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(Original Signature of Member)

117TH CONGRESS
1ST SESSION

H. R. _____

To amend the Energy Policy Act of 2005 to reauthorize a program to address orphaned, abandoned, or idled wells on Federal land, to establish a program to provide grants to States and Tribes to address orphaned wells, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. THOMPSON of Pennsylvania introduced the following bill; which was referred to the Committee on _____

A BILL

To amend the Energy Policy Act of 2005 to reauthorize a program to address orphaned, abandoned, or idled wells on Federal land, to establish a program to provide grants to States and Tribes to address orphaned wells, 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 “Plugging Orphan Wells
5 and Environmental Restoration Act of 2021” or the
6 “POWER Act of 2021”.

1 **SEC. 2. FEDERAL LANDS.**

2 Section 349(h)(1) of the Energy Policy Act of 2005
3 (42 U.S.C. 15907(h)(1)) is amended by striking
4 “\$25,000,000 for each of fiscal years 2006 through 2010”
5 and inserting “\$50,000,000 for each of fiscal years 2022
6 through 2026”.

7 **SEC. 3. STATE AND TRIBAL LANDS.**

8 (a) STATE AND TRIBAL ORPHANED WELLS.—

9 (1) IN GENERAL.—Not later than 90 days after
10 the date of enactment of this Act, the Secretary of
11 the Interior shall establish a program to provide
12 grants to States and Indian Tribes to remediate, re-
13 claim, and close orphaned oil and gas wells located
14 on State, Tribal, or private lands.

15 (2) ACTIVITIES.—Funds distributed under this
16 subsection may be used by States and Indian Tribes
17 for—

18 (A) reclaiming, remediating, and closing
19 orphaned wells;

20 (B) reclaiming and remediating well pads
21 and access roads associated with orphaned
22 wells;

23 (C) restoring native species habitat that
24 has been degraded due to the presence of or-
25 phaned wells;

1 (D) seeking to determine the identities of
2 potentially responsible parties associated with
3 the orphaned well sites, or their sureties or
4 guarantors, to the extent such information can
5 be ascertained, and make efforts to obtain reim-
6 bursement for expenditures to the extent prac-
7 ticable;

8 (E) identification and characterization of
9 undocumented orphaned wells on State, Tribal,
10 and private lands;

11 (F) ranking orphaned or abandoned well
12 sites based on factors such as public health and
13 safety, potential environmental harm, and other
14 land use priorities;

15 (G) administration of a State or Tribal or-
16 phaned well closure program, provided that no
17 more than 10 percent of the funds received by
18 a State or Indian Tribe under this subsection
19 may be used for this purpose; and

20 (H) making information regarding the use
21 of funds under this subsection available to the
22 public.

23 (3) PRIORITY.—In providing grants under this
24 subsection, the Secretary shall give priority to States
25 and Indian Tribes that have an established State or

1 Tribal program for the remediation, reclamation, or
2 closure of abandoned, idled, or orphaned oil and gas
3 wells.

4 (4) RESTRICTIONS AND REQUIREMENTS.—

5 (A) NO NEW OBLIGATIONS RELATED TO
6 THE BONDING, PLUGGING, OR TRANSFER OF
7 STRIPPER WELLS.—No State or Indian Tribe
8 receiving a grant under this subsection may use
9 such grant funds to impose new obligations re-
10 lated to the bonding, plugging, or transfer of
11 stripper wells.

12 (B) PROCEDURES FOR THE PROTECTION
13 OF SMALL BUSINESSES.—A State or Indian
14 Tribe receiving a grant under this subsection
15 shall be required to adhere to measures and
16 procedures for the protection of small busi-
17 nesses comparable to those required by the
18 Small Business Regulatory Enforcement Fair-
19 ness Act of 1996.

20 (5) APPLICATION.—States and Indian Tribes
21 shall be eligible for grants under this subsection
22 upon application to the Secretary of the Interior.
23 Such application shall include—

1 (A) a prioritized list of the wells, well sites,
2 and affected areas that will be remediated, re-
3 claimed, or closed;

4 (B) a description of the activities to be car-
5 ried out with the grant, including an identifica-
6 tion of the estimated health, safety, habitat,
7 and environmental benefits of remediating, re-
8 claiming, or closing each well, well site, or af-
9 fected area;

10 (C) an estimate of the cost of each pro-
11 posed project;

12 (D) an estimate of the number of jobs that
13 will be created or saved through the projects to
14 be funded under this subsection;

15 (E) an estimate of the funds to be spent
16 on administrative costs; and

17 (F) a description of how the information
18 regarding the State's or Indian Tribe's activi-
19 ties under this subsection will be made available
20 to the public.

