

Citizens' Advisory Commission on Federal Areas

August 13, 2015

Memorandum for the Executive Director

From: Taylor D. Holshouser
Subject: S. 1230 and Other Bills

I have prepared the following memorandum in response to your request for additional information on S. 1230, a bill proposed by Senator Murkowski at the start of the 114th Congress. I have included a summary as well as a selection of the key provisions of the bill for review by you and members of the commission. A copy of the bill is attached as well.

S. 1230

Informally titled, "Memoranda of Understanding with State Oil and Gas Programs," S. 1230 requires the Department of the Interior, at the request of the governor a state, to create a program under which the Bureau of Land Management (BLM) would have to enter into a memorandum of understanding with the state to create consistent rules for the measurement of oil and gas production activities.

Measurements would include the inspection of meters and methods, as well as other measurement activities as determined by the Secretary of the Interior. S. 1230 also requires the state requesting such a memorandum to have programs in place sufficient to fulfill the oversight and enforcement responsibilities of the BLM.

The key implications of the bill are:

- (1) Requires the Governor of the State to initiate the process. However in order to do so the state must meet BLM oversight and enforcement standards, as determined by the Secretary of the Interior.
- (2) Requires the Department of the Interior to direct the BLM to enter into a memorandum of understanding with the State to create consistent rules and regulations for the measurement of oil and gas production activities.
- (3) Adds measurement of oil and gas production activities to the expressed responsibilities of the Secretary of the Interior.

The bill was introduced on May 6, 2015. It has been referred to the Senate Committee on Energy and Natural Resources.