The NewsRoom Release: 4080

Date: April 06, 2010

MMS Publishes Preliminary Revised 2007-2012 Five-Year OCS Oil and Gas Leasing Program

Washington- The Department of the Interior's Minerals Management Service (MMS) published a Federal Register notice Friday requesting comments on the Preliminary Revised 2007-2012 Five-Year Outer Continental Shelf (OCS) Oil and Gas Leasing Program for lease sales covering the 2007-2012 timeframe. The comment period will be open through May 3, 2010.

The Preliminary Revised Program was required by order from the U.S. Court of Appeals for the District of Columbia in Center for Biological Diversity v. U.S. Dept. of Interior, D.C.

Per the Court's direction, the MMS re-analyzed all 26 OCS planning areas to better determine the relative environmental sensitivity of offshore oil and gas development. The expanded environmental sensitivity analysis is divided into three components of the marine environment that may be affected by oil and gas activities: marine habitats, marine productivity, and marine fauna (i.e., birds, fish, and sea turtles). The expanded analysis considers the relative sensitivity of the marine environment of all 26 planning areas to oil spills and other potential factors, such as sound, physical disturbance, climate change, and ocean acidification. The analysis relied upon approximately 50 reports and studies, including many that were not considered when the original 2007-2012 program was prepared.

The court directed the Secretary to reconsider the leasing schedule, using the new sensitivity analysis in rebalancing the potential risks to the environment and coastal zone with the potential for discovery of oil and gas. The Preliminary Revised Program reaffirms the role of the Gulf of Mexico as the primary producing region, retaining the eight sales that have already occurred there and the four remaining on the schedule. Mid-Atlantic Sale 220 offshore Virginia and the two special interest sales in the Cook Inlet offshore Alaska are also included. However, for lack of industry interest, Sale 211 in the Cook Inlet, scheduled for 2009, was cancelled. The Secretary also decided that Chukchi Sea Sale 193 held in 2008 is appropriate as part of this Preliminary Revised Program.

The remanded program schedules no sales in the North Aleutian Basin and Beaufort Sea, Alaska; nor will there be any additional sales in the Chukchi Sea other than Sale 193.

The Secretary's preliminary decision is to remove five sales from the schedule, sales 209 and 217 in the Beaufort Sea, 212 and 221 in the Chukchi Sea and 214 in the North Aleutian Basin, including Bristol Bay. The Secretary determined that the potential risks from a Bristol Bay sale, particularly to the commercial fishing industry, outweighed the potential for discovery of oil and gas. Results from exploration on existing leases in the Chukchi and Beaufort Seas, ongoing research on oil spill clean-up in icy waters, and more awareness of the effects of climate change will provide valuable information for making future decisions on offshore oil and gas development in the Arctic.

On April 17, 2009, the U.S. Court of Appeals for the District of Columbia Circuit vacated and remanded DOI's OCS 2007-2012 leasing program. The Court found that DOI's determination of when and where to offer areas for leasing of oil and gas resources was based on a flawed analysis that failed to assess fully the relative environmental sensitivity and marine productivity of the OCS because it looked only at the effects of spills on the shoreline. The Court specified that on remand, the Secretary must first conduct a more complete comparative analysis of the environmental sensitivity of entire areas of the OCS and attempt to identify those areas most and least sensitive to OCS activity.

The MMS will accept comments in one of three formats:

- Online through the Federal eRulemaking Portal: http://www.regulations.gov. In the entry titled "Enter Keyword or ID," enter docket ID MMS-2009-OMM-0016
- Via email: PRPcomments@mms.gov
- Or written comments may be hand-carried or mailed to the Department of the Interior; Attention:

Leasing Division (LD); 381 Elden Street, MS-4010; Herndon, Virginia 20170-4817.

News Media Contact: MMS Public Affairs

> MMS: Securing Ocean Energy & Economic Value for America U.S. Department of the Interior