

Record of Decision to Reaffirm Decisions for Gulf of Mexico¹ Outer Continental Shelf Oil and Gas Lease Sales 259 and 261

1 INTRODUCTION

On February 22, 2023, the Record of Decision (ROD) for the Bureau of Ocean Energy Management's (BOEM's) action to hold Gulf of Mexico Oil and Gas Lease Sale 259 (Lease Sale 259), as required by the Inflation Reduction Act of 2022 (IRA) (Public Law No. 117-169, enacted August 16, 2022) was signed. On August 22, 2023, the ROD for BOEM's action to hold Gulf of Mexico Oil and Gas Lease Sale 261 (Lease Sale 261), also as required by the IRA, was signed. In both RODs, the Principal Deputy Assistant Secretary for Land and Minerals Management chose to offer for lease a subset of the blocks analyzed as Alternative D in the *Gulf of Mexico OCS Oil and Gas Lease Sales 259 and 261: Final Supplemental Environmental Impact Statement* (Lease Sales 259 and 261 Supplemental EIS), with the exclusion of whole and partial blocks that would otherwise have been proposed to be subject to the Topographic Features Stipulation, the Live Bottom (Pinnacle Trend) Stipulation, and the Blocks South of Baldwin County, Alabama, Stipulation. In the Lease Sales 259 and 261 Supplemental EIS (SEIS), Alternative D excluded the blocks identified as Items 1 through 6, listed in the Decision section below. There were additional lease sale specific exclusions, that were later modified by a court order², also described in the Decision section below.

On March 6, 2023, in *Healthy Gulf v. Burgum*,³ several environmental nonprofit organizations (Plaintiffs) filed a lawsuit in the United States District Court for the District of Columbia, against the Secretary of the Interior and BOEM challenging Lease Sale 259.

Additionally, on August 25, 2023, the same Plaintiffs filed a complaint challenging Lease Sale 261. In those complaints, Plaintiffs allege that the ROD and SEIS violate the National

¹ Secretary of the Interior Doug Burgum issued Secretary's Order (S.O.) 3423, which directed the renaming of the Gulf of Mexico (GOM) to the Gulf of America (GOA) in accordance with Executive Order (E.O.) 14172, "Restoring Names that Honor American Greatness". Throughout this ROD, BOEM uses the new GOA name where appropriate. However, legacy documents, such as previously published reports and environmental documents, remain unchanged as the GOM.

² Two lawsuits challenged Lease Sale 261 Final Notice of Sale in the U.S. District Court for the Western District of Louisiana. To implement the Memorandum Order issued by the U.S. District Court for the Western District of Louisiana on September 21, 2023 (Case No. 2:23-CV- 01157), and a subsequent order issued by the U.S. Court of Appeals for the Fifth Circuit on September 26, 2023 (Case No. 23-30666), BOEM published a revised Final NOS on October 6, 2023, which rescheduled the sale, revised the sale area to include the blocks that were the subject of the courts' orders, and modified the Lease Stipulations to remove the protected species language that was the subject of the courts' orders. See 88 FR 69660. On October 26, 2023, the Fifth Circuit stayed the injunction that required BOEM to hold the sale by November 8. See 88 FR 77363. The Fifth Circuit issued an opinion and mandate on November 14, 2023, directing BOEM to hold the sale in accordance with the district court's preliminary injunction but extending the deadline for conducting the sale by 37 days from the date of the mandate. In compliance with the aforementioned court orders, the expanded Rice's whale area (whole and partial blocks between the 100 meter (m) and 400 m isobaths across the northern GOA, eastward from the Mexican border with Texas and westward from the eastern edge of the Central Planning Area) that was previously excluded from the sale was included in Lease Sale 261.

³ Originally entitled *Health Gulf v. Haaland*. Under Federal Rule of Civil Procedure 25(d), Douglas Burgum was automatically substituted for Debra Haaland, former Secretary of the Interior.

Environmental Policy Act and the Administrative Procedure Act, and request that the court find that any bids that BOEM received during the lease sales are not acceptable, vacate the ROD and SEIS, and vacate or enjoin any leases executed pursuant to the ROD and any lease activities executed pursuant to the lease sales. On November 29, 2023, the court stayed the Lease Sale 261 pending resolution of Lease Sale 259 litigation.

On March 27, 2025, in the challenge to Lease Sale 259, the U.S. District Court for the District of Columbia found that BOEM's National Environmental Policy Act (NEPA) analysis for Lease Sale 259 had improperly evaluated greenhouse gas (GHG) emissions and impacts to Rice's whale. Concerning BOEM's GHG analysis, the court found that BOEM had not adequately examined laws and policies postdating its modeling baseline. The court also found that BOEM had failed to address a National Marine Fisheries Service determination that the Rice whale's habitat extends into the western and central Gulf of America (GOA). The court ordered briefing from the parties on remedy. The parties' final remedy briefs were filed on June 6, 2025. Plaintiffs' Remedy Brief modified their request and asked the court to vacate the SEIS and remand it to BOEM and partially vacate the leases issued pursuant to Lease Sale 259. Federal Defendants and Intervenor argued that the analysis can be remedied without vacatur of the SEIS, the lease sale, or the leases. The Court has not yet issued a remedy and there is no injunction restraining BOEM's management of the leases in question.

During the pendency of the litigation described above, BOEM was in the process of preparing a programmatic environmental impact statement for potential future lease sales and ongoing and future post-lease activities in the GOA. On August 29, 2025, the notice of availability for the *Gulf of America Regional OCS Oil and Gas Lease Sales and Post-Lease Activities: Final Programmatic Environmental Impact Statement* (GOA Oil and Gas Programmatic EIS) was published in the Federal Register. On August 27, 2025, counsel for Defendants notified the court handling the Lease Sale 259 litigation that BOEM had completed the GOA Oil and Gas Programmatic EIS, and that BOEM would begin acting on pending plans.

