

AMENDMENT NO. 25

**TO THE CHAIRMAN'S MARK FOR TITLE I
OF THE ENERGY POLICY BILL**

Intended to be proposed by Ms. LANDRIEU

Purpose: To accelerate natural gas exploration, development, and production from wells drilled to deep depths on existing shallow water lease tracts on the Outer Continental Shelf.

1 On page 12, beginning at line 9, insert “(a) ROYALTY INCENTIVE REGULATIONS. –” before
2 “No” and insert the following at the end:

3 “(b) ROYALTY INCENTIVE REGULATIONS FOR ULTRA DEEP GAS WELLS. – No later than 90
4 days after the date of enactment of this Act, in addition to any other regulations that may provide
5 royalty incentives for natural gas produced from deep wells on oil and gas leases issued pursuant to the
6 Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), the Secretary of the Interior shall
7 promulgate new regulations granting royalty relief suspension volumes of not less than 35 billion cubic
8 feet with respect to the production of natural gas from ‘ultra deep wells’ on leases issued prior to
9 January 1, 2001, in shallow waters less than 200 meters deep located in the Gulf of Mexico wholly
10 west of 87 degrees, 30 minutes West longitude. For purposes of this subsection, the term ‘ultra deep
11 wells’ means wells drilled with a perforated interval, the top of which is at least 20,000 feet true vertical
12 depth below the datum at mean sea level.”.

