
Leasing Activities Information



U.S. Department of the Interior
Bureau of Ocean Energy Management
Alaska Region

Lease Stipulations Cook Inlet Planning Area Oil and Gas Lease Sale 244 (Cook Inlet Sale 244) Final Notice of Sale (NOS)

One or more of these lease stipulations will be applied to leases resulting from this lease sale. Some lease stipulations apply to all blocks offered, while other lease stipulations apply only to specified blocks, as shown on the map “Final Cook Inlet Planning Area, Lease Sale 244, June 21, 2017, Stipulation Blocks” included in the Final Notice of Sale (NOS) Package. The “List of Blocks Available for Leasing” contained in the Final NOS Package also identifies the lease stipulations applicable to each block.

The lease stipulations for Cook Inlet Sale 244 are as follows:

- Stipulation No. 1 – Protection of Fisheries
- Stipulation No. 2 – Protection of Biological Resources
- Stipulation No. 3 – Orientation Program
- Stipulation No. 4 – Transportation of Hydrocarbons
- Stipulation No. 5 – Protection of Beluga Whale Critical Habitat
- Stipulation No. 6 – Protection of Beluga Whale Nearshore Feeding Areas
- Stipulation No. 7 – Protection of Beluga Whales
- Stipulation No. 8 – Protection of Northern Sea Otter Critical Habitat
- Stipulation No. 9 – Protection of Gillnet Fishery

(Stipulation No. 1 will be included in all leases issued as a result of Cook Inlet Sale 244.)

Stipulation No. 1—Protection of Fisheries

Exploration, development, and production operations must be conducted in a manner that minimizes or prevents conflicts with fishing communities and gear, including but not limited to, subsistence, sport, and commercial fishing. To minimize or prevent fishing activity conflicts, prior to submitting an Exploration Plan (EP) or a Development and Production Plan (DPP), the lessee/operator must review the planned exploration or development activities with directly affected fishing organizations, subsistence communities, and port authorities. This includes plans for on-lease surveys, offshore drilling unit mobilization and location, service vessel routes, and other vessel traffic.

The EP or DPP must include a summary of fishing activities in the area of proposed operations, an assessment of effects on fishing from the proposed activity, and measures to be taken by the lessee/operator to minimize or prevent conflicts. The assessment of effects and measures to minimize or prevent conflicts must be described under the environmental impact analysis, as required by 30 CFR 550.227 for EPs and 30 CFR 550.261 for DPPs.

The Bureau of Ocean Energy Management (BOEM) may restrict lease-related activities if the Regional Supervisor of Leasing and Plans (RSLP) determines that the lessee's/operator's proposed measures will not minimize or prevent conflicts. The RSLP will work with directly affected parties, if necessary, to ensure that potential conflicts are identified and efforts are taken to minimize or prevent these conflicts. These efforts may include timing operations to avoid fishing activities, locating structures away from major currents or areas where fishing activities may be more concentrated, or other restrictions, including requiring directional or seasonal drilling, use of prescribed subsea completion techniques, or other mitigation deemed appropriate by the RSLP.

(Stipulation No. 2 will be included in all leases issued as a result of Cook Inlet Sale 244.)

Stipulation No. 2—Protection of Biological Resources

If biological populations or habitats that may require additional protection are identified by the Bureau of Ocean Energy Management (BOEM) in the leased area, the Regional Supervisor of Leasing and Plans (RSLP) may require the lessee/operator to conduct biological surveys to determine the extent and composition of such biological populations or habitats. The RSLP will provide written notification to the lessee/operator of the requirement to conduct such surveys. Based on any surveys that the RSLP required of the lessee/operator, or based on other information available to the RSLP regarding special biological resources, the RSLP may require the lessee/operator to:

- relocate the site of operations;
- establish to the satisfaction of the RSLP, on the basis of a site-specific survey, either that such operations will not have a significant adverse effect upon the resource identified or that a special biological resource does not exist;
- operate only during those periods of time, as established by the RSLP, that do not adversely affect the biological resources; and/or
- modify operations to ensure that significant biological populations or habitats deserving protection are not adversely affected.

If populations or habitats of biological significance are discovered during the conduct of any operations on the lease, the lessee/operator must immediately report such findings to the RSLP and make every reasonable effort to preserve the biological resource and protect it from damage. The RSLP will direct the lessee/operator with respect to the protection of the resource. The lessee/operator must submit all data obtained in the course of biological surveys to the RSLP to include geospatial information in relation to the lessee's/operator's proposed action. The lessee/operator may take no action that might affect the biological populations or habitats surveyed until the RSLP provides written directions to the lessee/operator with regard to permissible actions. The RSLP will provide a written response outlining permissible actions within 30 days.

