

118TH CONGRESS  
2D SESSION

# H. R. 7377

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## AN ACT

To amend the Federal Oil and Gas Royalty Management Act of 1982 to improve the management of royalties from oil and gas leases, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Royalty Resiliency  
3 Act”.

4 **SEC. 2. DETERMINATION OF ALLOCATIONS OF PRODUC-**  
5 **TION FOR UNITS AND COMMUNITIZATION**  
6 **AGREEMENTS.**

7 Section 111(j) of the Federal Oil and Gas Royalty  
8 Management Act of 1982 (30 U.S.C. 1721(j)), as amend-  
9 ed by the Federal Oil and Gas Royalty Simplification and  
10 Fairness Act of 1996 (Public Law 104–185), is amended  
11 to read as follows:

12 “(j) The Secretary shall issue all determinations of  
13 allocations of production for units and communitization  
14 agreements within 120 days of a request for determina-  
15 tion. Until the Secretary issues the determination, the les-  
16 see or its designee of a lease in a unit or communitization  
17 agreement shall report and pay royalties on oil and gas  
18 production for each production month in accordance with  
19 the terms of the proposed allocation of production for the  
20 unit or communitization agreement. After the Secretary  
21 issues the determination, the lessee or its designee shall,  
22 as necessary, correct such reports and the amount of roy-  
23 alties paid on oil and gas production under the unit or  
24 communitization agreement by not later than the end of  
25 the third month following the month in which the lessee  
26 or its designee receives the determination from the Sec-

1 retary. Subject to the full and timely monthly payment  
2 of royalties to all parties in accordance with the terms of  
3 the proposed allocation of production for the unit or  
4 communitization agreement, the Secretary shall waive in-  
5 terest due on obligations subject to the determination until  
6 the end of the third month following the month in which  
7 the lessee or its designee receives the determination from  
8 the Secretary. This subsection shall not apply to unit or  
9 communization agreements containing Indian lands.”.

Passed the House of Representatives July 22, 2024.

Attest:

*Clerk.*

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