

# Union Calendar No. 70

113TH CONGRESS  
1ST SESSION

# H. R. 1613

**[Report No. 113–101, Part I]**

To amend the Outer Continental Shelf Lands Act to provide for the proper Federal management and oversight of transboundary hydrocarbon reservoirs, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 18, 2013

Mr. DUNCAN of South Carolina (for himself, Mr. HASTINGS of Washington, and Mr. SALMON) introduced the following bill; which was referred to the Committee on Natural Resources, and in addition to the Committees on Foreign Affairs and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

JUNE 6, 2013

Additional sponsors: Mr. RADEL, Mr. BROUN of Georgia, Mr. POE of Texas, Mr. McCAUL, Mr. LAMBORN, Mr. AMODEI, Mr. GRAVES of Georgia, Mr. CRAMER, Mr. MEADOWS, Mr. WESTMORELAND, Mrs. WAGNER, Mr. WILSON of South Carolina, Mr. BENTIVOLIO, and Mr. MULLIN

JUNE 6, 2013

Reported from the Committee on Natural Resources with an amendment

[Strike out all after the enacting clause and insert the part printed in *italic*]

JUNE 6, 2013

The Committees on Foreign Affairs and Financial Services discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

[For text of introduced bill, see copy of bill as introduced on April 18, 2013]

# **A BILL**

To amend the Outer Continental Shelf Lands Act to provide for the proper Federal management and oversight of transboundary hydrocarbon reservoirs, 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,*

3 **SECTION 1. SHORT TITLE.**

4       *This Act may be cited as the “Outer Continental Shelf*  
5 *Transboundary Hydrocarbon Agreements Authorization*  
6 *Act”.*

7 **TITLE I—AMENDMENT TO THE**  
8 **OUTER CONTINENTAL SHELF**  
9 **LANDS ACT**

10 **SEC. 101. AMENDMENT TO THE OUTER CONTINENTAL**  
11 **SHELF LANDS ACT.**

12       *The Outer Continental Shelf Lands Act (43 U.S.C.*  
13 *1331 et seq.) is amended by adding at the end the following:*

14 **“SEC. 32. TRANSBOUNDARY HYDROCARBON AGREEMENTS.**

15       “(a) **AUTHORIZATION.**—*After the date of enactment of*  
16 *the Outer Continental Shelf Transboundary Hydrocarbon*  
17 *Agreements Authorization Act, the Secretary may imple-*  
18 *ment the terms of any transboundary hydrocarbon agree-*  
19 *ment for the management of transboundary hydrocarbon*  
20 *reservoirs entered into by the President and approved by*  
21 *Congress. In implementing such an agreement, the Sec-*  
22 *retary shall protect the interests of the United States to pro-*  
23 *mote domestic job creation and ensure the expeditious and*  
24 *orderly development and conservation of domestic mineral*  
25 *resources in accordance with all applicable United States*

1 *laws governing the exploration, development, and produc-*  
2 *tion of hydrocarbon resources on the outer Continental*  
3 *Shelf.*

4 “(b) *SUBMISSION TO CONGRESS.*—

5 “(1) *IN GENERAL.*—*No later than 180 days after*  
6 *all parties to a transboundary hydrocarbon agreement*  
7 *have agreed to its terms, a transboundary hydro-*  
8 *carbon agreement that does not constitute a treaty in*  
9 *the judgment of the President shall be submitted by*  
10 *the Secretary to—*

11 “(A) *the Speaker of the House of Represent-*  
12 *atives;*

13 “(B) *the Majority Leader of the Senate;*

14 “(C) *the Chair of the Committee on Natural*  
15 *Resources of the House of Representatives; and*

16 “(D) *the Chair of the Committee on Energy*  
17 *and Natural Resources of the Senate.*

