

1. What does the Bureau of Ocean Energy Management (BOEM) do?

BOEM is the agency in the Department of the Interior that oversees science-informed management of oil and gas, renewable energy, and mineral resources on the Outer Continental Shelf (OCS). BOEM currently manages approximately 2,000 active OCS oil and gas leases, covering nearly 11 million acres — the vast majority of which are in the Gulf of Mexico.

2. What is the Outer Continental Shelf?

The Outer Continental Shelf (OCS) consists of all submerged lands (the seafloor) lying seaward of state waters. The OCS consists of all the submerged lands lying seaward of State waters — about 2.5 billion acres, which is more than the total land area of the entire United States — including Alaska and Hawaii. BOEM divides the OCS into 26 planning areas. Planning areas are administrative divisions used as the initial basis for considering what areas to lease.

3. What is a lease sale?

A lease sale is the process by which BOEM provides qualified bidders the right to bid for and obtain a lease on the OCS. BOEM may hold oil and gas lease sales within an approved National OCS Program at the Secretary's discretion. In accordance with BOEM's regulations and 30 CFR Part 556, and the procedures set forth in a Final Notice of Sale (which is published at least 30 days prior to a lease sale), bids are submitted to BOEM in advance in a sealed envelope; on sale day, the high bids on each block are read aloud publicly. No bids are accepted or rejected by BOEM at that time. After the sale day, BOEM has 90 days to evaluate the bids to ensure the receipt of fair market value, and the Department of Justice and the Federal Trade Commission conduct an anti-trust review of the lease sale. If all requirements are met, BOEM can then issue leases to the winning bidders. A lease is an agreement issued pursuant to the OCS Lands Act that authorizes exploration for, and development and production of, oil, gas, and other mineral resources such as sulfur, sand, gravel, and salt. Oil and gas leases are offered competitively as OCS blocks which are nine square miles (3 miles on a side). Before conducting a lease sale or authorizing any activities conveyed through an issued lease, BOEM conducts a review under the National Environmental Policy Act (NEPA) and numerous other environmental laws to ensure that the activities will be conducted in a safe and environmentally sound manner, and that the interests of key stakeholders are considered. Additional information is available at <https://www.boem.gov/oil-gas-energy/leasing>.

BOEM Governing Laws and Statutes – National OCS Program

1. What is the Outer Continental Shelf Lands Act?

The Outer Continental Shelf Lands Act (OCS Lands Act) established the OCS as “a vital national resource reserve held by the Federal government for the public, which should be made available for expeditious and orderly development, subject to environmental safeguards, in a manner which is consistent with the maintenance of competition and other national needs” and gave the Secretary of the Interior the authority to grant leases for the exploration, development, and production of oil and gas on the OCS.

2. What is NEPA?

NEPA was passed in 1970 and requires Federal agencies to consider potential environmental impacts of and alternatives to any major action they propose. The NEPA process includes opportunities for public review and comment on these evaluations. For National OCS Program development, the NEPA comment periods are coinciding with the Program comment periods.

The OCS Lands Act requires the Secretary of the Interior to prepare a 5-year schedule of proposed oil and gas lease sales. The Secretary of the Interior and BOEM are developing the 2023-2028 National OCS Oil and Gas Leasing Program (National OCS Program), which includes several opportunities for public involvement and comment.

3. How does the OCS Land Act process integrate with NEPA?

The NEPA process informs decision making alongside the OCS Lands Act process. A Programmatic EIS is a document that contains the analyses regarding the potential environmental impacts of an action within a broad geographic scope, such as OCS oil and gas leasing.

BOEM uses the Programmatic EIS to disclose the environmental impacts of the National OCS Program, ways to effectively avoid or mitigate those impacts, and other viable alternatives for the National OCS Program. The Secretary will consider the Final Programmatic EIS together with the National OCS Program document analyses when making a final decision regarding the schedule of lease sales. In addition, BOEM prepares subsequent NEPA reviews (e.g., a lease sale EIS) before an area is leased, including regional or site-specific analyses.

4. How did the OCS planning areas come about, and how long have they been around?

The planning areas are for administrative purposes only. They originated with the first program (1980–1985) after the 1978 Amendments to the OCS Lands Act called for a Program. Before that, sales were strictly individually based, and the areas offered were due to industry nominations or as BOEM (then the Minerals Management Service) deemed necessary. A very limited number of blocks were offered for lease in a sale.

