Leasing Activities Information

BOEM

U.S. Department of the Interior Bureau of Ocean Energy Management Gulf of Mexico OCS Region

> Information To Lessees Western Planning Area (WPA) Oil and Gas Lease Sale 229 Proposed Notice of Sale

This document contains Information to Lessees (ITL) clauses designed to inform potential bidders of select applicable Federal requirements and other information that may be of benefit to bidders participating in this sale.

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- (a) <u>Navigation Safety</u>. Bidders are advised that operations on certain blocks may be restricted by the designation of fairways, precautionary zones, anchorages, safety zones, or traffic separation schemes established by the U.S. Coast Guard (USCG) pursuant to the Ports and Waterways Safety Act (33 U.S.C. 1221 et seq.), as amended, and the Deepwater Port Act (33 U.S.C. §§ 1501-1524). Bidders are advised to review the USCG regulations at 33 CFR Part 150, including 33 C.F.R. § 150.940 "Safety zones for specific deepwater ports" and the Louisiana Offshore Oil Port (LOOP) Safety Zones.
- U.S. Army Corps of Engineers (USACE) permits are required for construction of any artificial islands, installations, and other devices permanently or temporarily attached to the seabed located on the Outer Continental Shelf (OCS) in accordance with section 4(e) of the OCS Lands Act, as amended.

For more USCG information contact Lieutenant Commander Marcie Kohn, Waterways Management Branch, Sector New Orleans, 200 Hendee Street, New Orleans, Louisiana 70114, (504) 365-2281. For more USACE information contact Mr. Pete Serio CEMVN-OD-S, P.O. Box 60267, New Orleans, Louisiana 70160-0267 at (504) 862-2255.

- (b) Ordnance Disposal Areas. Bidders are advised that two inactive ordnance disposal areas are located in the Corpus Christi and East Breaks areas, as shown on the map "Stipulations and Deferred Blocks" included in the Notice of Sale (NOS) Package. These areas were used to dispose of ordnance of unknown composition and quantity. These areas have not been used since about 1970. Water depths in the Corpus Christi area range from approximately 600 to 900 meters. Water depths in the East Breaks area range from approximately 300 to 700 meters. Bottom sediments in both areas are generally soft, consisting of silty clays. Exploration and development activities in these areas require precautions commensurate with the potential hazards.
- (c) Existing and Proposed Artificial Reefs/Rigs-to-Reefs. Bidders are advised that there are OCS artificial reef planning and general permit areas for the Gulf of Mexico Region (GOMR) in which reef sites are or may be established for use in the Rigs-to-Reefs program. Proposals for reefing structures must be accepted by the appropriate state and approved by the Bureau of Safety and Environmental Enforcement (BSEE) GOMR and receive a permit from the USACE. Also, each State's Artificial Reefs/Rigs-to-Reefs program is managed under that State's Artificial Reef Plan. For more information, see the contact information in the table below.

| State | Coordinator | Phone | URL |
|-------|--------------|----------------------------------|---|
| AL | Kevin Anson | (251) 968-7577 | http://www.outdooralabama.com/fishing/saltwater/wher |
| | | | <u>e/artificial-reefs/</u> |
| FL | Jon Dodrill | (850) 487-0580, | http://myfwc.com/conservation/saltwater/artificial-reefs/ |
| | | ext. 209 | |
| LA | Doug Peter | (225) 765-2375 | http://www.wlf.louisiana.gov/fishing/programs/habitat/a |
| | | | <u>rtificialreef.cfm</u> |
| MS | K. Cuevas | (228) 523-4061 | http://www.dmr.ms.gov/marine-fisheries/artificial- |
| | | | reef/74-offshore-reefs |
| TX | Dale Shively | (512) 389-4686 | http://www.tpwd.state.tx.us/landwater/water/habitats/art |
| | • | • | ificial_reef/ |
| MS | K. Cuevas | (225) 765-2375 (228) 523-4061 | rtificialreef.cfm http://www.dmr.ms.gov/marine-fisheries/artificreef/74-offshore-reefs http://www.tpwd.state.tx.us/landwater/water/habitats |

