulation of
25 oil and gas wells; and

1 “(III) a description of how such
2 State will use such funds to—

3 “(aa) lower unemployment
4 in such State; and

5 “(bb) improve economic con-
6 ditions in economically distressed
7 areas of such State.

8 “(ii) CONSULTATION.—In making a
9 determination to issue a grant under this
10 paragraph, the Secretary shall consult with
11 the Administrator of the Environmental
12 Protection Agency and the Secretary of
13 Energy.

14 “(iii) REIMBURSEMENT FOR FAILURE
15 TO MAINTAIN PROTECTIONS.—A State that
16 receives funds under this paragraph shall
17 reimburse the Secretary any funds received
18 if, during the 10 year period beginning on
19 the date of receipt of funds under this
20 paragraph, such State enacts a statute or
21 regulation that, if such statute or regula-
22 tion were in effect when the State sub-
23 mitted an application under this para-
24 graph, would have prevented such State

1 from being eligible to receive funds under
2 subparagraph (A)(i)(I).

3 “(iv) CONSIDERATION TIMELINE.—
4 Not later than 60 days after receiving an
5 application from an eligible State under
6 this paragraph, the Secretary shall make a
7 grant or reject such application.

8 “(5) STATE REPORT.—

9 “(A) IN GENERAL.—Each State that re-
10 ceives funding under this subsection shall sub-
11 mit a report to the Secretary each year that
12 provides—

13 “(i) the number of orphaned wells
14 that have been permanently plugged, reme-
15 diated, or reclaimed;

16 “(ii) the cost of permanently plugging,
17 remediating, or reclaiming orphaned wells,
18 adjacent lands, and access roads;

19 “(iii) the amount of that cost offset
20 by the forfeiture of financial assurance in-
21 struments, the salvage of well-site equip-
22 ment, or other proceeds from the orphaned
23 wells;

1 “(iv) an estimate of the number of
2 jobs created or saved through the activities
3 funded under this subsection;

4 “(v) the funds spent on administrative
5 costs;

6 “(vi) a description of how the State is
7 working to decrease the effects of orphaned
8 wells on environmental justice commu-
9 nities; and

10 “(vii) survey results from State efforts
11 to identify undocumented orphaned wells.

12 “(B) PUBLIC ACCESS.—The Secretary
13 shall make available on a publicly accessible
14 website each report submitted under subpara-
15 graph (A).

16 “(c) TRIBAL ORPHANED WELL SITE PLUGGING, RE-
17 MEDIATION, AND RESTORATION.—

18 “(1) ESTABLISHMENT.—The Secretary shall es-
19 tablish a program in the Bureau of Indian Affairs
20 to provide grants to Indian Tribes for the purposes
21 described in paragraph (2).

22 “(2) ACTIVITIES.—The purposes described in
23 this paragraph are to—

24 “(A) permanently plug, remediate, and re-
25 claim orphaned wells on Tribal land;

1 “(B) remediate soil and restore native spe-
2 cies habitat that has been degraded due to the
3 presence of orphaned wells on Tribal land;

4 “(C) remediate lands, including access
5 roads, adjacent to orphaned wells and decom-
6 mission or remove pipelines, facilities, and in-
7 frastructure associated with the orphaned well
8 on Tribal lands;

9 “(D) provide an online public accounting
10 of the cost of permanent plugging, remediation,
11 and reclamation for each orphaned well site on
12 Tribal land;

13 “(E) identify and characterize undocu-
14 mented orphaned wells on Tribal land; and

15 “(F) administer a Tribal program to carry
16 out activities described in subparagraphs (A)
17 through (E).

18 “(3) CONSIDERATIONS.—In making a deter-
19 mination to issue a grant under this subsection, the
20 Secretary shall take into account—

21 “(A) the unemployment rate of the Indian
22 Tribe on the date such Indian Tribe submits
23 the application under paragraph (4);

24 “(B) the number of documented orphaned
25 wells on the land of such Indian Tribe; and

1 “(C) the amount of oil and gas produced
2 on the land of such Indian Tribe in 2019, as
3 determined by the Secretary.