(Stipulation No. 3 will be included in all leases issued as a result of Cook Inlet Sale 244.)

Stipulation No. 3—Orientation Program

An Exploration Plan (EP) or a Development and Production Plan (DPP) submitted under 30 CFR 550.211 or 30 CFR 550.241, respectively, must include a proposed orientation program for all personnel involved in the proposed action (including personnel of the lessee's/operator's agents, contractors, and subcontractors).

The program must be designed in sufficient detail to inform individuals working on the project of specific types of environmental, safety, social, and cultural concerns that relate to the area that could be affected by the operation or its personnel. The program must address the importance of not disturbing archaeological and biological resources and habitats, including endangered species, fisheries, bird colonies, and marine mammals, and provide guidance on how to avoid or minimize disturbance. The program must address Safety and Environmental Management System elements including, but not limited to: Stop Work Authority; Ultimate Work Authority; Employee Participation Program (Safety); and Reporting Unsafe Working Conditions. The program must be designed to increase the sensitivity and understanding of personnel to community values, customs, and way-of-life in areas where such personnel will be operating. The orientation program also must include information concerning avoidance of conflicts with subsistence, sport, and commercial fishing activities.

The program must be attended at least once a year by all personnel involved in onsite exploration or development and production activities (including personnel of the lessee's/operator's agents, contractors, and subcontractors) and all supervisory and managerial personnel involved in such activities of the lessee/operator and its agents, contractors, and subcontractors.

The lessee/operator must maintain, for a minimum of five years, a record of the name(s) and date(s) of attendance of all employees that have attended the orientation program.

(Stipulation No. 4 will be included in all leases issued as a result of Cook Inlet Sale 244.)

Stipulation No. 4—Transportation of Hydrocarbons

Pipelines may be required for transporting produced hydrocarbons to shore if the Bureau of Ocean Energy Management (BOEM) determines that: (a) pipeline rights-of-way can be determined and obtained; (b) laying such pipelines is technologically feasible and environmentally preferable; and (c) pipelines can be laid without net social loss, taking into account any incremental costs of pipelines over alternative methods of transportation and any incremental benefits in the form of increased environmental protection or reduced multiple-use conflicts.

BOEM may require that any pipeline used for transporting produced hydrocarbons to shore be placed in certain designated areas. In selecting the means of transportation, consideration will be given to recommendations of knowledgeable advisory groups within Federal, state, and local governments; tribal governments; and industry.

(Stipulation No. 5 will apply to OCS blocks which overlap the “Area 2” beluga whale critical habitat: OPD NP05-08 (Kenai) Blocks 6759, 6760, 6808, 6809, 6810, 6811, 6858, 6859, 6860, and 6861, as shown on the map “Final Cook Inlet Planning Area, Lease Sale 244, June 21, 2017, Stipulation Blocks” included in the Final Notice of Sale (NOS) Package. The “List of Blocks Available for Leasing” contained in the Final NOS Package also identifies the blocks to which this lease stipulation applies.)

Stipulation No. 5—Protection of Beluga Whale Critical Habitat

The Lessee(s), its operators, and subcontractors are prohibited from conducting any on-lease marine seismic surveys or exploratory drilling between November 1 of any given year of the lease and April 1 of the following year. This prohibition is designed to protect beluga whales when they are most likely to be present and distributed across the Cook Inlet 244 Lease Sale Area, including this leased area. Except for when a waiver or variance is granted, as provided below, this prohibition remains in force regardless of whether the Lessee(s), its operators or subcontractors have received a permit or authorization under the Endangered Species Act (ESA, 16 U.S.C. 1531-1544), Marine Mammal Protection Act (MMPA, 16 U.S.C. 1361-1423h) or other state or Federal statute for such activities. Should additional mitigation measures be identified to protect beluga whales through the ESA, MMPA or other relevant statutory authority at the time an Exploration Plan or Development and Production Plan is submitted by the Lessee(s) for approval, BOEM may condition approval of those plans on compliance with the most current mitigation measures identified by the National Marine Fisheries Service.