The GOA Oil and Gas Programmatic EIS examines a proposed Federal action to hold an oil and gas lease sale offered on the federal OCS within BOEM's GOA Western Planning Area (WPA), Central Planning Area (CPA), and Eastern Planning Area (EPA). These planning areas encompass the OCS areas offshore Texas, Louisiana, Mississippi, Alabama, and Florida. At its discretion, BOEM chose to prepare a programmatic EIS that analyzes the potential environmental impacts that could result if BOEM holds a representative lease sale and authorizes post-lease exploration, development, production, and decommissioning activities in the future. This Programmatic EIS analysis provides the context and setting of future proposed actions, including future discretionary oil and gas lease sales, site-specific OCS oil- and gas-related activities, the potential impact-producing factors associated with these activities, and the reasonably foreseeable impacts on GOA resources. BOEM plans to use the GOA Oil and Gas Programmatic EIS as, among other things, a NEPA analysis that can be tiered to when conducting post-lease and site-specific NEPA reviews of plans, permits and other approvals, regardless of when the leased area on which the activities are proposed may have been issued a lease. The Programmatic EIS may also inform extraordinary

circumstance reviews to ensure categorical exclusions are used appropriately. The above listed OCS oil-and gas-related activities were considered in the GOA Oil and Gas Programmatic EIS analysis. BOEM leases issued as a result of Lease Sales 259 and 261 are also subject to stipulations, which provide post-lease environmental mitigation for protected species, topographic features, live bottom features, and blocks south of Baldwin County, Alabama. Additional post-lease mitigating measures are also applied, as needed, as conditions of approval during site-specific NEPA reviews. For example, post-lease authorizations are conditioned on compliance with the most current biological opinions in place for threatened and endangered species, regardless of what requirements may have been in place at the time of lease issuance. The GOA Oil and Gas Programmatic EIS also addresses the court's findings regarding BOEM's previous assessment of GHG emissions and potential impacts to Rice's whales.

Even though the court has not issued its decision on the remedy for the challenge to Lease Sale 259, I have reviewed the GOA Oil and Gas Programmatic EIS analysis, including new information, updated analyses and additional materials, and have considered whether it addresses the deficiencies in the NEPA analyses originally prepared for Lease Sales 259 and 261, identified by the court's decision.

2 DECISION

Pursuant to my authority as the Assistant Secretary for Land and Minerals Management, I have decided to reaffirm the decisions for holding Lease Sales 259 and 261 according to the terms in the Final Notices of Sale published in 2023 and reaffirm the leases issued as a result of the sales. These sales offered for lease a subset of the blocks analyzed as Alternative D in the Lease Sales 259 and 261 Supplemental EIS, with the exclusion of whole and partial blocks that were previously subject to the Topographic Features Stipulation, the Live Bottom (Pinnacle Trend) Stipulation, and the Blocks South of Baldwin County, Alabama, Stipulation. In the Lease Sales 259 and 261 Supplemental EIS, Alternative D excluded the blocks listed in Items 1 through 6 below. Lease Sales 259 and 261 also excluded those blocks listed in Items 8 through 10 below. For Lease Sale 261 only, item 7 was also excluded. Excluding these additional blocks from these lease sales reduced potential space-use conflicts or competing interests in the GOA while BOEM studied whether these areas are compatible for use by more than one infrastructure type as well as reducing leasing in sensitive habitat. Their exclusion did not otherwise change the analysis or predicted impacts of Alternative D.

In making my decision to reaffirm these sales as originally held in 2023 and reaffirm the issued leases as a result of these sales, I have considered the analyses in the Gulf of Mexico OCS Oil and Gas Lease Sales: 2017-2022; Gulf of Mexico Lease Sales 249, 250, 251, 252, 253, 254, 256, 257, 259, and 261; Final Multisale Environmental Impact Statement (2017-2022 Multisale EIS), the Gulf of Mexico Outer Continental Shelf Lease Sale: Final Supplemental Environmental Impact Statement 2018 (2018 Supplemental EIS), the Lease Sales 259 and 261 Supplemental EIS, the documents incorporated by reference, and as further supplemented in the GOA Oil and Gas Programmatic EIS. The analysis within the GOA Oil and Gas Programmatic EIS confirmed that

BOEM's stipulations and post-lease mitigating measures are sufficient to address space-use conflicts, impacts to the Rice's whale, and other potential impacts, including but not limited to changing energy markets and the GHGs that may result downstream. Therefore, avoiding these areas through exclusions would also reduce environmental effects, as determined in the RODs issued for the two sales and the Final Notice of Sale packages. For Lease Sales 259 and 261, the U.S. Department of the Interior (Department) offered for lease all available unleased blocks in the proposed lease sale area for oil and gas operations with the following exceptions:

1. whole and portions of blocks made unavailable for leasing by Presidential withdrawal in the September 8, 2020, *Memorandum on the Withdrawal of Certain Areas of the United States Outer Continental Shelf from Leasing Disposition*;
2. blocks that are adjacent to or beyond the U.S. Exclusive Economic Zone in the area known as the northern portion of the Eastern Gap;
3. whole and partial blocks within the boundary of the Flower Garden Banks National Marine Sanctuary as of the July 14, 2008, *Memorandum on Modification of the Withdrawal of Areas of the United States Outer Continental Shelf from Leasing Disposition*;
4. whole and partial blocks that were previously subject to the Topographic Features Stipulation;
5. whole and partial blocks that were previously subject to the Live Bottom (Pinnacle Trend) Stipulation;
6. whole and partial blocks that were previously subject to the Blocks South of Baldwin County, Alabama, Stipulation;
7. whole blocks that contain banks that are adjacent to blocks previously included in the Topographic Features Stipulation (currently Garden Banks 181) **only excluded in Lease Sale 261*;
8. whole and partial blocks identified as either Wind Energy Area Options (Areas A, B, C, D, E, F, G, H, J, K, L, and N) or final Wind Energy Areas (Areas I and M);
9. depth-restricted, segregated block portions (Block 299, Main Pass Area, South and East Addition); and
10. BOEM-designated Significant Sediment Resource Area blocks.⁴

All of the unavailable blocks are listed in Section I of the Final Notices of Sale for Lease Sales 259 and 261. The Lease Sales 259 and 261 lease areas encompassed about 13,600 to 12,395 OCS blocks covering approximately 73.3 to 67.3 million acres, respectively.

⁴ An 11th item, "whole and partial blocks between the 100-meter and 400-meter isobaths across the northern Gulf of Mexico on the OCS, eastward from the Mexico border with Texas and westward from the eastern edge of the Central Planning Area" was originally excluded from the sale area in the ROD only for Lease Sale 261; however, following court orders this area was ultimately not excluded from the sale area in the Final NOS for Lease Sale 261.

BOEM considered in all of its environmental analyses the oil and gas resource potential in the GOA planning areas and the likelihood of industry to develop those oil and gas resources in the context of social, economic, and environmental values, impacts, and concerns. This approach meets the purpose and need of the Lease Sales 259 and 261 Supplemental SEIS and the GOA Oil and Gas Programmatic EIS and provides flexibility to industry, including frequent opportunities to bid on rejected, relinquished, or expired OCS lease blocks in all three GOA planning areas. After considering the environmental impacts and mitigations in the above analysis, I have determined that my decision also provides certainty to the lessees that received their leases as a result of these sales, so that they can confidently explore and develop their leased blocks, while producing much needed oil and gas resources during the National Energy Emergency, as declared by President Trump earlier this year. See Executive Order, “Declaring a National Energy Emergency” (Jan. 20, 2025). Furthermore, the GOA Oil and Gas Programmatic EIS will inform future NEPA reviews for site-specific decisions on requests to approve oil and gas exploration and development activities for all existing leases and those from future sales.

Pursuant to my authority as the Assistant Secretary for Land and Minerals Management, I have therefore concluded that reaffirming oil and gas Lease Sales 259 and 261, as described herein as a subset of Alternative D of the Lease Sales 259 and 261 Supplemental EIS and as supplemented by the GOA Oil and Gas Programmatic EIS, complies with the IRA, meets the purpose of and need for the proposed actions, balances regional and national policy considerations, includes appropriate measures to minimize potential environmental and socioeconomic impacts, and addresses the findings of the U.S. District Court for the District of Columbia in *Healthy Gulf v. Burgum*. I have also concluded that Lease Sales 259 and 261, as described in this ROD and in the Lease Sale 259 and Lease Sale 261 Final Notices of Sale, are subject to adequate environmental safeguards and is consistent with the maintenance of competition and meeting national energy needs.

Environmental Analysis Considered in Reaching Decision

As noted in the Lease Sales 259 and 261 Supplemental EIS and the GOA Oil and Gas Programmatic EIS, environmental resources could be negatively impacted to varying degrees by routine activities and accidental events that could result from leases issued pursuant to Lease Sales 259 and 261. Possible adverse impacts from routine OCS oil- and gas-related activities and reasonably foreseeable accidental events include degradation of wetlands, coastal resources, benthic habitat, and pelagic habitat; behavioral changes to fish, sea turtles, marine mammals, and birds; mortality of individual organisms; and changes in air and water quality. The impact conclusions related to routine activities and accidental events are described in the Executive Summary of the Lease Sales 259 and 261 Supplemental EIS and the GOA Oil and Gas Programmatic EIS. BOEM published the Final Lease Sales 259 and 261 Supplemental EIS and the GOA Oil and Gas Programmatic EIS after considering all public and Federal agency comments received on the Draft Lease Sales 259 and 261 Supplemental EIS and the Draft GOA Oil and Gas Programmatic EIS. BOEM responded to those substantive comments as appropriate in the Final Lease Sales 259 and 261 Supplemental EIS and the Final GOA Oil and Gas Programmatic EIS. Taking into account the

comments and the information in the Final Lease Sales 259 and 261 Supplemental EIS, the Final GOA Oil and Gas Programmatic EIS, and the court rulings, I have fully considered the potential environmental impacts that are reasonably foreseeable as a result of holding Lease Sales 259 and 261.

To minimize the environmental impacts that could occur from OCS oil- and gas-related activities following a lease sale, BOEM imposes mitigating measures that have proven effective in the past in avoiding or reducing impacts. The mitigating measures that were adopted in the form of lease stipulations for these lease sales are described below in Section 5. While offshore exploration and development cannot be made risk free, OCS oil- and gas-related activities can be conducted safely and responsibly with strong regulatory oversight and appropriate measures to protect human safety and the environment. Since the *Deepwater Horizon* explosion, oil spill, and response, BOEM and BSEE have raised standards for offshore drilling safety and environmental protection to reduce the risk of oil spills and their severity and have improved the Federal Government's and industry's ability to respond in the unlikely occurrence of another large oil spill.

