

DECISION MEMORANDUM FOR THE ASSISTANT SECRETARY – LANDS AND MINERALS MANAGEMENT

Date: January 22, 2026

To: Lanny E. Erdos
Exercising Authority of the Assistant Secretary
Land and Minerals Management

Through: Matthew N. Giacona **MATTHEW**
Acting Director **GIACONA**
Bureau of Ocean Energy Management

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MATTHEW GIACONA
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From: Necitas C. Sumait, Acting for Douglas P. Boren, Regional Director
Bureau of Ocean Energy Management Pacific OCS Region **NECITAS**
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Subject: Recommendation for Approval of Alternative Arrangements for NEPA, ESA, and Section 106 NHPA Compliance Amid the National Energy Emergency

STATEMENT OF ISSUE

DCOR, L.L.C. (“DCOR”) is a qualified company engaged in oil and gas production on the United States Outer Continental Shelf (OCS). On January 20, 2026, DCOR submitted an updated Development and Production Plan (DPP) to the Bureau of Ocean Energy Management (BOEM) Pacific Regional Office for review and approval, pursuant to 30 CFR § 550.283. The submittal is intended to incorporate well stimulation treatments (WST) in the form of hydraulic fracturing on 16 offshore oil and gas wells drilled on Federal lease OCS-P 0216. WST is necessary in order to maintain oil and gas production from the lease. Maintaining oil and gas production will provide an essential and immediate response to the national energy emergency, as declared in Executive Order 14156. BOEM is seeking guidance on whether or not we should approve review of this WST package under alternative emergency NEPA provisions once the package is deemed complete and submitted, starting a 28-day clock.

ISSUE BACKGROUND

DCOR currently holds and operates seven federal lease blocks in the Pacific OCS. Federal lease OCS-P 0216 is one of DCOR’s seven leases. OCS-P 0216 is produced from Platform Gilda, which is located in water depth of 205 feet and located approximately nine miles from the Santa Barbara coastline. This lease has been active since 1981 and has produced over 42.3 million barrels of oil and 51.3 billion cubic feet of natural gas. BOEM estimates that 12.7 million barrels of oil and 18.9 billion cubic feet of natural gas reserve exists on the lease. The lease and platform

are currently operating under a DPP originally approved in 1979 by the US Geological Survey (USGS), the regulatory authority at the time.

The oil and gas produced is drawn from a single, mature oil and gas field known as the Santa Clara Offshore field. Due to the lengthy production history of over 40 years, accessing the remaining oil and gas reserves requires secondary recovery mechanisms such as WST. DCOR is proposing to access the remaining oil and gas reserves by increasing reservoir permeability through hydraulic fracturing WST. DCOR proposes to pump high-pressure fluids into 16 existing oil and gas wells in order to fracture the reservoir and enhance production.

The DPP under which the lease is operating has not been approved for oil and gas well development using hydraulic fracturing techniques. As such, the DPP must be reviewed pursuant to BOEM regulations at 30 CFR § 550.283. On January 20, 2026, DCOR provided a submittal and supporting documentation to BOEM for review and approval of hydraulic fracturing on lease OCS-P 0216. DCOR also submitted 3 requests for alternative arrangements for compliance with the National Environmental Policy Act (NEPA), Section 7 of the Endangered Species Act (ESA), and Section 106 of the National Historic Preservation Act (NHPA).

Approval of the requests for alternative arrangements for compliance will allow the activities proposed by DCOR to meet their proposed activity schedule, thereby allowing them to produce oil and gas and address the nation's energy emergency.

CONSTRAINTS ON DECIDING OFFICIAL'S ACTION

The requirement to complete NEPA and ESA review and to complete consistency under the Coastal Zone Management Act (CZMA) process comes from the lawsuit *EDC v. BOEM and the American Petroleum Institute* (Central District of California, Western Division 2018) (Case number 2:16-cv-08418-PSG-FFM). An injunction on WST was granted by the Court requiring the aforementioned review processes before WST may take place. The Ninth Circuit Court of Appeals affirmed the injunction in an order filed June 3, 2022. Further litigation is possible as this submittal review is completed.