The Lessee(s) may request a waiver from, or variance to, this stipulation at the time of filing an Exploration Plan or a Development and Production Plan with the Regional Supervisor of Leasing and Plans (RSLP), and provide the method, and an analysis evaluating the method, proposed for protecting the beluga whale critical habitat from the specified activities in their plan. Such requests must identify alternative methods for providing commensurate protection of beluga whales and analyze the effectiveness of those methods. The decision to approve, approve with conditions, or disapprove a request for waiver of or variance from the provisions of this stipulation is in the sole discretion of the RSLP.

(Stipulation No. 6 will apply to OCS blocks that are wholly or partially located within 10 statute miles of major anadromous streams: OPD NO05-01 (Illiamna) Blocks 6436, 6484-6486, 6532-6536, 6582-6586, 6632-6635; OPD NO05-02 (Seldovia) Blocks 6006-6009, 6012-6014, 6055-6058, 6061-6064, 6105-6108, 6111-6114, 6154-6157, 6161-6163, 6202-6207, 6210-6213, 6252-6256, 6260-6263, 6301-6304, 6310-6313, 6351-6354, 6361-6363, 6401-6403, 6411-6413, 6451-6453, 6462-6463, 6501-6502, 6512, 6551, 6561-6562, 6610-6612; OPD NP05-08 (Kenai) Blocks 6759-6760, 6808-6811, 6857-6862, 6907-6913, 6957-6959, 6963-6964, 7007-7009, 7013-7015, 7057-7059, 7062-7065, 7106-7109, and 7112-7114, as shown on the map “Final Cook Inlet Planning Area, Lease Sale 244, June 21, 2017, Stipulation Blocks” included in the Final Notice of Sale (NOS) Package. The “List of Blocks Available for Leasing” contained in the Final NOS Package also identifies the blocks to which this lease stipulation applies.)

Stipulation No. 6—Protection of Beluga Whale Nearshore Feeding Areas

The Lessee(s), its operators and subcontractors are prohibited from conducting any on-lease marine seismic surveys between July 1 and September 30 of each year. This prohibition is designed to protect beluga whales when they are migrating to and from their summer feeding areas. Except for when a waiver or variance is granted as provided below, this prohibition remains in force regardless of whether the Lessee(s), its operators or subcontractors have received a permit or authorization under the Endangered Species Act (ESA, 16 U.S.C. 1531-1544), Marine Mammal Protection Act (MMPA, 16 U.S.C. 1361-1423h) or other state or Federal statute for such activities. Should additional mitigation measures be identified to protect beluga whales through the ESA, MMPA or other relevant statutory authority at the time an Exploration Plan or Development and Production Plan is submitted by the Lessee(s) for approval, BOEM may condition approval of those plans on compliance with the most current mitigation measures identified by the National Marine Fisheries Service.

The Lessee(s) may request a waiver from, or variance to, these stipulations at the time of filing an Exploration Plan or a Development and Production Plan with the Regional Supervisor of Leasing and Plans (RSLP), and provide the method, and an analysis evaluating the method, proposed for protecting the beluga whales from the specified activities in their plan. Such requests must identify alternative methods for providing commensurate protection of beluga whales and analyze the effectiveness of those methods. The decision to approve, approve with conditions, or disapprove a request for waiver of or variance from the provisions of this stipulation is in the sole discretion of the RSLP.

(Stipulation No. 7 will be included in all leases issued as a result of Cook Inlet Sale 244.)

Stipulation No. 7—Protection of Beluga Whales

The Lessee(s), its operators and subcontractors are prohibited from conducting any on-lease marine seismic surveys between November 1 of any given year of the lease and April 1 of the following year. Except for when a waiver or variance is granted as provided below, this prohibition remains in force regardless of whether the Lessee(s), its operators or subcontractors have received a permit or authorization under the Endangered Species Act (ESA, 16 U.S.C. 1531-1544), Marine Mammal Protection Act (MMPA, 16 U.S.C. 1361-1423h) or other state or Federal statute for such activities. Should additional mitigation measures be identified to protect beluga whales through the ESA, MMPA or other relevant statutory authority at the time an Exploration Plan or Development and Production Plan is submitted by the Lessee(s) for approval, BOEM may condition approval of those plans on compliance with the most current mitigation measures identified by the National Marine Fisheries Service.

The Lessee(s) may request a waiver from, or variance to, this stipulation at the time of filing an Exploration Plan or a Development and Production Plan with the Regional Supervisor of Leasing and Plans (RSLP), and provide the method, and an analysis evaluating the method, proposed for protecting the beluga whales from the specified activities in their plan. Such requests must identify alternative methods for providing commensurate protection of beluga whales and analyze the effectiveness of those methods. The decision to approve, approve with conditions, or disapprove a request for waiver of or variance from the provisions of this stipulation is in the sole discretion of the RSLP.

