National OCS Oil and Gas Leasing Program

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BOEM's mission is to manage development of the U.S. Outer Continental Shelf energy and mineral resources in an environmentally and economically responsible way.
BOEM oversees the development of OCS oil and gas resources through the preparation and implementation of a National OCS Oil and Gas Leasing Program.

OCSLA requires that BOEM prepare, periodically revise, and maintain a leasing program with a schedule of sales showing size, timing, and location to best meet Nation’s energy needs for the following five-year period.

Must balance potential for environmental damage, discovery of oil and gas, and adverse impact on coastal zone, and must assure receipt of Fair Market Value.
• April 28, 2017 – President’s Executive Order 13795, the America-First Offshore Energy Strategy
  • Requires the Secretary of Interior to give full consideration to revising the schedule of proposed oil and gas lease sales.

• May 1, 2017 – Secretary Zinke’s Order 3350
  • Initiated a new National OCS Oil and Gas Leasing Program development process to replace the 2017–2022 Program.
  • Takes 2 to 3 years to develop new Program.
On July 3, 2017, BOEM published Request for Information to initiate development of new National OCS Program and gather information from governmental partners, stakeholders and the public.

Following a 45-day comment period, BOEM developed a Draft Proposed Program document, which published on January 8, 2018.

- Includes draft schedule for OCS oil and gas leasing for 2019-2024 timeframe.

During 60-day comment period for Draft Proposed Program, BOEM held 23 public meetings in 22 states and DC.

- Open House format also served as scoping meetings to inform Draft Programmatic Environmental Impact Statement.

To date, BOEM has received approximately 1,000,000 comments.
Overview of the Process

National OCS Oil and Gas Leasing Process

- **Request For Information**
  - July 2017
  - 45-day Comment Period

- **Draft Proposed Program and NOI for PEIS Published**
  - January 2018

- **Proposed Program and Draft PEIS Published**
  - Target: late 2018
  - 60-Day Comment Period

- **Proposed Final Program and Final PEIS Published**
  - Target: mid to late 2019
  - 90-Day Comment Period

- **Program Approved and ROD Published**
  - Target: late 2019
  - 60-Day Period for the President and Congress
What factors does the Secretary of the Interior consider?

Decision-making based on consideration of eight factors:

A) Geographical, Geological, and Ecological Characteristics
B) Equitable Sharing of Developmental Benefits and Environmental Risks
C) Location with Respect to Regional and National Energy Markets and Needs
D) Location with Respect to Other Uses of the Sea and Seabed
E) Laws, Goals, and Policies of Affected States Identified by Governors
F) Interest of Potential Oil and Gas Producers
G) Relative Environmental Sensitivity and Marine Productivity
H) Environmental and Predictive Information (43 U.S.C. 1344(a)(2))
Oil and Gas Resource Potential

Unleased Undiscovered Economically Recoverable Resources (UERR) by OCS Planning Area ($100 per barrel price case)

- Central GOM
- Chukchi Sea
- Western GOM
- Beaufort Sea
- Southern California
- Eastern GOM
- Mid-Atlantic
- North Atlantic
- Central California
- Northern California
- Cook Inlet
- Gulf of Alaska
- North Aleutian Basin
- Washington/Oregon
- South Atlantic
- St. George Basin
- Hope Basin
- Navarin Basin
- Straits of Florida
- Kodiak
- Shumagin
- Norton Basin

Assessment of Undiscovered Technically Recoverable Oil and Gas Resources of the Nation's Outer Continental Shelf, 2016

Undiscovered Technically Recoverable Oil and Gas Resources (UTRR) Mean* Estimates for Planning Areas

Regional Totals:
- Alaska OCS: 26.61 Bbo, 131.43 Tcf
- Atlantic OCS: 4.59 Bbo, 38.17 Tcf
- Gulf of Mexico OCS: 48.46 Bbo, 141.76 Tcf
- Pacific OCS: 10.29 Bbo, 16.1 Tcf
- Total U.S. OCS: 89.87 Bbo, 327.49 Tcf

Oil in Billions of Barrels (Bbo)
Natural Gas in Trillions of Cubic Feet (Tcf)

*Estimate; average or expected value

Oil and Gas BTU Equivalent in Quadrillion (10^15 BTU)

- 0.01 - 1
- 1 - 5
- 5 - 10
- 10 - 25
- 25 - 50
- 50 - 100
- > 100

Southern California

Mid-Atlantic

North Atlantic

Central California

Northern California

Oil (Bbo)
Gas (Bbo)
Recovering OCS Oil and Natural Gas Resources Is a Complex Process

- Collaborative effort among government, industry, tribal, and public stakeholders

- Multiple steps, decision points, and opportunities for public input during each phase

- Decisions made at the National OCS Program stage can have effects even 50 or more years in the future

- National Program development is a winnowing process, where decisions on areas to offer for lease can narrow as process moves forward
Leasing, Exploration, and Development Processes

Typical Planning for Specific Oil and Gas Lease Sale

- **Call for Info Published**
  - 30-Day Comment Period

- **Define Sale Area**
  - 45-Day Comment Period

- **Proposed Notice**
  - CZM CD Sent to States

- **Final Notice of Sale Published**
  - 30-Day Period

- **Sale Held**

- **Leases Issued**

**NEPA Review (EIS, EA, or DNA)**

**Environmental Consultations**

**Government-to-Government Consultations**

Post-Lease

Oil and Gas Exploration Plan and Drilling Approval

- **Exploration Plan Submitted**
- **NEPA Review**
- **G2G Consultations**
- **State CZM Review**
- **Exploration Plan Review and Approval**
- **APD Review and Permitting Decision**
- **Exploration Drilling Starts**
- **First Exploration Well(s) Completed**
- **Delineation Well Drilling**

Oil and Gas Development and Production Plan Approval

- **Development and Production Plan Submitted**
- **NEPA Review**
- **G2G Consultations**
- **State CZM Review**
- **Development and Production Plan Review and Approval**
- **APD Review and Permitting Decision**
- **First Oil/Gas Production**

Key: APD = Application for Permit to Drill; BOEM = Bureau of Ocean Energy Management; BSEE = Bureau of Safety and Environmental Enforcement; CD = Consistency Determination; CZM = Coastal Zone Management; DNA = Determination of NEPA Adequacy; EA = environmental assessment; EIS = environmental impact statement; G2G = government-to-government; NEPA = National Environmental Policy Act; NOI = Notice of Intent; OCS = Outer Continental Shelf; PEIS = programmatic environmental impact statement; ROD = Record of Decision
The lifecycle of OCS oil and gas activities is a lengthy process consisting of various phases.

Once production begins it may continue for several decades.

The timing of the activities varies by region.
In Summary: What Happens Next?

- 60-day comment period on the DPP and scoping for the Programmatic EIS
  - Ended March 9th

- Publication of the Proposed Program and Draft Programmatic EIS
  - Targeting Late 2018

- Publication of the Proposed Final Program and Final Programmatic EIS
  - Targeting Mid-to-Late 2019

- 2019–2024 National OCS Program approval and Record of Decision
  - Targeting Late 2019
Questions?

Thank you!