TIME SENSITIVITY

In the submission, DCOR outlines a proposed program activity schedule for their project. This schedule anticipates beginning well stimulation activities in January 2028 and ending in January 2033. Although the dates may seem distant in the future, it is important to recognize that hydraulic fracturing activity in the BOEM Pacific Region would be the first activity since the December 2018 judgement issued by the Central District of California regarding WST. Two years is a tight timeline in which to mobilize drilling equipment and platform infrastructure and ensure it is updated and inspected to meet Bureau of Safety and Environmental Enforcement (BSEE) requirements. Supplies, contractors, and manpower must also be scheduled well in

advance to meet project timelines, ensuring that purchases and deliveries are completed before operations commence.

BOEM identified several other time constraints associated with this request. Of primary concern is the time-period for BOEM to complete the preliminary review of the submission and accompanying information provided by DCOR on January 20, 2025. BOEM regulations at 30 CFR § 550.266 allow BOEM 25 working days to review the submission to determine if it fulfills requirements to be considered a complete package that can be deemed submitted. Should the submission be accepted during this timeframe, then BOEM initiates a formal review and approval process, including environmental review.

Approval of alternative arrangements for compliance would initiate a 28-day expedited review of the submission and associated environmental documents, beginning on or around the February 24, 2026, date when the submittal is deemed submitted. The alternative arrangement for compliance would then be completed around April 3, 2026.

RELEVANT ORDERS

- Executive Order (EO) 14156, titled “Declaring a National Energy Emergency”.
- *See also the CONSTRAINTS ON DECIDING OFFICIAL’S ACTION section below for a discussion of the Ninth Circuit Court of Appeals (2022) affirming the Central District of California, Western Division (2018), in their grant of an injunction on WST until such a time that ESA consultations with the FWS and the CZMA process are completed.*

RELEVANT MEMORANDA

The processes for approving alternative arrangements for compliance are outlined in 3 separate memorandums issued by Assistant Secretary for Land and Mineral Management. These memorandums include:

Alternative Arrangements for NEPA Compliance dated April 23, 2025;
Emergency Process for Section 106 Compliance dated April 23, 2025; and
Alternative Procedures for Informal Section 107 Consultation dated April 23, 2025.

SECRETARIAL PRIORITIES ADVANCED BY DECISION

Secretarial Order (SO) 3417 implements EO 14156. This order directs the Department of Interior’s bureaus and offices to facilitate the identification, permitting, leasing, development, and production of domestic energy production on Federal lands and the Outer Continental Shelf.

OPTIONS

(One of the options below may function as a “no-action” alternative.)

OPTION 1: Approve review under alternative arrangements for the deemed submitted package

Views of the Bureau and Office:

- Review and approval of activities would increase surety for DCOR to conduct hydraulic fracturing within their proposed activity schedule. Meeting the proposed activity schedule would increase oil and gas production to meet objectives of EO 14156.
- Review and approval of activities could set a precedent for other oil and gas operators to consider hydraulic fracturing activities, thereby facilitating increased oil and gas production on the OCS.

External Perspectives

- See also the CONSTRAINTS ON DECIDING OFFICIAL’S ACTION section above for a discussion of the Ninth Circuit Court of Appeals (2022) affirming the Central District of California, Western Division (2018), in their grant of an injunction on WST until such a time that ESA consultations with the FWS and the CZMA process are completed. This history of litigation creates an increased possibility for future litigation as the DPP review is completed.

DECISION – Option 1

APPROVE

Date of decision: 1/23/26

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Lanny E. Erdos

OPTION 2: No Action, proceed with review of the submission under normal BOEM procedures.

Views of the Bureau and Office:

Decision Memorandum: Recommendation to Approve Expedited Review Request by DCOR, L.L.C.

- Review and approval under normal procedures could potentially delay the proposed activity schedule presented by DCOR, thereby leading to reduced oil and gas production that facilitates meeting the objectives of EO 14156.

External Perspectives

DECISION – Option 2

APPROVE

Date of decision: _____

Lanny E. Erdos