18 “(2) *CONTENTS OF SUBMISSION.*—*The submis-*  
19 *sion shall include—*

20 “(A) *any amendments to this Act or other*  
21 *Federal law necessary to implement the agree-*  
22 *ment;*

23 “(B) *an analysis of the economic impacts*  
24 *such an agreement and any amendments neces-*  
25 *sitated by the agreement will have on domestic*

1           *exploration, development, and production of hy-*  
2           *drocarbon resources on the outer Continental*  
3           *Shelf; and*

4                     *“(C) a detailed description of any regula-*  
5           *tions expected to be issued by the Secretary to*  
6           *implement the agreement.*

7           *“(c) IMPLEMENTATION OF SPECIFIC TRANSBOUNDARY*  
8    *AGREEMENT WITH MEXICO.—The Secretary may take ac-*  
9    *tions as necessary to implement the terms of the Agreement*  
10   *between the United States of America and the United Mexi-*  
11   *can States Concerning Transboundary Hydrocarbon Res-*  
12   *ervoirs in the Gulf of Mexico, signed at Los Cabos, February*  
13   *20, 2012, including—*

14                     *“(1) approving unitization agreements and re-*  
15           *lated arrangements for the exploration, development,*  
16           *or production of oil and natural gas from trans-*  
17           *boundary reservoirs or geological structures;*

18                     *“(2) making available, in the limited manner*  
19           *necessary under the agreement and subject to the pro-*  
20           *tections of confidentiality provided by the agreement,*  
21           *information relating to the exploration, development,*  
22           *and production of oil and natural gas from a trans-*  
23           *boundary reservoir or geological structure that may*  
24           *be considered confidential, privileged, or proprietary*  
25           *information under law;*

1           “(3) taking actions consistent with an expert de-  
2           termination under the agreement; and

3           “(4) ensuring only appropriate inspection staff  
4           at the Bureau of Safety and Environmental Enforce-  
5           ment or other Federal agency personnel designated by  
6           the Bureau, the operator, or the lessee have authority  
7           to stop work on any installation or other device or  
8           vessel permanently or temporarily attached to the sea-  
9           bed of the United States, which may be erected there-  
10          on for the purpose of resource exploration, develop-  
11          ment or production activities as approved by the Sec-  
12          retary.

13          “(d) *EXEMPTION FROM RESOURCES EXTRACTION RE-*  
14          *PORTING REQUIREMENT.*—Actions taken by a public com-  
15          pany in accordance with any transboundary hydrocarbon  
16          agreement shall not constitute the commercial development  
17          of oil, natural gas, or minerals for purposes of section 13(q)  
18          of the Securities Exchange Act of 1934 (157 U.S.C. 78m(q)).

19          “(e) *SAVINGS PROVISIONS.*—Nothing in this section  
20          shall be construed—

21                 “(1) to authorize the Secretary to participate in  
22                 any negotiations, conferences, or consultations with  
23                 Cuba regarding exploration, development, or produc-  
24                 tion of hydrocarbon resources in the Gulf of Mexico  
25                 along the United States maritime border with Cuba

1        *or the area known by the Department of the Interior*  
2        *as the ‘Eastern Gap’; or*

3                *“(2) as affecting the sovereign rights and the ju-*  
4        *isdiction that the United States has under inter-*  
5        *national law over the outer Continental Shelf which*  
6        *appertains to it.”.*

7        ***TITLE II—APPROVAL OF TRANS-***  
8        ***BOUNDARY        HYDROCARBON***  
9        ***AGREEMENT***

10        ***SEC. 201. APPROVAL OF AGREEMENT WITH MEXICO.***

11        *The Agreement between the United States of America*  
12        *and the United Mexican States Concerning Transboundary*  
13        *Hydrocarbon Reservoirs in the Gulf of Mexico, signed at*  
14        *Los Cabos, February 20, 2012, is hereby approved.*

Union Calendar No. 70

113<sup>TH</sup> CONGRESS  
1<sup>ST</sup> Session

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