4 “(4) APPLICATION.—An Indian Tribe may
5 apply to receive funds under this paragraph by sub-
6 mitting an application that includes—

7 “(A) a description of—

8 “(i) the Tribal program for orphaned
9 well permanent plugging, remediation, and
10 restoration, including legal authorities,
11 processes used to identify and prioritize or-
12 phaned wells, procurement mechanisms,
13 and other program elements demonstrating
14 the readiness of the Tribal program to
15 carry out the proposed activities; and

16 “(ii) the activities to be carried out
17 with the grant, including an identification
18 of the estimated health, safety, and habi-
19 tat, and environmental benefits of perma-
20 nently plugging, remediating, or reclaiming
21 the orphaned wells, adjacent lands, and ac-
22 cess roads; and

23 “(B) an estimate of—

1 “(i) the number of orphaned wells
2 that will be permanently plugged, remedi-
3 ated, or reclaimed; and

4 “(ii) the projected costs of perma-
5 nently plugging, remediating, or reclaiming
6 the orphaned wells and any adjacent lands
7 or access roads.

8 “(5) LIMITATION.—An Indian Tribe may not
9 use more than 10 percent of the funds received
10 under this subsection in a fiscal year for the pur-
11 poses described in paragraph (2)(F).

12 “(6) CONSIDERATION TIMELINE.—The Sec-
13 retary shall issue or deny a grant under this sub-
14 section not later than 60 days after the date of re-
15 ceipt of the complete application under paragraph
16 (4).

17 “(7) 5 YEARS TO EXPEND FUNDS.—An Indian
18 Tribe that receives funds under this subsection shall
19 reimburse the Secretary in an amount equal to the
20 amount of any unobligated funds that remain 5
21 years after the date on which such Indian Tribe re-
22 ceives funds under this subsection.

23 “(8) DEFERRAL OF PLUGGING AND REMEDI-
24 ATION.—An Indian Tribe with an orphaned well
25 within such Indian Tribe’s jurisdiction may request

1 that the Secretary administer and carry out perma-
2 nent plugging, remediation, and reclamation work
3 with respect to such orphaned well. For the purposes
4 of subsection (a), any orphaned well with respect to
5 which the Indian Tribe with jurisdiction has made
6 such a request shall be treated as if such orphaned
7 well is on land administered by a land management
8 agency within the Department of the Interior.

9 “(d) TECHNICAL ASSISTANCE.—The Secretary of
10 Energy, in cooperation with the Secretary and the Inter-
11 state Oil and Gas Compact Commission, shall provide
12 technical assistance to Federal land management agencies
13 and oil and gas producing States and Indian Tribes to
14 ensure practical and economical remedies are used to ad-
15 dress environmental problems caused by orphaned wells
16 on Federal, State, Tribal, or private land, including the
17 sharing of best practices in the management of oil and
18 gas well inventories to ensure the availability of funds to
19 permanently plug, remediate, and restore oil and gas well
20 sites when operations cease.

21 “(e) REPORT TO CONGRESS.—Not later than 1 year
22 after the date of enactment of this section, and every year
23 thereafter, the Secretary shall submit to the Committees
24 on Appropriations and Energy and Natural Resources of
25 the Senate and to the Committees on Appropriations and

1 Natural Resources of the House of Representatives a re-
2 port on the program established and grants awarded
3 under this section, including—

4 “(1) an updated inventory of—

5 “(A) orphaned wells on Federal, Tribal,
6 State, and private land; and

7 “(B) wells at-risk of becoming orphaned on
8 Federal, Tribal, State, and private land;

9 “(2) to the maximum extent practical, an esti-
10 mate of—

11 “(A) the amount of methane and other
12 gasses emitted from orphaned wells; and

13 “(B) the amount of emissions reduced as
14 a result of permanently plugging and reclaiming
15 orphaned wells;

16 “(3) the number of jobs created and saved
17 through the permanent plugging, remediation, and
18 reclamation of orphaned wells; and

19 “(4) the acreage of habitat restored using
20 grants awarded to permanently plug, remediate, and
21 reclaim orphaned wells and adjacent lands, including
22 access roads, and a description of how such land is
23 likely to be used in the future.