BOEM prepared the *Gulf of Mexico Catastrophic Spill Event Analysis* technical report, which is incorporated by reference in the Lease Sales 259 and 261 Supplemental EIS and the GOA Oil and Gas Programmatic EIS. This 2021 updated evaluation provides a robust analysis of the potential impacts from low-probability catastrophic spills for oil-and gas-related activities on the OCS. Such a catastrophic spill event could have significant impacts on environmental resources; however, such an event is not reasonably expected as result from post-lease activities as a result of Lease Sales 259 and 261 or any future lease sales.

BOEM conducted a GHG analysis, *Gulf of Mexico OCS Oil and Gas Leasing Greenhouse Gas Emissions and Social Cost Analysis: Addendum to the Gulf of Mexico Lease Sales 259 and 261: Supplemental EIS and Technical Report – Corrected* (GHG Analysis February 2023),⁵ which estimated the GHG emissions from domestically produced or consumed energy that could result from Alternative A and the No Action Alternative scenario. The GHG Analysis from February 2023 used the Energy Information Administration's (EIA's) Annual Energy Outlook (AEO) 2020. Prior to issuing the ROD for Lease Sale 261, BOEM updated and refined that analysis in the paper *Gulf of Mexico GHG Analysis Updates for Lease Sale 261* (GHG Analysis July 2023).⁶ In that revision, BOEM made updates to the model, including updating the model baseline data to the EIA AEO 2023 which included provisions of the Inflation Reduction Act. In addition, updates were also made to certain modeling inputs in the GHG analysis, namely emission factors, to incorporate recent information. These updates addressed the court ruling regarding BOEM's assessment of GHG emissions.

⁵ <https://www.boem.gov/sites/default/files/documents/oil-gas-energy/GOM%20Greenhouse%20Gas%20Emissions%20Analysis%202023.pdf>

⁶ https://www.boem.gov/sites/default/files/documents/oil-gas-energy/leasing/Gulf%20of%20Mexico%20GHG%20Analysis%20Updates%20for%20LS%20261_0.pdf

In the GOA Oil and Gas Programmatic EIS, BOEM included an updated life cycle GHG emissions analysis based on a single representative GOA oil and gas lease sale. Directly addressing the court opinion related to the original GHG Analysis dated February 2023, Section K.5.2 of the GOA Oil and Gas Programmatic EIS updates the modeling baseline to the AEO 2023 which incorporates provisions of the IRA. The AEO 2023 was the most current available AEO at the time of BOEM's Analysis.⁷ In addition to the modeling using the AEO 2023, BOEM also expanded its analysis with a consideration of baseline sensitivity cases. BOEM completed a sensitivity analysis⁸ within Chapter 4 of the Final Economic Analysis Methodology for the 2024-2029 National OCS Oil and Gas Leasing Program and a separate (July 2025) publication, "Implications of Changes to MarketSim Baseline" (<https://www.boem.gov/oil-gas-energy/energy-economics/oil-and-gas-economic-modeling>). Chapter 4 of the Final Economic Analysis Methodology focused on the impact to MarketSim's substitution displacement by considering different de-carbonization scenarios, applicable to energy policies at that time.

The "Implications of Changes to MarketSim Baseline" paper examines how energy market changes since the 2023 AEO are likely to affect MarketSim's estimates of energy substitute displacement effects and the associated GHG emissions. The paper serves three purposes to: 1) examine how changes in the baseline are likely to affect MarketSim's projected energy substitute displacement effects and the associated GHG impacts, based on previous sensitivity analyses conducted by BOEM, 2) assess the differences between the reference case projections in the AEO 2025 and the AEO 2023, and 3) consider energy policy changes by the current Administration not reflected in the AEO 2025 and their potential impacts on the current, 2023 version of MarketSim's projected displacement patterns and supported analyses. Even though BOEM used the 2023 AEO rather than the more recent 2025 AEO, the paper found that, given the current Administration's policies, the differences between the AEO 2025 and the AEO 2023 that BOEM used would narrow over time. One example of the conclusions was that a moderate increase in baseline oil production is unlikely to have a significant effect on the displacement patterns projected by MarketSim and therefore would only have minimal impact on the GHG estimates.

More recently, the One Big Beautiful Bill Act (Pub. L. No. 11921) (OBBBA) was passed in July 2025. Given the EIS timing, the "Implications of Changes to MarketSim Baseline" paper could not fully evaluate how the OBBBA might impact BOEM's modeling. However, the paper did consider how Administration initiatives could impact the modeling baseline. For example, one of the sensitivity cases considered how a 10% increase in domestic oil demand and supply would impact energy displacement. The paper notes that the addition of a moderate amount of oil and gas production resulting from the OBBBA lease sales and other incentivizing policies, is unlikely to affect the displacement patterns projected by MarketSim.

⁷ EIA did not publish an AEO 2024.

⁸ BOEM's "sensitivity analysis" considers how changes in energy policy, energy markets, or baseline AEO forecasts can impact its estimates of energy substitute displacement effects and the corresponding estimates of GHG emissions.

BOEM's GHG modeling baseline for the GOA Oil and Gas Programmatic EIS, uses the most up-to-date baseline available from the EIA at the time of the analysis, and the only one currently usable with BOEM's modeling structure.⁹ Because that 2023 AEO modeling baseline only included the laws and policies as of 2022, BOEM supplemented it with additional analysis of evolving laws and policies within the "Implications of Changes to MarketSim Baseline" paper. The paper finds that BOEM's GHG modeling, taking into account new information and recent national energy policy shifts, provides the best available analysis of anticipated GHG emissions associated with the proposed action. While the exploration and development (E&D) scenario(s) modeled under the GOA Oil and Gas Programmatic EIS have different activity and production profiles than the E&D scenario modeled for the original Lease Sale 259/261 analysis (GHG Analysis February 2023), the conclusion remains the same, that global GHG emissions are expected to increase under a proposed lease sale. BOEM's combined quantitative and qualitative GHG analyses represent the best available and scientifically credible approach for comparison of GHG emissions from a proposed action and the No Action Alternative. I have considered the updated analysis in the GOA Oil and Gas Programmatic EIS and the "Implications of Changes to MarketSim Baseline" report in making my decision to reaffirm Lease Sales 259 and 261 in the manner they were held.

