

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF OCEAN ENERGY MANAGEMENT

BOEM NTL No. 2026-N01

Effective Date: February 23, 2026

NOTICE TO LESSEES
OIL SPILL FINANCIAL RESPONSIBILITY FOR FEDERAL OIL AND GAS LEASES

NOTICE ON COVERAGE BASED ON WHEN AN INCIDENT COMMENCES

This is a notice to lessees, operators and owners of oil and gas facilities on the Outer Continental Shelf (“OCS”), and providers of financial coverage to meet oil spill financial responsibility (“OSFR”) requirements, in accordance with the Bureau of Ocean Energy Management’s (“BOEM’s”) requirements for OSFR coverage under 30 CFR part 553, regarding a new BOEM policy concerning evidence of OSFR. This notice does not apply to lessees, operators, and owners of OCS oil and gas facilities that evidence their OSFR coverage through self-insurance, as the self-insured entity is also considered a responsible party in the event of an incident and spill.

Under the Oil Pollution Act of 1990 (“OPA 90”), responsible parties of offshore facilities are liable for the removal costs and damages caused by an incident that results in the release of oil. 33 U.S.C. § 2702. OPA 90 requires responsible parties to establish and maintain evidence of financial responsibility to cover such costs and lists various types of financial responsibility coverage that can meet this requirement. 33 U.S.C. § 2716(c) and (e). OPA 90 requires OSFR to be maintained for costs and damages that result from an “incident.” 33 U.S.C. § 2702 (the definition of “incident” can be found at 33 U.S.C. § 2701(14)). BOEM has been delegated the authority to administer the regulations concerning OSFR on the OCS and to determine acceptable methods of OSFR. Executive Order 12777, Sec. 5. The BOEM-administered OSFR regulations are found at 30 CFR part 553.

The OSFR regulations establish the requirements for demonstrating OSFR and set forth the applicable procedures for making claims against guarantors under OPA 90. Outside of self-insurance, OSFR coverage for OCS oil and gas facilities can be provided by a third-party guarantor through insurance, a surety bond, indemnity, or any alternative method approved by the BOEM Director. The regulations require that lessees submit certain forms established by BOEM to the bureau to demonstrate OSFR. These forms must include the effective and, except for surety bonds, expiration dates of the OSFR instrument. 30 CFR § 553.41. At this time, the BOEM forms, which are required to be submitted to certify compliance with the OSFR requirement, specify that termination of an OSFR instrument

will not affect the liability of a guarantor for claims arising from an incident that occurred on or before the effective date of the termination of the instrument, up to the face value of the instrument. *Id.*

Consistent with BOEM's OSFR regulations and BOEM's discretion to enforce the OSFR requirements of OPA 90 and 30 CFR part 553, BOEM is notifying lessees, operators, owners, and guarantors that, BOEM will be implementing a new policy that guarantors are liable only for claims arising from an incident that first occurs on or after the effective date of the relevant OSFR instrument and before termination of that OSFR instrument. This new policy is expressly intended to limit the scope of guarantor liability reflected in the current BOEM OSFR certification forms. As soon as reasonably practicable, BOEM plans to revise its OSFR certification forms (other than for self-insurance) to reflect and implement this policy, which will be effective going forward for new OSFR instruments issued with the new BOEM OSFR certification forms.