- (d) <u>Lightering Zones</u>. Bidders are advised that the USCG has designated certain areas of the OCS as lightering zones for the purpose of permitting single hull vessels to offload oil within the U.S. Exclusive Economic Zone (EEZ). Such designation may have implications for oil and gas operations in the areas. See 33 C.F.R. § 156.300 *et seq*. for the regulations concerning lightering zones. For more information contact USCG Attorney Advisor, Shelley R. Miller, USCG, D8 Waterways Management at (504) 671-2139 or via email to <u>Shelley.R.Miller@uscg.mil</u>.
- (e) <u>Indicated Hydrocarbons List</u>. Bidders are advised that approximately three months prior to a lease sale, BOEM makes available a list of unleased blocks in the Central, Western, and Eastern Planning Areas that have wellbores with indicated hydrocarbons. Information relating to production, wellbores, and pay range for each block is included. See BOEM website at: http://www.boem.gov/Oil-and-Gas-Energy-Program/Resource-Evaluation/Gulf-OCS-Region-Activities/Indicated-Hydrocarbon-List.aspx.
- (f) <u>Military Warning and Water Test Areas</u>. Bidders are advised that Stipulation No. 2, Military Warning and Water Test Areas, in "Lease Stipulations" included in the NOS Package, will apply to leases in any new areas that may be established by the publication identified below and any blocks that were previously subject to the stipulation.

Military Warning and Water Test Areas are established in the FAA Air Traffic Document JO 7400.8T "Title 14-Aeronautics and Space - Chapter 1 Federal Aviation Administration - Subchapter Airspace - Part 73- Special Use Airspace Regulatory and Nonregulatory." This document may be downloaded from the FAA website at: http://www.faa.gov/documentLibrary/media/Order/SUA.pdf.

It is the lessees' responsibility to establish and maintain contact and coordinate with the military commander(s) in any Military Warning and Water Test Area, in which operations, radio communications or flights are planned during the occupation and development of any leases, including flights that pass through a Military Warning and Water Test Area to a leased block that is not in a Military Warning Area.

Lessees should establish and maintain contact and coordinate with the appropriate military commander(s) whether or not their lease is subject to a Military Warning and Water Test Areas Stipulation.

For more information contact:

Federal Aviation Administration- Airspace Office Houston Air Route Traffic Control Center (ARTCC)

Attention: Steve Stooksberry 16600 John F. Kennedy Boulevard Houston, Texas 77032

Telephone: (281) 230-5563 (mission support)

Telephone: (281) 230-5520 (airspace and procedures)

For more information, including a map of the Military Warning Areas, see Notice to Lessees (NTL) 2009-G06, available from the BOEM Gulf of Mexico Region Public Information Office at the address listed below or see BOEM's website at: http://www.boem.gov/Regulations/Notices-To-Lessees/Notices-to-Lessees-and-Operators.aspx.

- (g) <u>Safety Zones for Certain Production Facilities</u>. Bidders are advised to review the USCG regulations at 33 C.F.R. Part 147 Safety Zones. These regulations establish a 500-meter (1,640-foot) safety zone around several oil and gas production facilities on the OCS, measured from each point on its outer edge or from its construction site, not to interfere with the use of recognized sea lanes essential to navigation. These regulations prevent all vessels from entering or remaining in the safety zones except as follows: an attending vessel, a vessel under 100 feet in length overall not engaged in towing, or a vessel authorized by the Eighth Coast Guard District Commander. These facilities and their locations are specifically identified at 33 C.F.R. §§ 147.801 through 147.847.
- (h) <u>BSEE Inspection and Enforcement of Certain Coast Guard Regulations</u>. Bidders are advised to review the USCG regulations at 33 C.F.R. Part 140, Subpart B Inspections. These regulations authorize BSEE to perform inspections on fixed OCS facilities engaged in OCS activities and to enforce USCG regulations applicable to those facilities in accordance with 33 C.F.R. Parts 140-147. For more information contact: USCG, Eighth District, Sector New Orleans, 200 Hendee Street, New Orleans, Louisiana 70112.
- (i) <u>Potential Sand Dredging Activities.</u> Bidders are advised that offshore dredging activities to obtain OCS sand for beach nourishment and coastal restoration projects will occur in some of the blocks listed below:

(Western Planning Area Blocks)

Sabine Pass Area – 10, 16, 40, 44

High Island Area – 47, 48, 71, 72, 73, 74, 75, 76, 88, 89, 114, 199, 200, 202

<u>High Island East Area</u> – 38, 39, 45, 46

West Cameron West Area – 157, 160, 161

A BOEM-Texas Cooperative Sand Program identified offshore sand deposits at Heald Bank and Sabine Bank sand bodies for possible use in coastal restoration projects along the Texas coast. Although no specific beach nourishment or coastal restoration projects using OCS sand resources have been identified, future projects in this area may occur.