Also, in the GOA Oil and Gas Programmatic EIS, BOEM included updated analysis to address the court's finding that BOEM had failed to address the National Marine Fisheries Service (NMFS) determination that the Rice whale's habitat extends into the western and central GOA. NMFS pointed out in their comment letter "Commercial Leasing Wind Power Development on the Outer Continental Shelf in the Gulf of Mexico - Draft Environmental Assessment Scoping Comments" during scoping for the draft environmental assessment for *Commercial and Research Wind Lease and Grant Issuance and Site Assessment Activities on the Outer Continental Shelf of the Gulf of Mexico* (BOEM 2023c), that Rice's whales have been observed in the central and western GOA and recommended BOEM not allow wind leasing or development within the currently known distribution of Rice's whales in the western and central GOA, between the 100 to 400 meter isobaths. On May 20, 2025, NMFS issued a new biological opinion (NMFS 2025 BiOp) under the Endangered Species Act (ESA), which updated its analysis with the most recent information on the Rice's whale range and potential impacts. The NMFS 2025 BiOp represents NMFS's most recent assessment of the Rice's whale range, potential impacts to the species, and recommendations. The 2025 BiOp concluded that vessel strike risk from the oil and gas activities authorized by BOEM and BSEE in the GOA would jeopardize the continued existence of the Rice's whale, but the BiOp also developed a Reasonable and Prudent Alternative, that if adopted, would allow the action to proceed in compliance with the ESA. BOEM's affected environment and impact analyses on marine mammals in the GOA Oil and Gas Programmatic EIS was informed by the updated BiOp findings and descriptions, including the BiOp's analysis of the Rice's whale's range, the BiOp's analysis of Rice's whale detections in the central and western GOA, and the BiOp's recommendations on how to avoid jeopardy to the species. The GOA Oil and Gas Programmatic EIS, informed by the 2025

⁹ BOEM's modeling requires a specialized run of the AEO where EIA uses different input assumptions and re-runs their national Energy Modeling System (NEMS). The most recent specialized NEMS run available at the time BOEM completed the GHG analysis was from 2023.

BiOp (NMFS most recent assessment of the effects of oil and gas activity on the Rice's whale), further confirmed the conclusions reached in the Supplemental EIS for Lease Sale 259 and 261.

The Protected Species Stipulation included in leases issued as a result of Lease Sales 259 and 261 required compliance with the BiOps in place at the time of the sales, but went on to state that the most current applicable terms and conditions and reasonable and prudent measures from the most recent ESA consultations will be applied to all post-lease approvals. Therefore, the relevant terms and conditions, reasonable and prudent measures, as well as the provisions of the previous 2020 NMFS BiOp (as amended) that are a part of the proposed action in the 2025 NMFS BiOp (e.g., the vessel mitigations found in the 2025 NMFS BiOp at Section 3.1.6.5 and Attachment A.6 Vessel Transit within the Rice's Whale Area as identified in the 2020 Biological Opinion's Reasonable and Prudent Alternative (2020 RWA)), and other protocols identified in the 2025 NMFS BiOp Attachments and Appendices will be applied to post-lease approvals in the GOA, including on blocks leased as part of Lease Sales 259 and 261. Any future BiOp amendments or COAs identified in future consultation(s) will also be applied to post-lease actions approved after the future BiOp amendment or future BiOp.

My decision to reaffirm Lease Sales 259 and 261 in the manner described herein recognizes the role that GOA oil and gas resources play in addressing the Nation's demand for domestic energy sources and fosters economic benefits, including employment, labor income, and tax revenues, which are highest in Gulf Coast States and also distributed widely across the United States. Revenues from offshore oil and gas lease sales support national conservation programs and coastal resiliency for applicable coastal states and political subdivisions under the Gulf of Mexico Energy Security Act of 2006.

After considering the benefits and potential impacts evaluated in the Lease Sales 259 and 261 Supplemental EIS and the GOA Oil and Gas Programmatic EIS, I have concluded that reaffirming Lease Sales 259 and 261 as they were held is in the Nation's best interest. In making my decision, I considered the alternatives, information, and analyses, and any objections submitted by State, Tribal, and local governments and public commenters for consideration by the lead and cooperating agencies in developing the Lease Sales 259 and 261 Supplemental EIS and the GOA Oil and Gas Programmatic EIS. As of September 2025, BOEM restarted processing plans and permits under leases issued from Lease Sales 259 and 261. The U.S. District Court for the District of Columbia has been notified of both the publication of the GOA Oil and Gas Programmatic EIS and the resumption of plan and permit processing.

3 OTHER ALTERNATIVES ANALYZED IN THE LEASE SALES 259 AND 261 SUPPLEMENTAL EIS

BOEM evaluated four other alternatives in the Lease Sales 259 and 261 Supplemental EIS. A summary of the alternatives is provided in the Appendix. These alternatives are described in detail in Chapter 2.3.1 of the Lease Sales 259 and 261 Supplemental EIS. A discussion of the environmentally preferred alternative is also included in the Appendix.

