

CHAPTER 18

Oil and Gas Operations on Onshore Federal Lands

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§ 18.01. Introduction.

In a Chapter prepared for the Foundation's Sixth Annual Institute⁽¹⁾ on federal onshore oil and gas leasing, I indicated that it was intended only as an introduction to a comprehensive area of law in which any single topic covered could be the subject of a separate article. The present review of oil and gas operations on onshore federal lands is also designed only as an introduction and is subject to the same limitations in coverage and detail as the earlier leasing Chapter. Many areas will be reviewed only briefly and may simply provide reference to other sources for further research.⁽²⁾ However, my review of some of these sources did indicate that the most recent versions may require updating and it is my intention to fill some of the gaps. Because the majority of federal lands in the Eastern United States are located in National Forests, an attempt will also be made to emphasize the requirements for operations on those lands.

§ 18.02. Source of Operating Rights and Obligations.

The holder of a private lease who desires to commence operating on that lease usually looks to lease terms, along with the obligations implied by law, and the rules of the state's oil and gas regulatory body. The federal lessee also begins by referring to the terms and conditions of the lease form.⁽³⁾ However, that printed form contains the following provision in the granting clause:

Rights granted are subject to applicable laws, the terms, conditions and attached stipulations of this lease,