24 “(f) IDLED WELL FEES.—

1 “(1) IN GENERAL.—The Secretary shall, not
2 later than 180 days after the date of enactment of
3 this section, issue regulations to require each oper-
4 ator of an idled well on Federal land to pay an an-
5 nual, nonrefundable fee for each such idled well in
6 accordance with this subsection.

7 “(2) AMOUNTS.—Except as provided in para-
8 graph (5), the amount of the fee shall be as follows:

9 “(A) \$500 for each well that has been con-
10 sidered an idled well for at least 1 year, but not
11 more than 5 years.

12 “(B) \$1,500 for each well that has been
13 considered an idled well for at least 5 years, but
14 not more than 10 years.

15 “(C) \$3,500 for each well that has been
16 considered an idled well for at least 10 years,
17 but not more than 15 years.

18 “(D) \$7,500 for each well that has been
19 considered an idled well for at least 15 years.

20 “(3) DUE DATE.—An owner of an idled well
21 that is required to pay a fee under this subsection
22 shall submit to the Secretary such fee by not later
23 than May 1 of each year.

24 “(4) CIVIL PENALTY.—If the operator of a
25 idled well fails to pay the full amount of a fee under

1 this subsection, the Secretary may assess a civil pen-
2 alty against the operator under section 109 of the
3 Federal Oil and Gas Royalty Management Act of
4 1982 (30 U.S.C. 1719) as if such failure to pay
5 were a violation under such section.

6 “(5) ADJUSTMENT FOR INFLATION.—The Sec-
7 retary shall, by regulation not less than once every
8 4 years, adjust each fee under this subsection to ac-
9 count for inflation based on the Consumer Price
10 Index for All Urban Consumers (as published by the
11 Bureau of Labor Statistics of the Department of
12 Labor).

13 “(6) USE OF FEES.—The Secretary, acting
14 through the Director of the Bureau of Land Man-
15 agement, shall use any fees collected under this sub-
16 section for the following purposes:

17 “(A) 50 percent of such amounts shall be
18 used for—

19 “(i) inventorying and tracking or-
20 phaned wells on Federal lands;

21 “(ii) permanently plugging orphaned
22 wells on Federal lands;

23 “(iii) remediating and reclaiming well
24 pads and access roads associated with or-
25 phaned wells on Federal lands;

1 “(iv) remediating soil and restoring
2 native species habitat that have been de-
3 graded due to the presence of orphaned
4 wells on Federal land; and

5 “(v) remediating lands, including ac-
6 cess roads, adjacent to orphaned wells and
7 decommissioning or removing pipelines, fa-
8 cilities, and infrastructure associated with
9 orphaned wells.

10 “(B) 50 percent of such amounts shall be
11 used to carry out part 3163 of title 43, Code
12 of Federal Regulations (or any successor regu-
13 lation).

14 “(g) SAVINGS CLAUSES AND PREVAILING WAGE RE-
15 QUIREMENTS.—

16 “(1) NO EXPANSION OF LIABILITY.—Nothing in
17 this section establishes or expands the responsibility
18 or liability of any entity with respect to permanently
19 plugging a well or remediating or reclaiming a well
20 site.

21 “(2) PREVAILING WAGE.—Any entity carrying
22 out a project authorized by this section shall be re-
23 quired to pay prevailing wages in accordance with
24 subchapter IV of chapter 31 of title 40, United

1 States Code (commonly known as the Davis-Bacon
2 Act).

3 “(3) TRIBAL LAND.—Nothing in this section
4 may be construed to relieve the Secretary of any ob-
5 ligation imposed by section 3 of the Act of May 11,
6 1938 (25 U.S.C. 396c), or to absolve the United
7 States from any responsibility to an Indian Tribe,
8 including those which derive from the trust relation-
9 ship or from any treaties, statutes, Executive orders,
10 or agreements between the United States and an In-
11 dian Tribe, to permanently plug, remediate, or re-
12 claim orphaned wells located on Tribal lands.

13 “(4) OWNER OR OPERATOR NOT ABSOLVED.—
14 Nothing in this section may be construed to absolve
15 the owner or operator of an oil or gas well of poten-
16 tial liability for reimbursement of permanent plug-
17 ging and reclamation costs or adverse effects on the
18 environment.

