

that portion of the Eastern Planning Area of the Gulf of Mexico encompassing whole lease blocks lying west of 87 degrees, 30 minutes West longitude, any lease sale within five years of the date of enactment of this title [Nov. 28, 1995], shall use the bidding system authorized in section 8(a)(1)(H) of the Outer Continental Shelf Lands Act, as amended by this title [43 U.S.C. 1337(a)(1)(H)], except that the suspension of royalties shall be set at a volume of not less than the following:

- “(1) 17.5 million barrels of oil equivalent for leases in water depths of 200 to 400 meters;
- “(2) 52.5 million barrels of oil equivalent for leases in 400 to 800 meters of water; and
- “(3) 87.5 million barrels of oil equivalent for leases in water depths greater than 800 meters.”

DISTRIBUTION OF SECTION 1337(g) ACCOUNT

Pub. L. 99-272, title VIII, §8004, Apr. 7, 1986, 100 Stat. 150, provided that:

“(a) Prior to April 15, 1986, the Secretary shall distribute to the designated coastal States the sum of—

“(1) the amounts due and payable to each such State under paragraph (2) of section 8(g) of the Outer Continental Shelf Lands Act, as amended by this title [43 U.S.C. 1337(g)(2)], for the period between October 1, 1985, and the date of such distribution, and

“(2) the amounts due each such State under subsection (b)(1)(A) of this section for the period prior to October 1, 1985.

“(b)(1) As a fair and equitable disposition of all revenues (including interest thereon) derived from any lease of Federal lands wholly or partially within 3 miles of the seaward boundary of a coastal State prior to October 1, 1985, the Secretary shall distribute:

“(A) from the funds which were deposited in the separate account in the Treasury of the United States under section 8(g)(4) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)(4)) which was in effect prior to the date of enactment of section 8003 of this title [Apr. 7, 1986] the following sums:

| | (\$ million) |
|------------------|--------------|
| Louisiana | 572 |
| Texas..... | 382 |
| California..... | 338 |
| Alabama..... | 66 |
| Alaska..... | 51 |
| Mississippi..... | 14 |
| Florida..... | 0.03 |

as well as 27 percent of the royalties, derived from any lease of Federal lands, which have been deposited through September 30, 1985, in the separate account described in this paragraph and interest thereon accrued through September 30, 1985, and shall transmit any remaining amounts to the miscellaneous receipts account of the Treasury of the United States; and

“(B) from revenues derived from any lease of Federal lands under the Outer Continental Shelf Lands Act, as amended [43 U.S.C. 1331 et seq.], prior to April 15 of each of the fifteen fiscal years following the fiscal year in which this title is enacted, 3 percent of the following sums in each of the five fiscal years following the date of enactment of this Act [Apr. 7, 1986], 7 percent of such sums in each of the next five fiscal years, and 10 percent of such sums in each of the following five fiscal years:

| | (\$ million) |
|------------------|--------------|
| Louisiana | 84 |
| Texas..... | 134 |
| California..... | 289 |
| Alabama..... | 7 |
| Alaska..... | 134 |
| Mississippi..... | 2. |

“(2) The acceptance of any payment by a State under this section shall satisfy and release any and all claims of such State against the United States arising under, or related to, section 8(g) of the Outer Continental Shelf Lands Act [43 U.S.C. 1337(g)], as it was in effect prior to the date of enactment of this Act [Apr. 7, 1986]

and shall vest in such State the right to receive payments as set forth in this section.

“(c) Notwithstanding any other provision of this Act, the amounts due and payable to the State of Louisiana prior to October 1, 1986, under subtitle A of title VIII (Outer Continental Shelf and Related Programs) of this Act [title VIII does not contain a subtitle A, see Short Title of 1986 Amendment note set out under section 1301 of this title] shall remain in their separate accounts in the Treasury of the United States and continue to accrue interest until October 1, 1986, except that the \$572,000,000 set forth in subsection 8004(b)(1)(A) of this section shall only accrue interest from April 15, 1986 to October 1, 1986, at which time the Secretary shall immediately distribute such sums with accrued interest to the State of Louisiana.”

§ 1338. Disposition of revenues

All rentals, royalties, and other sums paid to the Secretary or the Secretary of the Navy under any lease on the outer Continental Shelf for the period from June 5, 1950, to date, and thereafter shall be deposited in the Treasury of the United States and credited to miscellaneous receipts.

(Aug. 7, 1953, ch. 345, §9, 67 Stat. 469.)

§ 1338a. Moneys received as a result of forfeiture by Outer Continental Shelf permittee, lessee, or right-of-way holder; return of excess amounts

Notwithstanding section 3302 of title 31, any moneys on and after November 5, 1990, received as a result of the forfeiture of a bond or other security by an Outer Continental Shelf permittee, lessee, or right-of-way holder which does not fulfill the requirements of its permit, lease, or right-of-way or does not comply with the regulations of the Secretary shall be credited to the royalty and offshore minerals management account of the Minerals Management Service to cover the cost to the United States of any improvement, protection, or rehabilitation work rendered necessary by the action or inaction that led to the forfeiture, to remain available until expended: *Provided further*, That any portion of the moneys so credited shall be returned to the permittee, lessee, or right-of-way holder to the extent that the money is in excess of the amount expended in performing the work necessitated by the action or inaction which led to their receipt or, if the bond or security was forfeited for failure to pay the civil penalty, in excess of the civil penalty imposed.

(Pub. L. 101-512, title I, Nov. 5, 1990, 104 Stat. 1926; Pub. L. 102-381, title I, Oct. 5, 1992, 106 Stat. 1386; Pub. L. 103-332, title I, Sept. 30, 1994, 108 Stat. 2508.)