21 (6) ALLOCATION.—The Secretary shall, in con-
22 sultation with States, affected Indian Tribes, and
23 the Interstate Oil and Gas Compact Commission, de-
24 velop a formula for the amount of grant funding

1 each State or Indian Tribe is eligible for under this
2 subsection, taking into account—

3 (A) the number of documented orphaned
4 wells within the State or on each Indian Tribe's
5 lands;

6 (B) the amount of oil and gas activity
7 within the State or on Tribal lands in the pre-
8 vious 10 years; and

9 (C) the number of jobs lost in the oil and
10 gas sector since March 1, 2020.

11 (b) TECHNICAL ASSISTANCE.—

12 (1) IN GENERAL.—The Secretary of Energy, in
13 cooperation with the Secretary, shall establish a pro-
14 gram to provide technical assistance to oil and gas
15 producing States and Indian Tribes to ensure prac-
16 tical and economical remedies for environmental
17 problems caused by orphaned or abandoned oil and
18 gas well sites on State, Tribal, or private land.

19 (2) ASSISTANCE.—The Secretary of Energy
20 shall work with the States, through the Interstate
21 Oil and Gas Compact Commission, to assist the
22 States in quantifying and mitigating environmental
23 risks of onshore orphaned or abandoned oil or gas
24 wells on State, Tribal, and private land.

1 (3) ACTIVITIES.—The program under para-
2 graph (1) shall include—

3 (A) mechanisms to facilitate identification,
4 if feasible, of the persons currently providing a
5 bond or other form of financial assurance re-
6 quired under State or Federal law for an oil or
7 gas well that is orphaned or abandoned;

8 (B) criteria for ranking orphaned or aban-
9 doned well sites based on factors such as public
10 health and safety, potential environmental
11 harm, and other land use priorities;

12 (C) information and training programs on
13 best practices for remediation of different types
14 of sites; and

15 (D) funding of State mitigation efforts on
16 a cost-shared basis.

17 (c) REPORT TO CONGRESS.—Not later than one year
18 after the date of enactment of this section, and every year
19 thereafter, the Secretary shall submit to Congress a report
20 on the programs established under this section, including
21 the number of jobs created and the number of orphaned
22 wells reclaimed.

23 (d) LIABILITY PROTECTION.—A person who provides
24 equipment, materials, or services to plug, or attempt to
25 plug, an orphaned well pursuant to a grant awarded to

1 a State or Indian Tribe under this Act shall be immune
2 from civil liability in any legal proceeding brought to en-
3 force an environmental law or otherwise impose liability
4 for such conduct.

5 (e) DEFINITIONS.—In this section, the following defi-
6 nitions apply:

7 (1) ORPHANED WELL.—The term “orphaned
8 well” means any well not in operation for which
9 there is no responsible party known to the Secretary
10 to reclaim and remediate or close the well site.

11 (2) RESPONSIBLE PARTY.—The term “respon-
12 sible party” has the meaning given to it by the rel-
13 evant State, or if the relevant state does not provide
14 a definition, means any person, association, corpora-
15 tion, subsidiary, or affiliate that directly or indi-
16 rectly, controls, manages, directs, or undertakes the
17 activities with respect to an oil and gas lease or any
18 person or entity controlled by, or under common
19 control with, such person or entity.

20 (3) STRIPPER WELL.—The term “stripper well”
21 means an onshore facility that produces, in a 12-
22 month consecutive time period—

23 (A) 15 barrels per well or less per calendar
24 day of crude oil; or

1 (B) 90,000 cubic feet per calendar day or
2 less of natural gas.

3 (f) APPROPRIATIONS.—There are authorized to be
4 appropriated to the Secretary of the Interior
5 \$400,000,000 for each of fiscal years 2021 through 2025
6 to carry out this section.