

One Hundred Eighteenth Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Wednesday,
the third day of January, two thousand and twenty-four*

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.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

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

SEC. 2. DETERMINATION OF ALLOCATIONS OF PRODUCTION FOR UNITS AND COMMUNITIZATION AGREEMENTS.

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

“(j) The Secretary shall issue all determinations of allocations of production for units and communitization agreements within 120 days of a request for determination. Until the Secretary issues the determination, the lessee or its designee of a lease in a unit or communitization agreement shall report and pay royalties on oil and gas production for each production month in accordance with the terms of the proposed allocation of production for the unit or communitization agreement. After the Secretary issues the determination, the lessee or its designee shall, as necessary, correct such reports and the amount of royalties paid on oil and gas production under the unit or communitization agreement by not later than the end of the third month following the month in which the lessee or its designee receives the determination from the Secretary. Subject to the full and timely monthly payment of royalties to all parties in accordance with the terms of the proposed allocation of production for the unit or communitization agreement, the Secretary shall waive interest due on obligations subject to the determination until the end of the third month following the month in which the lessee or its designee receives the determination from the Secretary. This subsection shall not apply to unit or communitization agreements containing Indian lands.”.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*