I have re-evaluated the information originally provided in the Lease Sales 259 and 261 Supplemental EIS (see the Appendix for the alternatives analysis from the Lease Sales 259 and 261 Supplemental EIS), as well as the supplemental information included in the GOA Oil and Gas Programmatic EIS prior to the decision to reaffirm the decision for Lease Sales 259 and 261. The environmental impacts of each alternative in the Lease Sales 259 and 261 Supplemental EIS, with the exception of the updated information in the GOA Oil and Gas Programmatic EIS to remedy the court's identified deficiencies, are largely similar and adequately mitigated by the lease stipulations included in the sale and post-lease conditions of approval on plans, permits, and other required authorizations. Affirming the sales also comports with Congressional intent in the IRA, removes the cloud on these leases, allows industry to continue moving forward with exploration, development, and production activities, and will provide for domestic production of additional oil and gas resources which will help meet national energy needs and respond to the declared national energy emergency.

4 MITIGATING MEASURES

As part of the decision to reaffirm Lease Sales 259 and 261, all practicable means to avoid or minimize environmental harm from the selected alternative at the lease sale stage were adopted. In addition, post-lease activities (e.g., exploration and development plans), which may be expected as a result of Lease Sales 259 and 261, will undergo additional environmental review and may include additional project-specific mitigating measures applied as conditions of individual plan approvals. The various mitigating measures adopted for the lease sale were further analyzed in the GOA Oil and Gas Programmatic EIS, and those that may be applied during post-lease reviews, are summarized below.

Lease Stipulations – I have decided to reaffirm that the leases awarded in Lease Sales 259 and 261 will be subject to the relevant lease stipulations described in the Final Notice of Sale for each sale. Because the OCS blocks that were previously subject to the Topographic Features Stipulation, Live Bottom (Pinnacle Trend) Stipulation, and Blocks South of Baldwin County, Alabama, Stipulation have all been removed from leasing under the chosen lease sale area, a subset of Alternative D, these stipulations were not applied to leases issued as a result of this sale. The eight lease stipulations that were adopted for Lease Sales 259 and 261 are as follows: the Military Areas Stipulation; the Evacuation Stipulation; the Coordination Stipulation; the Protected Species Stipulation; the United Nations Convention on the Law of the Sea Royalty Payment Stipulation; the Stipulation on the Agreement between the United States of America and the United Mexican States Concerning Transboundary Hydrocarbon Reservoirs in the Gulf of America; the Restrictions Due to Rights-of-Use and Easement for Floating Production Facilities Stipulation; and Royalties on All Produced Gas Stipulation. These eight stipulations will be retained as lease terms and are enforceable as terms of the leases to which they applied. The eight stipulations applied to Lease Sales 259 and 261 were provided in full in the Final Notice of Sale package. The blocks to which each stipulation applies are identified on the map in each Final Notice of Sale for Lease Sales 259 and 261.

Of particular note, in light of the District Court's concern with the Rice's whale analysis in the Lease Sales 259 and 261 Supplemental EIS, the Protected Species Stipulation was included in these sales, and the stipulation included measures to protect the endangered Rice's whale within the 100-meter to 400-meter isobaths from 87.5° W to 27.5° N as described in the species' status review plus an additional 10 km around that area (see *Endangered and Threatened Species Protections* below). But as noted above, the Protected Species Stipulation is not the only set of protections that will apply to leases issued as a result of these sales. The Protected Species Stipulation explicitly stated that any additional mitigations necessary at later lease exploration and development stages, including those from new or amended BiOps like the NMFS 2025 BiOp, will be applied as conditions of approval on all post-lease plans, permits and other authorizations. Therefore, the lease sale and issued leases contain adequate mitigations at the lease sale stage, and later stages will be subject to additional mitigations and protections for species as appropriate.

Site-Specific Conditions of Approval – There are post-lease conditions of approval that have been developed through experience and post-lease environmental analyses that are more appropriately applied during site-specific, plan, and permit approval stages. Many of these mitigating measures have already been adopted and incorporated into BOEM's and BSEE's approved plans and permits for blocks leased in previous lease sales in accordance with processes established in regulations to adopt measures identified in the NEPA analyses or ESA consultations relevant to OCS exploration, development, and production activities. For example, additional mitigating measures may require surveys to detect and avoid archaeological sites and biologically sensitive areas, such as topographic features and deepwater benthic communities. BOEM and BSEE incorporate the applicable conditions of approval into plans and permit approvals. All submitted plans and permit applications for site-specific, OCS oil- and gas-related activities (e.g., exploration and development plans, pipeline applications, and structure-removal applications) also go through additional review by BOEM, BSEE, or both to ensure compliance with established laws and regulations.

BOEM and BSEE have developed a list of over 120 "standard" conditions of approval that are often applied to plan or permit approvals. Appendix B of the 2017-2022 Multisale EIS, which is incorporated by reference into the Lease Sales 259 and 261 Supplemental EIS, provides a list and description of many of these post-lease conditions of approval that may be required by BOEM or BSEE as a result of plan and permit review processes in their respective New Orleans Office and Gulf of America OCS Region office. These conditions of approval include hazard survey reviews, inspection requirements, notifications, post-approval submittals, and safety precautions. Many of these conditions of approval clarify existing mitigation requirements included in regulations or lease instruments, based on site-specific reviews. The conditions cover such areas as air quality, archaeological resources, artificial reef material, deepwater benthic communities, the Flower Garden Banks National Marine Sanctuary, topographic features, potentially sensitive biological features, hard bottoms, military warning areas, hydrogen sulfide, drilling hazards, remotely operated vehicle surveys, geophysical survey reviews, and general safety concerns. BOEM or BSEE may also apply conditions of approval that are developed on a case-by-case basis during the plan or permit approval process.

