

DEPARTMENT OF THE INTERIOR

Minerals Management Service

Outer Continental Shelf, Eastern Gulf of Mexico, Oil and Gas Lease Sale 181

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Call for Interest and Information (Call) and Notice of Intent (NOI) to Prepare an Environmental Impact Statement (EIS).

Call for Interest and Information

The MMS is issuing this Call pursuant to the Outer Continental Shelf (OCS) Lands Act as amended (43 U.S.C. 1331–1356, (1994)), and the regulations issued thereunder (30 CFR Part 256).

Purpose of Call

The purpose of this Call is to ask for an indication of interest by potential bidders and to gather information from all potentially affected parties about possible oil and gas leasing, exploration, development, and production in the area available for leasing consideration for Sale 181 in the Eastern Gulf of

Mexico (EGOM). This Call is not a preliminary decision to lease in the Sale 181 area. It is the initial information-gathering step in a 3-year prelease decisionmaking process. The area available for leasing consideration in Sale 181 and the tentative schedule for the steps in the process leading to a final decision on the sale are described below.

Tentative Sale 181 Schedule

The following is a list of planned presale process steps and related tentative dates applicable to proposed Sale 181:

Process step	Tentative completion date
Call/NOI	January 1999.
Comments due on Call/NOI	March 1999.
Area Identification	June 1999
Draft EIS	August 2000.
Public Hearings	September 2000.
Final EIS	June 2001
Proposed Notice of Sale & CZM Consistency Determination	July 2001.
Final Notice of Sale	October 2001.
Bid Opening/Reading	December 2001.

Please note that the MMS is considering changing the proposed Sale 181 bid opening/reading from December 2001 to March 2002, and holding it in conjunction with proposed Central GOM Sale 182. These proposed sales would be planned and held as two separate sales, but holding the sales sequentially on the same day in the same location might be beneficial to MMS and prospective bidders due to the commonality of potential oil and gas plays and related exploration and development issues. All interested parties are requested to consider this proposed Sale 181 schedule change and include any comments on this matter along with the following specific requested information.

Description of Call Area

The area of this Call covers a small portion of the EGOM Planning Area offshore Alabama and the Florida Panhandle. It includes 1,033 blocks covering 5.949 million acres (see attached map). This is the area identified as available for leasing consideration for Sale 181 in the 1997–2002 OCS OIL AND Gas Leasing Program. During development of the 5-Year Program, the MMS consulted with the States of Alabama and Florida and was responsive to their concerns in identifying the Sale 181 area. The MMS considers all of this area to have potential for the discovery of accumulations of hydrocarbons. None of

the EGOM outside the Sale 181 area is available for leasing in this 5-year program. In addition, in a June 1998 announcement, the President withdrew from leasing until 2012 numerous areas of the OCS, including all of the EGOM outside the area identified as available for leasing consideration for Sale 181. A “Call for Information Map” depicting the Sale 181 area on a block-by-block basis is available without charge from the MMS Gulf of Mexico Public Information Unit (see last paragraph of this Call).

Currently 39 blocks covering 224,640 acres are under lease (this figure may change before the sale if any of the leases become expired, relinquished, or terminated). Eight wells have been drilled in the Sale 181 area. At this time there are plans to develop two areas: Destin Dome Blocks 1 and 2 (four wells from two surface locations; and DeSoto Canyon Blocks 133 and 177 (two wells in each block). Both of these areas are along the western boundary of the sale area and may be associated with well-developed areas of the Central Gulf of Mexico Planning Area.

The Department of Defense makes use of much of the EGOM, including the proposed sale area. The Navy conducts various training missions for both ships and aircraft, and the Air Force conducts aircraft training missions as well as the testing of various weapons from nearby Eglin Air Force Base and associated facilities in Florida. Coordination

between the Department of Defense and the MMS is ongoing to minimize conflicts.

Instructions to Potential Bidders in Responding to Call

Potential bidders are requested to indicate interest in any or all of the acreage within the boundaries of the Call area that they wish to have included in EGOM OCS Lease Sale 181. Respondents should rank areas in which they express interest according to priority of their interest (e.g., priority 1 [high], 2 [medium], or 3 [low]). Respondents should be specific in indicating blocks by priority; blanket nominations (such as nominating the entire Call area as high priority) are not useful and may be ignored in the MMS analysis of industry interest. Also, areas where interest has been indicated but on which respondents have not indicated priorities will be considered priority 3 [low]. Responses may be provided in textual block listings (by Official Protraction Diagram designations) or graphically along block boundaries on the “Call for Information Map” or on Official Protraction Diagrams (which may be purchased from the MMS Gulf of Mexico Public Information Unit). Although individual indications of interest are considered to be privileged and proprietary information, the names of persons or entities indicating interest or submitting comments will be of public record.