19 “(h) DEFINITIONS.—In this section:

20 “(1) ENVIRONMENTAL JUSTICE COMMUNITY.—
21 The term ‘environmental justice community’ means
22 any community with significant representation of
23 communities of color, low-income communities, or
24 Tribal and indigenous communities, that experi-

ences, or is at risk of experiencing higher or more adverse human health or environmental effects.

“(2) IDLED WELL.—The term ‘idled well’—

“(A) if the Secretary has not established a definition under subsection (a)(4)(B), means a well that has been non-operational for at least two consecutive years for which there is no anticipated beneficial future use; or

“(B) has the meaning given to such term by the Secretary under subsection (a)(4)(B).

“(3) INDIAN TRIBE.—The term ‘Indian Tribe’ has the meaning given to such term in section 4(e) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(e)).

“(4) OPERATOR.—The term ‘operator’ means, with respect to an oil or gas operation, any entity, including the lessee or operating rights owner, who has stated in writing to a relevant authority that such entity is responsible for such operation or a portion thereof.

“(5) ORPHANED WELL.—The term ‘orphaned well’—

“(A) with respect to Federal and Tribal land—

1 “(i) has the meaning given to such
2 term by the Secretary under subsection
3 (a)(3); or

4 “(ii) if the Secretary has not defined
5 the term under such subsection, means a
6 well that is not being used for authorized
7 purposes such as production, injection, or
8 monitoring and for which either no oper-
9 ator can be found or the operator is unable
10 to permanently plug the well and reme-
11 diate and reclaim the well site; and

12 “(B) with respect to State or private
13 land—

14 “(i) has the meaning given to such
15 term by such State if the Secretary deter-
16 mines under subsection (b)(3)(C)(iii) that
17 such definition is reasonable; or

18 “(ii) has the meaning given in sub-
19 paragraph (A).

20 “(6) TRIBAL LAND.—The term ‘Tribal land’
21 means any land or interests in land owned by any
22 Indian Tribe, title to which is held in trust by the
23 United States, or is subject to a restriction against
24 alienation under laws of the United States.

1 “(i) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated for fiscal year 2021, to
3 remain available until September 30, 2031—

4 “(1) to the Secretary—

5 “(A) \$400,000,000 to carry out the pro-
6 gram under subsection (a);

7 “(B) \$1,500,000,000—

8 “(i) to provide grants under para-
9 graph (2) of subsection (b); and

10 “(ii) to provide, beginning on the date
11 that is 18 months after amounts are made
12 available to carry out this section, grants
13 under paragraph (4) of such subsection;

14 “(C) \$3,500,000,000 to provide grants
15 under paragraph (3) of such subsection;

16 “(D) \$2,250,000,000 to provide grants
17 under paragraph (4) of such subsection; and

18 “(E) \$300,000,000 to carry out subsection
19 (c);

20 “(2) to the Secretary of Energy, \$48,000,000
21 to conduct research and development activities in co-
22 operation with the Interstate Oil and Gas Compact
23 Commission to assist the Federal land management
24 agencies, States, and Indian Tribes in identifying
25 and characterizing undocumented orphaned wells

1 and mitigating the environmental risks of undocu-
2 mented orphaned wells; and

3 “(3) to the Interstate Oil and Gas Compact
4 Commission, \$2,000,000 to carry out this section.”.

5 **SEC. 3. AMENDMENT TO MINERAL LEASING ACT.**

6 Section 17(g) of the Mineral Leasing Act (30 U.S.C.
7 226(g)) is amended by inserting “The Secretary concerned
8 shall review the adequacy of each such bond, surety, or
9 other financial arrangement anytime a lease issued under
10 this section is transferred. Each such bond, surety, or
11 other financial arrangement shall be considered inad-
12 equate if such bond, surety, or other financial arrange-
13 ment is for less than \$150,000 in the case of an arrange-
14 ment for an individual surface-disturbing activity of each
15 entity on an individual oil or gas lease in a State, or
16 \$500,000 in the case of an arrangement for all surface-
17 disturbing activities of each entity on all oil and gas leases
18 in a State.” after “on the lease.”.

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