CODIFICATION

Section enacted as part of the Department of the Interior and Related Agencies Appropriations Act, 1991, and not as part of the Outer Continental Shelf Lands Act which comprises this subchapter.

AMENDMENTS

1994—Pub. L. 103-332 struck out “or payment of civil penalty” after “result of the forfeiture of a bond or other security”, substituted “royalty and offshore minerals” for “leasing and royalty”, and struck out “or imposition of the civil penalty” after “rendered necessary by the action or inaction that led to the forfeiture”.

1992—Pub. L. 102-381 substituted “shall be credited to the leasing and royalty management account of the Minerals Management Service” for “shall be credited to this account”.

CHANGE OF NAME

Title I of Pub. L. 103-332, 108 Stat. 2508, provided in part: “That where the account title ‘Leasing and Royalty Management’ appears in any public law, the words ‘Leasing and Royalty Management’ beginning in fiscal year 1995 and thereafter shall be construed to mean ‘Royalty and Offshore Minerals Management’.”

EFFECTIVE DATE OF 1994 AMENDMENT

Title I of Pub. L. 103-332, 108 Stat. 2508, provided that the amendment made by Pub. L. 103-332 substituting “royalty and offshore minerals” for “leasing and royalty” is effective beginning in fiscal year 1995 and thereafter.

TRANSFER OF FUNCTIONS

The Minerals Management Service was abolished and functions divided among the Office of Natural Resources Revenue, the Bureau of Ocean Energy Management, and the Bureau of Safety and Environmental Enforcement. See Secretary of the Interior Orders No. 3299 of May 19, 2010, and No. 3302 of June 18, 2010, and chapters II, V, and XII of title 30, Code of Federal Regulations, as revised by final rules of the Department of the Interior at 75 F.R. 61051 and 76 F.R. 64432.

§ 1339. Repealed. Pub. L. 104-185, § 8(b), Aug. 13, 1996, 110 Stat. 1717

Section, act Aug. 7, 1953, ch. 345, § 10, 67 Stat. 469, related to requirements for refund of excess payments.

EFFECTIVE DATE OF REPEAL

Pub. L. 104-185, § 8(b), Aug. 13, 1996, 110 Stat. 1717, provided in part that the repeal of this section is effective Aug. 13, 1996.

APPLICABILITY OF REPEAL

Repeal of section not applicable to any privately owned minerals or with respect to Indian lands, see sections 9 and 10 of Pub. L. 104-185, set out as an Applicability of 1996 Amendment note under section 1701 of Title 30, Mineral Lands and Mining.

§ 1340. Geological and geophysical explorations

(a) Approved exploration plans

(1) Any agency of the United States and any person authorized by the Secretary may conduct geological and geophysical explorations in the outer Continental Shelf, which do not interfere with or endanger actual operations under any lease maintained or granted pursuant to this subchapter, and which are not unduly harmful to aquatic life in such area.

(2) The provisions of paragraph (1) of this subsection shall not apply to any person conducting explorations pursuant to an approved exploration plan on any area under lease to such person pursuant to the provisions of this subchapter.

(b) Oil and gas exploration

Except as provided in subsection (f) of this section, beginning ninety days after September 18, 1978, no exploration pursuant to any oil and gas lease issued or maintained under this subchapter may be undertaken by the holder of such lease, except in accordance with the provisions of this section.

(c) Plan approval; State concurrence; plan provisions

(1) Except as otherwise provided in this subchapter, prior to commencing exploration pursuant to any oil and gas lease issued or maintained under this subchapter, the holder thereof shall submit an exploration plan to the Secretary for approval. Such plan may apply to more than one lease held by a lessee in any one region of the outer Continental Shelf, or by a group of lessees acting under a unitization, pooling, or drilling agreement, and shall be approved by the Secretary if he finds that such plan is consistent with the provisions of this subchapter, regulations prescribed under this subchapter, including regulations prescribed by the Secretary pursuant to paragraph (8) of section 1334(a) of this title, and the provisions of such lease. The Secretary shall require such modifications of such plan as are necessary to achieve such consistency. The Secretary shall approve such plan, as submitted or modified, within thirty days of its submission, except that the Secretary shall disapprove such plan if he determines that (A) any proposed activity under such plan would result in any condition described in section 1334(a)(2)(A)(i) of this title, and (B) such proposed activity cannot be modified to avoid such condition. If the Secretary disapproves a plan under the preceding sentence, he may, subject to section 1334(a)(2)(B) of this title, cancel such lease and the lessee shall be entitled to compensation in accordance with the regulations prescribed under section 1334(a)(2)(C)(i) or (ii) of this title.

(2) The Secretary shall not grant any license or permit for any activity described in detail in an exploration plan and affecting any land use or water use in the coastal zone of a State with a coastal zone management program approved pursuant to section 1455 of title 16, unless the State concurs or is conclusively presumed to concur with the consistency certification accompanying such plan pursuant to section 1456(c)(3)(B)(i) or (ii) of title 16, or the Secretary of Commerce makes the finding authorized by section 1456(c)(3)(B)(iii) of title 16.

(3) An exploration plan submitted under this subsection shall include, in the degree of detail which the Secretary may by regulation require—

(A) a schedule of anticipated exploration activities to be undertaken;¹

(B) a description of equipment to be used for such activities;

(C) the general location of each well to be drilled; and

(D) such other information deemed pertinent by the Secretary.

(4) The Secretary may, by regulation, require that such plan be accompanied by a general statement of development and production intentions which shall be for planning purposes only and which shall not be binding on any party.

(d) Drilling permit

The Secretary may, by regulation, require any lessee operating under an approved exploration

¹ So in original. Probably should be “undertaken;”.