Instructions to all Interested Parties in Responding to Call

Comments are sought from all interested parties about particular environmental, geologic, and socioeconomic conditions or conflicts, or other information that might bear upon the potential oil and gas leasing, exploration, development, and production activities from proposed EGOM Sale 181. Comments are also sought on possible conflicts between potential future OCS oil and gas activities that may result from the proposed sale and State Coastal Management Programs (CMPs). If possible, these comments should identify specific CMP policies of concern, the nature of the conflict foreseen, and steps that the MMS could take to avoid or mitigate the potential conflict. Comments may either be in terms of broad areas or restricted to particular blocks of concern. Those submitting comments are requested to list blocks or outline the subject area on the "Call for Information Map" mentioned above. Please submit responses to this Call in envelopes labeled "Response to the Call for Interest and Information for Proposed Eastern Gulf of Mexico OCS Lease Sale 181," addressed to the Regional Supervisor, Leasing and Environment (MS 5400), Gulf of Mexico OCS Region, 1201 Elmwood Park Boulevard, New Orleans, Louisiana, 70123-2394. Responses to this Call must be received no later than 60 days following publication of this document in the **Federal Register**.

Use of Information from Call

Information submitted in response to this Call will be used for several purposes. First, responses will be used to assess industry interest and to identify areas of potential for oil and gas development. Second, comments on possible environmental effects and potential use of conflicts will be considered in the analysis of environmental conditions in and near the Call area and to develop alternatives and mitigating measures to lessen potential environmental impacts and ensure safe operations. And, third, comments may be used to assess potential conflicts between offshore oil and gas activities and a State CMP.

Existing EGOM Information

The MMS routinely assesses the status of information acquisition efforts and the quality of the information base for potential decisions on tentatively scheduled lease sales. An extensive environmental studies program has been underway in the Gulf of Mexico since 1973. The emphasis, including continuing studies, has been on environmental characterization of biologically sensitive habitats, physical oceanography, ocean-circulation modeling, and ecological effects of oil and gas activities. Two documents are available from the MMS Gulf of Mexico Region Public Information Unit:

- Listing of available EGOM Study Reports (with information for ordering copies).
- Technical Summaries from Selected Environmental Studies of the Northeastern Gulf of Mexico, MMS 96-0025, 1996.

Obtaining EGOM Information

The documents and the large-sized "Call for Information Map" mentioned above are available from:

Gulf of Mexico Public Information Unit, Minerals Management Service, 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123-2394, Telephone: (504) 736-2519 or (800) 200-GULF.

In addition, a wealth of information concerning the EGOM, the MMS studies program, and the MMS is available on the Internet at: <http://www.mms.gov>. Also, many documents may be obtained through the MMS 24-hour Fax-on-Demand service: (202) 219-1703.

Notice of Intent To Prepare an Environmental Impact Statement—Purpose of Notice of Intent

The MMS intends to prepare an EIS on OCS Lease Sale 181. This sale is tentatively scheduled for 2001 and will cover Federal waters offshore the States of Alabama and Florida. The NOI also announces the scoping process we will use for this EIS. Throughout the scoping process, you have the opportunity to help us determine the scope of the Draft EIS, the significant issues to be addressed, and alternatives to be considered.

Our EIS will evaluate the potential environmental effects of leasing, exploration, and development of the blocks identified through the Area Identification procedure. Alternatives to the proposal that we may consider are to delay, cancel, or modify the sale.

What is Scoping?

Scoping is an open and early process for determining the scope of the EIS and for identifying significant issues related to a proposed action. Scoping also provides you an opportunity to identify additional alternatives to the proposed action. As MMS prepares for public scoping meetings on the EIS for OCS Lease Sale 181, we will distribute additional information and will advertise details of the actual dates, times, and facilities for the meetings in local media.

The National Environmental Policy Act process ends with MMS preparing a Final EIS and making a decision on the proposed action and alternatives. There are many opportunities for you to influence the EIS. You may provide comments.

- During the 60-day period after this NOI is published;
- During public scoping meetings;
- While we accept written scoping comments (We will consider comments received during the scoping process in preparing of the Draft EIS.); and
- During a 60-day comment period after publication of the Draft EIS; and
- During public hearings on the Draft EIS (We will address comments received during the public hearing process in the Final EIS.).

We anticipate completing the EIS in about two and one-half years. At the end of this process, the decisionmaker will have a document that assesses the impacts of the lease sale proposal and the alternatives to use in making an informed decision.

How To Submit Comments

Please send your written comments on the scope of the EIS, significant issues to be addressed, and alternatives that should be considered to the Regional Supervisor, Leasing and Environment (MS 5400), Gulf of Mexico OCS Region, 1201 Elmwood Park Boulevard, New Orleans, Louisiana, 70123-2394. The deadline for your submission is 60 days after this NOI is published. Clearly label your comments, "Comments on the NOI to Prepare an EIS on the proposed 2001 Lease Sale in the Eastern Gulf of Mexico."

Dated: January 13, 1999.

Cynthia Quarterman,
Director, Minerals Management Service.

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