Endangered and Threatened Species Protections – On April 20, 2018, the U.S. Fish and Wildlife Service (FWS) issued its 10-year programmatic Biological Opinion (2018 FWS BiOp) under the ESA for BOEM’s and BSEE’s oil- and gas-related activities in the Gulf of Mexico (now Gulf of America). The FWS Biological Opinion does not include any terms and conditions for the protection of endangered species that the Bureaus, lessees, or operators must implement. On March 28, 2025, the FWS sent BOEM a letter with its evaluation of the new information and data, and its determination that nothing considered during the reinitiated consultation changed the conclusions of the 2018 FWS BiOp and that no further ESA consultation with the Service for the proposed action is necessary. The 2018 FWS BiOp remains in effect and any future BiOp amendments or associated COAs will be binding on subsequent post-lease actions.

On March 13, 2020, NMFS issued a Biological Opinion (2020 NMFS BiOp) and related terms and conditions and reasonable and prudent measures for future approvals of oil- and gas-related activities (including lease sales) in the Gulf of Mexico for the protection of species listed as endangered or threatened under the ESA and under NMFS jurisdiction. The NMFS programmatic Biological Opinion, as amended, addressed any future lease sales and approvals issued by BOEM and BSEE, under both existing and future OCS oil and gas leases in the GOA, over a 10-year period. Applicable terms and conditions and reasonable and prudent measures from the 2020 NMFS BiOp are included in this lease sale in the Protected Species Stipulation. Other specific conditions of approval were to also be applied to site-specific, post-lease approvals (e.g., permits and plans) and environmental reviews.

On May 20, 2025, NMFS issued a new biological opinion (2025 NMFS BiOp), which supersedes and replaces the 2020 NMFS BiOp. NMFS published its Biological and Conference Opinion on Bureau of Ocean Energy Management and Bureau of Safety and Environmental Enforcement’s Oil and Gas Program Activities in the Gulf of America and associated Attachments and Appendices, which contain protocols that BOEM applies for ESA compliance. The Protected Species Stipulation states that the most current applicable terms and conditions and reasonable and prudent measures from the most recent ESA consultations will be applied to all post-lease approvals. Therefore, the relevant terms and conditions, reasonable and prudent measures, as well as the provisions of the 2020 NMFS BiOp (as amended) that are a part of the proposed action in the 2025 NMFS BiOp (e.g., the vessel mitigations found in the 2025 NMFS BiOp at Section 3.1.6.5 and Attachment A.6 Vessel Transit within the Rice’s Whale Area as identified in the 2020 Biological Opinion’s Reasonable and Prudent Alternative), and other protocols identified in the 2025 NMFS BiOp Attachments and Appendices will be applied to post-lease approvals. Any future BiOp amendments, or COAs identified in future consultations will also be applied to post-lease actions.

BOEM documented that nothing in these lease sales or the reasonably foreseeable post-lease activities will prevent the Bureaus and the Department from complying with their obligations under Section 7 of the ESA to prevent jeopardy to listed species or adverse modification of designated critical habitat. The impacts to ESA-listed species from an oil and gas lease sale were addressed in the 2017-2022 Multisale EIS, the 2018 Supplemental EIS, and the Lease Sales 259 and 261 Supplemental EIS, and were used to support the proposed action; the completion of the two

BiOps and the reinitiation of consultation did not significantly alter the conclusions in those EISs and thus supplementation is not required.

Certain post-lease activities may be subject to additional requirements under the Marine Mammal Protection Act (MMPA), if the activity could result in take of marine mammals. For example, BOEM petitioned NMFS for rulemaking under the MMPA to assist industry in obtaining incidental take coverage for all marine mammals due to oil and gas geological and geophysical (G&G) surveys in the GOA. The final rule issued by NMFS and last amended in 2024, covers G&G surveys in the GOA through April 2026. The final rule includes additional mitigating measures that are applied to industry through the rule and the Letter of Authorization process and would only be expected to further reduce impacts already addressed in the lease sale NEPA analyses. A new request for MMPA authorization was prepared and submitted by industry in March 2025. See 90 Fed. Reg. 45,936 (Sept. 24, 2025). On September 3, 2025, NOAA Fisheries announced the receipt of a request from the NOAA Fisheries' Office of Policy for the reimplementation of ITRs governing the incidental taking of marine mammals during geophysical survey activity conducted in the GOA and invited the public to provide information, suggestions, and comments on the request. 90 Fed. Reg. 42,569 (Sept. 3, 2025). On October 20, 2025, BOEM also requested to be part of the reimplementation of the existing ITRs governing the incidental taking of marine mammals during geophysical survey activity conducted in the GOA.

Mitigation Monitoring and Adaptation – BOEM and BSEE continually assess compliance and effectiveness of mitigating measures, where appropriate, to allow BOEM's New Orleans Office and BSEE's Gulf of America OCS Region office to adjust mitigation as needed. This effort relies on lessees or operators submitting required information within the specified time period after plan and permit approvals or after triggering events (e.g., end of operations reports for plans, construction reports for pipelines, and removal reports for structure removals). This information is tracked and assessed by BOEM, BSEE, or both.

Enforcement – BSEE has the authority under 30 CFR Part 250, subpart N to inspect operations and enforce the conditions of any lease terms, including stipulations, as well as the conditions of any plan or permit approval. BOEM may likewise refer potential violations to BSEE for investigation and potential enforcement. BSEE may impose penalties on or require corrective actions from any lessee or any operator that fails to comply with the terms of a lease, including stipulations and other mitigation measures, and conditions of any post-lease plan approvals or permits.

