The NewsRoom
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Relevant Web Sites and Documents

Minerals Management Service Issues Draft Proposed 5-Year Plan for Outer Continental Shelf Oil and Gas Leasing Program

Washington, DC – The Interior Department's Minerals Management Service (MMS) today released for comment a proposal in draft form that discusses MMS's 2007-2012 Outer Continental Shelf (OCS) leasing plan, which is currently in development. The comments will be reviewed by the MMS for refinement of the proposed program, which will then be released again for additional public input. This is the second of four steps taken with public involvement, to develop the OCS leasing plan.

"This is the step in the process where we put out our initial ideas for study and public comment," said MMS Director Johnnie Burton. "With sharply higher energy prices buffeting both families and businesses, we want to be sure that we fully consider the environmentally sensitive development of the vast domestic oil and gas resources off our coasts."

As part of the draft leasing plan, MMS will study the potential for oil and gas development off the coast of Virginia and a previously undeveloped area in the North Aleutian Basin off the coast of Alaska. MMS is also considering realigning the boundaries of its Central Gulf of Mexico Planning Area to correspond with new Federal OCS offshore administrative areas announced in early January. Under the contemplated revision, a portion of the "Sale 181" area offshore Louisiana, as well as a deepwater area to the south, would be included in the central planning area and could be considered for future oil and gas development.

Current presidential withdrawals or congressional moratoria have placed more than 85 percent of the Outer Continental Shelf around the lower 48 states off limits to energy development, including all areas off Virginia. The Administration has indicated support for the moratorium, but will give great weight to the comments from adjacent coastal states.

"The idea of leasing federal waters off the coast of Virginia comes in response to discussion in the state's legislature about the potential of energy development off its coast," Burton said. "However no offshore development will occur off of Virginia unless the state's congressional delegation works to lift the moratorium."

"MMS must have a leasing plan in place if Virginia seeks to end the moratorium and encourage offshore oil and gas development," Burton said.

The North Aleutian Basin is also included in the proposed draft because the State of Alaska requested that the area undergo further analysis.

The Sale 181 area, which has significant potential oil and gas resources, is not under moratorium. Nevertheless, the MMS has no intention of offering for leasing areas within 100 miles of the Florida coast that used to be part of the Eastern Gulf Planning Area.
The proposed leasing would not interfere with military readiness or training or pose an environmental risk to Florida. No leasing would be proposed in the newly configured Eastern Gulf Planning Area.

Overall, the draft program proposes a total of 21 OCS lease sales in seven of the 26 OCS planning areas, some of which are also included in the current 5-year program for 2002-2007.

Concurrently, and as directed by Congress, an inventory of oil and gas resources on the OCS has been conducted. MMS estimates of undiscovered resources are 85.9 billion barrels of oil and 419.9 trillion cubic feet of natural gas that are technically recoverable from all federal offshore areas. The estimate for both oil and gas increased about 15 percent compared to the 2001 report.

"Technically recoverable" estimates represent the quantities of oil or gas that could be produced using existing or reasonably foreseeable technology. Current technologies include drilling in water in excess of 10,000 feet and subsea depths in excess of 31,000 feet.

The inventory has been provided to Congress as part of the response required by the Energy Policy Act of 2005.

“The offshore energy industry has compiled an outstanding safety record that allows development of these resources without significant risk to the environment,” Burton said, citing last year’s hurricanes as evidence of the industry’s ability to withstand even major hurricanes with no significant pollution from producing facilities.

“Two major hurricanes passed through the Gulf of Mexico last year without causing a single significant spill from outer continental shelf wells,” she said. “Overall, roughly 150 times more oil seeps into U.S waters from natural cracks in the seabed than is spilled from oil and gas activities on the outer continental shelf.”

The 2007-2012 OCS oil and gas leasing program will be the seventh prepared since Congress passed the OCS Lands Act in 1978, which requires the Secretary of the Interior to prepare and maintain five-year programs for offshore oil and natural gas leasing. The current program runs through June 30, 2007.

The request for comments on the draft proposed program and notice of intent to prepare an associated environmental impact statement was submitted for publication in the *Federal Register* today.

The following is the schedule for the 2007-2012 five-year program:

- August 24, 2005 -- Solicit comments and information (*Federal Registe*r Notice)
- February 2006 -- Issue draft proposed program, solicit comments (60-day comment period)
- Summer 2006 -- Issue proposed program and draft EIS, solicit comments (90-day comment period)
- Winter 2007 -- Issue proposed final program and final EIS (60-day waiting period)
- Spring 2007 -- Approve five-year program for July 2007-June 2012

Comments regarding the draft proposed program are due 60 days after the notice appears in the *Federal Register* and may be submitted by mail to the address below or through MMS’s Internet commenting system, OCS Connect. You may download the draft proposed program document, review five-year program maps and fact sheets and submit your comments electronically via OCS Connect.

You may request a copy of the draft proposed program document by calling the 5-year program office at 703-787-1215.

You may also request a copy of the document from and mail comments and information to:

Renee Orr, 5-Year Program Manager,
Minerals Management Service (MS-4010)
Room 3120, 381 Elden Street
Herndon, Virginia 20170.

NOTE: MMS officials will be available to answer any inquiries from credentialed media about this release at 3:00 PM, Eastern, via teleconference. Please call Rebecca Phipps at (202) 208-7746 for more information about the teleconference.

MMS, an agency of the U.S. Department of the Interior, manages offshore oil and gas exploration as well as renewable and alternative energy sources such as wind, wave, and solar on 1.76 billion acres of the Outer Continental Shelf while protecting the human, marine, and coastal environments. The OCS provides 30 percent of oil and 21 percent of natural gas produced domestically, and sand used for coastal restoration. MMS collects, accounts for, and disburses mineral revenues from Federal and American Indian lands, and contributes to the Land and Water Conservation Fund and other special use funds, with Fiscal Year 2005 disbursements of approximately $9.9 billion and more than $153 billion since 1982.

Relevant Web Sites and Documents:

- **Proposed OCS Oil and Gas Leasing Program 2007-2012 (2.499 KB PDF file)**
- ***Report to Congress: Comprehensive Inventory of U.S. OCS Oil and Natural Gas Resources (1.060 KB PDF file)***
- ***Assessment of Undiscovered Technically Recoverable Oil and Gas Resources on the Nation's Outer Continental Shelf, 2006*** **(227 KB PDF file)**
- **PowerPoint Presentation: Draft Proposed 5-Year OCS Oil and Gas Leasing Program: 2007-2012**
- **Submit Comments on the Draft Proposed Program Electronically**
- **Leasing Offshore Lands (general information about the 5-Year Planning Process)**
- **The OCS Oil and Gas Leasing Program**
- **MMS Main Website**

Media Contact:
Gary Strasburg
(202) 208-3985