For more information or to obtain a map of the potentially affected blocks, contact BOEM Gulf of Mexico Region, Regional Supervisor, Office of Environment, at (504) 736-2759. Also see BOEM's website at: http://www.boem.gov/Non-Energy-Minerals/Managing-Multiple-Uses-in-the-Gulf-of-Mexico.aspx and the NTL No. 2009-G04, Significant OCS Sediment resources in the GOM.

(j) Notice of Arrival on the Outer Continental Shelf. Bidders are advised that the USCG has published a Final Rule on the *Notice of Arrival on the Outer Continental Shelf* (76 FR 2254, dated January 13, 2011). This Final Rule revises the USCG regulations on OCS activities to enhance maritime domain safety and OCS security awareness. These revised regulations require notice of arrival for floating facilities, mobile offshore drilling units (MODUs), and vessels planning to engage in OCS activities. This Final Rule implements provisions of the Security and Accountability for Every Port Act of 2006 and increases overall maritime domain awareness by requiring owners or operators of U.S. and foreign flag floating facilities, MODUs, and vessels to submit notice of arrival information to the National Vessel Movement Center (http://www.nvmc.uscg.gov) prior to engaging in OCS activities. This rule, found at 33 CFR §146.405, became effective on February 14, 2011.

For more information contact:

LT Sharmine Jones Office of Vessel Activities, Coast Guard

Telephone: (202)-372-1234

E-mail: Sharmine.N.Jones@uscg.mil

(k) <u>Bids on Blocks Near U.S.-Mexico Maritime and Continental Shelf Boundary</u>. Bidders are advised that bids submitted on blocks in the Boundary Area may not be opened on the date scheduled for the sale, but may be opened at a later date. Within 30 days following bilateral approval of the Transboundary Agreement or by May 31, 2013, whichever occurs first, the Secretary of the Interior will determine whether it is in the best interest of the United States either to open bids for Boundary Area blocks or to return the bids unopened. For more information see the Proposed NOS. The following blocks comprise the Boundary Area:

<u>Port Isabel Blocks</u> – 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 945, 946, 947, 948, 958, 959, 960, 961, 962, 963, 964, 965, 965, 966, 967, 968, 989, 990, 991, and 992

Alaminos Canyon Blocks – 881, 882, 883*, 884*, 885, 886, 887, 888, 889*, 890*, 891, 892, 893*, 894*, 895, 896, 897, 898, 899*, 900*, 901*, 902*, 903*, 904*, 905, 906, 907, 908, 909, 910, 911, 912, 925, 926, 927*, 928*, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939*, 940, 941, 942*, 943*, 944*, 945*, 946, 947*, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 992, 993, 994, 995, 996, 997, 998, 999, 1000, 1001, 1002, 1003, 1004, 1005, 1006, 1007, 1008, and 1009

<u>Keathley Canyon Blocks</u> – 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, and 981

<u>Sigsbee Escarpment Blocks</u> – 11, 12, 13, 14, 15, 57, 58, 59, 60, 61, 103, 104, 105, 106, 148, 149, 150, and 194

South Padre Island Blocks – 1154, 1163, 1164, 1165, and 1166

<u>South Padre Island, East Addition Blocks</u> – 1155, 1156, 1157, 1158, 1159, 1160, 1161, 1162, A 78, A 79, A 80, A 81, A 82, A 83, A 84, A 85, A 86, A 87, A 89, and A 90

* - Leased

Gulf of Mexico Region Public Information Office Bureau of Ocean Energy Management 1201 Elmwood Park Boulevard New Orleans, Louisiana 70123-2394 Telephone: (504) 736-2519 or (800) 200-GULF BOEM Gulf of Mexico Region website at:

http://www.boem.gov/About-BOEM/BOEM-Regions/Gulf-of-Mexico-Region/Index.aspx