(Stipulation No. 8 will apply to OCS blocks that are wholly or partially located within 1,000 meters of designated northern sea otter critical habitat: OPD NO05-01 (Iliamna) Blocks 6532, 6533, 6582; OPD NO05-02 (Seldovia) Blocks 6007, 6055, 6056, 6057, 6105, 6106, 6154, 6155, 6156; OPD NP 05-08 (Kenai) Blocks 6911, and 6912, as shown on the map “Final Cook Inlet Planning Area, Lease Sale 244, June 21, 2017, Stipulation Blocks” included in the Final Notice of Sale (NOS) Package. The “List of Blocks Available for Leasing” contained in the Final NOS Package also identifies the blocks to which this lease stipulation applies.)

Stipulation No. 8—Protection of Northern Sea Otter Critical Habitat

The Lessee(s), its operators and subcontractors are prohibited from discharging drilling fluids and cuttings and from conducting seafloor disturbing activities, including anchoring and placement of bottom-founded structures, within 1,000 m of areas designated as northern sea otter critical habitat. Except for when a waiver or variance is granted as provided below, this prohibition remains in force regardless of whether the Lessee(s), its operators or subcontractors have received a permit or authorization under the Endangered Species Act (ESA, 16 U.S.C. 1531-1544), Marine Mammal Protection Act (MMPA, 16 U.S.C. 1361-1423h) or other state or Federal statute for such activities. Should additional mitigation measures be identified to protect northern sea otters or their designated critical habitat through the ESA, MMPA or other relevant statutory authority at the time an Exploration Plan or Development and Production Plan is submitted by the Lessee for approval, BOEM may condition approval of those plans on compliance with the most current mitigation measures identified by the Fish and Wildlife Service.

The Lessee(s) may request a waiver from, or variance to, this stipulation at the time of filing an Exploration Plan or a Development and Production Plan with the Regional Supervisor of Leasing and Plans (RSLP), and provide the method, and an analysis evaluating the method, proposed for protecting the northern sea otter critical habitat from the specified activities in their plan. Such requests must identify alternative methods for providing commensurate protection of northern sea otters and analyze the effectiveness of those methods. The decision to approve, approve with conditions, or disapprove the request for waiver of or variance from the provisions of this stipulation is in the sole discretion of the RSLP.

(Stipulation No. 9 will apply to OCS blocks subject to the gillnet fishery restrictions: OPD NP05-08 (Kenai) Blocks 6759, 6760, 6808-6811, 6857-6862, 6907-6913, 6957-6964, 7007-7015, 7057-7065, 7106-7114; OPD NO05-02 (Seldovia) Blocks 6006-6014, 6055-6064, 6105-6114, 6154-6163, 6202-6213, and 6252-6263, as shown on the map “Final Cook Inlet Planning Area, Lease Sale 244, June 21, 2017, Stipulation Blocks” included in the Final Notice of Sale (NOS) Package. The “List of Blocks Available for Leasing” contained in the Final NOS Package also identifies the blocks to which this lease stipulation applies.)

Stipulation No. 9—Protection of Gillnet Fishery

The Lessee(s), its operators and subcontractors are prohibited from conducting on-lease marine seismic surveys during the drift gillnet fishing season as designated each year by the Alaska Department of Fish and Game (ADF&G), approximately mid-June to mid-August. The Lessee(s) is required to notify the United Cook Inlet Drift Association (UCIDA) of any temporary or permanent structures in place or planned during the drift gillnet fishing season. The Lessee(s) must coordinate with the UCIDA to try to resolve and avoid any conflicts to the maximum extent practicable. Should additional mitigation measures be identified to minimize or avoid conflicts with the drift gillnet fishery at the time an Exploration Plan or Development and Production Plan is submitted by the Lessee for approval, BOEM may condition approval of those plans on compliance with the most current mitigation or avoidance measures identified at that time.

The Lessee(s) may request a waiver from, or variance to, the prohibitions of this stipulation at the time of filing an Exploration Plan or a Development and Production Plan with the Regional Supervisor of Leasing and Plans (RSLP). Such requests must specify a commensurate method or methods of protecting the drift gillnet fishery from impacts associated with proposed activities and include an analysis of the efficacy of that method or methods. The decision to approve, approve with conditions, or disapprove the request for waiver of or variance from the provisions of this stipulation is in the sole discretion of the RSLP.