

Changing Legal Landscape for Federal Oil Shale Leasing

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Outline

- **Pre-1920 legal regime**
- **Mineral Leasing Act of 1920**
- **Energy Policy Act of 2005**
- **Other legislation in 109th Congress**

Pre-1920: Mineral Patent System

- Oil Placer Act of 1987
- Staking an oil shale claim
- Patenting an oil shale claim
- Rights & Obligations

Mineral Leasing Act

- **Lease size**
 - Limited to 1 lease, no larger than 5,120 acres
- **Royalty provisions**
 - 12.5% of value of production for all leasable minerals
 - Discretionary waiver, reduction, or suspension
 - Royalty sharing with state
- **Rentals**
- **Offsite leases**

Energy Policy Act of 2005

- **Research and Development leasing: 369(c)**
- **Programmatic EIS: 369(d)(1)**
- **Leasing regulations: 369(d)(2)**
 - Royalty rates: 369(o)
 - Diligence: 369(f)
- **Consultation & Commercial leasing: 369(e)**

Energy Policy Act of 2005

- **Amendments to Mineral Leasing Act: 369(j)**
 - Lease size increased
 - Acreage limits increased tenfold
 - Rents increased to \$2.00/acre
- **Land Exchanges: 369(n)**
- **Water rights: 369(r)**
- **DOI as lead agency for development: 369(k)**

Energy Policy Act of 2005

- **Oil Shale Task Force: 369(h)**
- **Office of Petroleum Reserves: 369(i)**
- **Policy Bodies and Reports**
 - Cost-Shared Demonstration Technologies: 369(l)
 - National Oil Shale & Tar Sands Assessment: 369(m)
 - Heavy Oil Technical & Economic Assessment: 369(p)
 - DOD strategy for unconventional fuel: 369(q)

Rejected Legislation

- **Precursors to Energy Policy Act**
 - S.1111 (Hatch, R-UT)
 - S.1092 (Salazar, D-CO)
- **Pre-Conference Energy Bills**
 - House: Sec. 2018 of H.R. 6
 - Senate: Sec. 346 of H.R. 6
- **2005 Budget Reconciliation bill, S.1932**
- **Deep Ocean Energy Resources Act, H.R. 4761**

Questions?

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