5 CONCLUSION

For the reasons provided above, I have decided to reaffirm Lease Sales 259 and 261 that were held on March 29, 2023 and December 20, 2023, that offered for lease all available unleased blocks in the proposed lease sale area, with the following exceptions: whole and portions of blocks withdrawn from leasing by Presidential withdrawal in the September 8, 2020, *Memorandum on the Withdrawal of Certain Areas of the United States Outer Continental Shelf from Leasing Disposition*;

blocks that are adjacent to or beyond the U.S. Exclusive Economic Zone in the area known as the northern portion of the Eastern Gap; whole and partial blocks within the boundary of the Flower Garden Banks National Marine Sanctuary as of the July 14, 2008, *Memorandum on Modification of the Withdrawal of Areas of the United States Outer Continental Shelf from Leasing Disposition*; whole and partial blocks that were previously subject to the Topographic Features Stipulation; whole and partial blocks that were previously subject to the Live Bottom (Pinnacle Trend) Stipulation; whole and partial blocks that were previously subject to the Blocks South of Baldwin County, Alabama, Stipulation; whole and partial blocks that are identified as either Wind Energy Area Options (Areas A, B, C, D, E, F, G, H, J, K, L, and N) or final Wind Energy Areas (Areas I and M); depth-restricted, segregated block portions (Block 299, Main Pass Area, South and East Addition); and whole and partial BOEM-designated Significant Sediment Resource Area blocks. Ultimately, for Lease Sale 261 whole blocks that contain banks that are adjacent to blocks previously included in the Topographic Features Stipulation (currently Garden Banks 181) were also excluded. Lease Sales 259 and 261 offered for lease a subset of the blocks analyzed as Alternative D in the Lease Sales 259 and 261 Supplemental EIS with the above exceptions. Further, no modifications to the leases, with the stipulations referenced above and other terms that were approved for the associated Final Notice of Sale, issued pursuant to those sales, are necessary. After evaluation of the new information provided in the GOA Oil and Gas Programmatic EIS, including the analyses remedying the District Court's identified deficiencies, I have determined that holding the sales as provided for in their respective Final Notices of Sale, was reasonable and provided access for oil and gas development activities, with adequate mitigation, to justify the sales. In addition, with this new GOA Oil and Gas Programmatic EIS and in light of the President's declared national energy emergency, affirming the sales is an appropriate exercise of my authority, balancing the purpose and need of oil and gas development with reasonable means of mitigation when compared to the alternatives.

Lanny E. Erdos
Director, Office of Surface Mining, Reclamation, and Enforcement
Exercising Authority of the Assistant Secretary
Land and Minerals Management

Date

APPENDIX

OTHER ALTERNATIVES ANALYZED IN THE LEASE SALES 259 AND 261 SUPPLEMENTAL EIS

BOEM evaluated four other alternatives in the Lease Sales 259 and 261 Supplemental EIS. These are described in detail in Chapter 2.3.1 of the Supplemental EIS.

Alternative A would have offered for lease all available unleased blocks within the three GOA planning areas of the WPA, CPA, and EPA except for those whole and partial blocks withdrawn from leasing by Presidential withdrawal in the September 8, 2020, *Memorandum on the Withdrawal of Certain Areas of the United States Outer Continental Shelf from Leasing Disposition*, adjacent to or beyond the United States' Exclusive Economic Zone in the area known as the northern portion of the Eastern Gap, and within the boundaries of the Flower Garden Banks National Marine Sanctuary as of the July 14, 2008, *Memorandum on Modification of the Withdrawal of Areas of the United States Outer Continental Shelf from Leasing Disposition*.

Alternative B in the Lease Sales 259 and 261 Supplemental EIS would have offered for lease all available unleased blocks within the CPA and EPA portions of the proposed lease sale area for oil and gas operations, with the following exceptions: whole and portions of blocks withdrawn from leasing by Presidential withdrawal in the September 8, 2020, *Memorandum on the Withdrawal of Certain Areas of the United States Outer Continental Shelf from Leasing Disposition* and blocks that are adjacent to or beyond the U.S. Exclusive Economic Zone in the area known as the northern portion of the Eastern Gap. Available blocks within the WPA would **not** be offered for lease under this alternative.

Alternative C would have offered for lease all available unleased blocks within the WPA portion of the proposed lease sale area for oil and gas operations, except for whole and partial blocks within the boundary of the Flower Garden Banks National Marine Sanctuary as of the July 14, 2008, *Memorandum on Modification of the Withdrawal of Areas of the United States Outer Continental Shelf From Leasing Disposition*. Available blocks within the CPA and EPA would **not** be offered for lease under this alternative.

Lease Sale 259 or 261 would not be held under Alternative E, which is the No Action Alternative analyzed in the Lease Sales 259 and 261 Supplemental EIS.

ENVIRONMENTALLY PREFERABLE ALTERNATIVE

BOEM identified Alternative E, defined as the No Action Alternative, as environmentally preferable in the Lease Sales 259 and 261 Supplemental EIS. The No Action Alternative is considered environmentally preferable because not holding the lease sale would preclude OCS oil- and gas-related activities related to new leases from occurring, along with the resulting environmental effects in the Gulf of America. However, significant OCS oil- and gas-related activity would be expected to continue under existing leases, and the decision to not hold a single lease sale

would result in only slightly less cumulative OCS oil- and gas-related activity. In the short term, assuming OCS oil- and gas-related activities remain confined to acreage currently leased, OCS operators would likely reevaluate their exploration, delineation, and development strategies across their existing portfolio and reallocate resources accordingly. This could also lead to small increases in the intensity of the activities in already leased areas and attendant small increases in impacts in those areas. Regardless, Alternative E was not selected because, under the IRA, BOEM must hold Lease Sale 259 by the of March 2023 and Lease Sale 261 by the end of September 2023.