

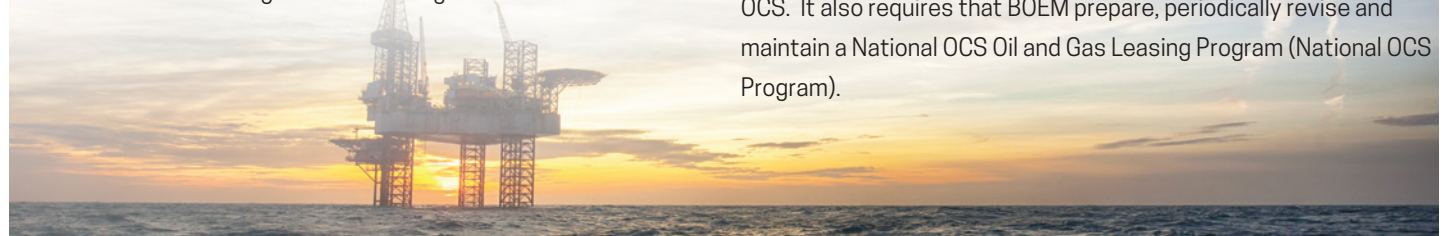
The Department of the Interior's Bureau of Ocean Energy Management (BOEM) promotes energy independence, environmental protection and economic development through responsible, science-based management of energy and mineral resources on the U.S. Outer Continental Shelf (OCS). BOEM conducts the planning, leasing, and plan review processes for OCS oil and gas exploration and development activities to ensure that these activities are conducted in a safe and environmentally sound manner, and that the public receives fair market value for the use of OCS energy resources.

Overview

Safe, reliable and affordable domestic energy production powers our economy, promotes jobs and is critical to our nation's security. Offshore oil and gas play an important role in our national energy portfolio. In Fiscal Year (FY) 2019, offshore federal production reached approximately 683 million barrels of oil and 1 trillion cubic feet of gas. This accounted for about 16 percent of all domestic oil production and 3 percent of domestic natural gas production.¹ Also in FY19, companies paid over \$5.5 billion in bonuses, rent, and royalties to extract oil and natural gas in federal waters. BOEM estimates that in FY 2018,² the offshore oil and gas industry contributed:

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- More than \$30 billion to the U.S. economy
Approximately 271,000 jobs (approximately 68 percent of these jobs are in the Gulf Coast states; the remainder are spread throughout the U.S.)
- \$204 million in revenue sharing programs to Gulf of Mexico states, Alaska and California
- \$220 million in grant programs through the Land and Water Conservation Fund and the Historic Preservation Fund

BOEM estimates that the entire OCS contains vast amounts of yet-to-be-discovered oil and gas fields totaling about 90 billion barrels



Nearly 1/6 of our
nation's oil
comes from
**Outer Continental
Shelf resources**

of oil and 327 trillion cubic feet of gas.³ When properly developed, the OCS helps to provide job opportunities nationwide, power our economy, and pave the way for safe and affordable domestic energy production.

BOEM is responsible for stewardship of our nation's offshore energy resources, as well as protecting the environment that the development of those resources could impact.

National OCS Oil and Gas Leasing Program

The OCS Lands Act gives BOEM the authority to grant leases for the exploration, development and production of oil and gas on the OCS. It also requires that BOEM prepare, periodically revise and maintain a National OCS Oil and Gas Leasing Program (National OCS Program).

The National OCS Program establishes a schedule of oil and gas lease sales for the U.S. OCS after consideration and analysis of all 26 planning areas. The schedule specifies the size, timing and location of potential leasing activity to best meet the nation's energy needs for the five-year period under consideration. The program considers potential environmental damage, oil and gas discovery and adverse impacts on the coastal zone. It also assures that U.S. taxpayers receive fair market value for the rights to produce OCS energy and mineral resources.

Development of a new program typically takes at least two years to complete and includes multiple proposals and opportunities for public involvement, including public meetings near the proposed leasing areas. BOEM is currently operating under the 2017-2022 Program. To learn more about this multi-phase process, visit:

<https://www.boem.gov/National-OCS-Program/>. BOEM has a number of other responsibilities relating to offshore oil and gas, including the following:

Offshore oil and gas contributed **\$5.5 billion** in leasing revenues to the U.S. Treasury in FY 2019



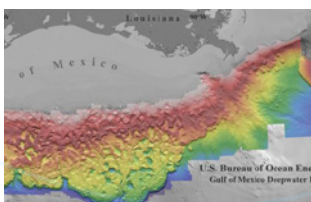
Resource Evaluation – Conduct resource evaluation through critical geologic and economic analysis to identify areas of the OCS that could be prospective for oil and gas development. Maintain a comprehensive inventory of both discovered oil and gas reserves and undiscovered technically and economically recoverable resources on the OCS.



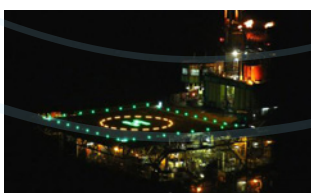
Exploration and Development Plans – Conduct in-depth review of exploration plans and development and production plans to ensure compliance with regulations for drilling operations.



Energy Economics – Conduct analyses to evaluate and implement policies for the energy and minerals programs relating to lease terms, bidding systems, auction designs, operating conditions and rulemaking.



Mapping and Data – Create, maintain, and provide OCS maps and data, such as OCS blocks and administrative boundaries between adjoining coastal states. Manage, in partnership with the National Oceanic and Atmospheric Administration, the MarineCadastre.gov and Ocean Reports, an integrated marine information system providing authoritative data to meet the needs of the offshore energy and marine planning communities along with tools that can help reduce ocean use conflicts.



Risk Management – Require proper financial assurance from OCS energy lessees to guarantee that their regulatory obligations are satisfied and ensure the American taxpayer is not responsible for shouldering the liability for decommissioning existing or future facilities on the OCS.

¹Source FY21 Budget Justifications

²Source U.S. Department of the Interior, *Agency Financial Report FY2018*

³2016a National Assessment (www.boem.gov/resource-assessment) in mean estimates.



For More Information:

<https://www.boem.gov/oil-gas-energy>