When the OCS Lands Act required a way to compare areas that may or may not be smaller than regions, planning areas were created. Not all of the OCS had a planning area in the beginning, and some have changed names and area boundaries over time.

National Outer Continental Shelf Oil and Gas Leasing Program

1. What is the National Outer Continental Shelf Oil and Gas Leasing Program (National OCS Program)?

The National OCS Program consists of a schedule of oil and gas lease sales indicating the size, timing, and location of proposed leasing activity that the Secretary of the Interior determines will best meet national energy needs for the five-year period following its approval.

2. What are the specific factors the Secretary must consider when determining the size, timing, and location of oil and gas activities among the different areas of the OCS?

The OCS Lands Act states that the timing and location of exploration, development and production of oil and gas among the OCS regions must be based on a consideration of these eight specific factors:

- Geographical, geological, and ecological characteristics.
- Developmental benefits and environmental risks of specific areas.
- Other uses of the sea and seabed.
- Laws, goals, and policies of affected states as identified by governors.
- Interest of potential oil and gas producers.
- Environmental sensitivity and marine productivity.
- Environmental and predictive information.

In determining the timing and location of leasing, the Secretary must balance the potentials for environmental damage, discovery of oil and gas, and adverse impact on the coastal zone. The Secretary must also consider environmental, economic, and social values which BOEM's analysis summarizes in a net Benefits Analysis (see Chapter 5 of the Proposed Program document).

3. How does the Secretary prioritize the eight specific factors?

The Secretary has the discretion to reach a reasonable balance and determination based on all the required factors.

4. What is the Proposed Program? -

The Proposed Program is the third stage of a five-stage process to develop the National OCS Program. The National OCS Program development process starts with the broadest consideration of areas potentially available for leasing (i.e., all 26 OCS planning areas) and is narrowed through a winnowing process. Following the publication of the Proposed Program, BOEM will publish a Proposed Final Program. The Secretary considers the analysis and makes a decision on all three analytical program documents.

Inclusion of an area at the Proposed Program stage is not a final indication it will be included in the National OCS Program or offered in a lease sale; many decisions will be made that could potentially reduce or remove areas or sales.

5. What is the Draft Programmatic EIS?

The Draft Programmatic EIS describes what environmental and social impacts could occur from the lease sales proposed under the National OCS Program. It also provides an analysis of alternatives to the proposed action and how potential impacts may differ among these alternatives. To develop a

Draft Programmatic EIS that reflects the best science, technology, research, and data available, BOEM conducted a public scoping process to solicit input from stakeholders and communities that could be affected by OCS oil and gas leasing. This input informed the development of the Draft Programmatic EIS.

6. Can you describe the National OCS Program Development Process?

The OCS Lands Act prescribes the major steps for developing a National OCS Program, including opportunities for public comment. The process includes the following steps for the 2023 — 2028 National Program:

- [Request for Information \(RFI\)](#) — published July 3, 2017, followed by a 45-day public comment period that resulted in 816,000 comments.
- [Draft Proposed Program \(DPP\)](#) and Notice of Intent to prepare a Programmatic Environmental Impact Statement (PEIS)— published Jan 2018 with a 60-day public comment period that resulted in about 2 million comments.
- Next steps:
 - a. Collect and analyze public comments
 - b. Conduct analysis of the Second Proposal (Proposed Program)
 - c. Publish of the Proposed Final Program (PFP) and Final PEIS
 - d. 60-day Presidential and Congressional waiting period.
 - e. Secretarial approval of a Final Program.

The National OCS Program development process begins with the broadest consideration of areas available for leasing (all 26 OCS planning areas under the RFI) and is narrowed throughout the National OCS Program development and lease sale processes. The DPP decision included 25 of 26 planning areas, which Secretary Haaland narrowed to four planning areas (three in the Gulf of Mexico and one offshore Alaska) in the Proposed Program.

7. Where are we in the process for the National OCS Program?

On July 1, 2022, US Department of the Interior announced the Proposed Program (Second Proposal) for the 2023-2028 timeframe. Two analytical documents were published that provided the foundational information for the Secretary's Second Proposal—the Proposed Program and Draft Programmatic Environmental Impact Statement.

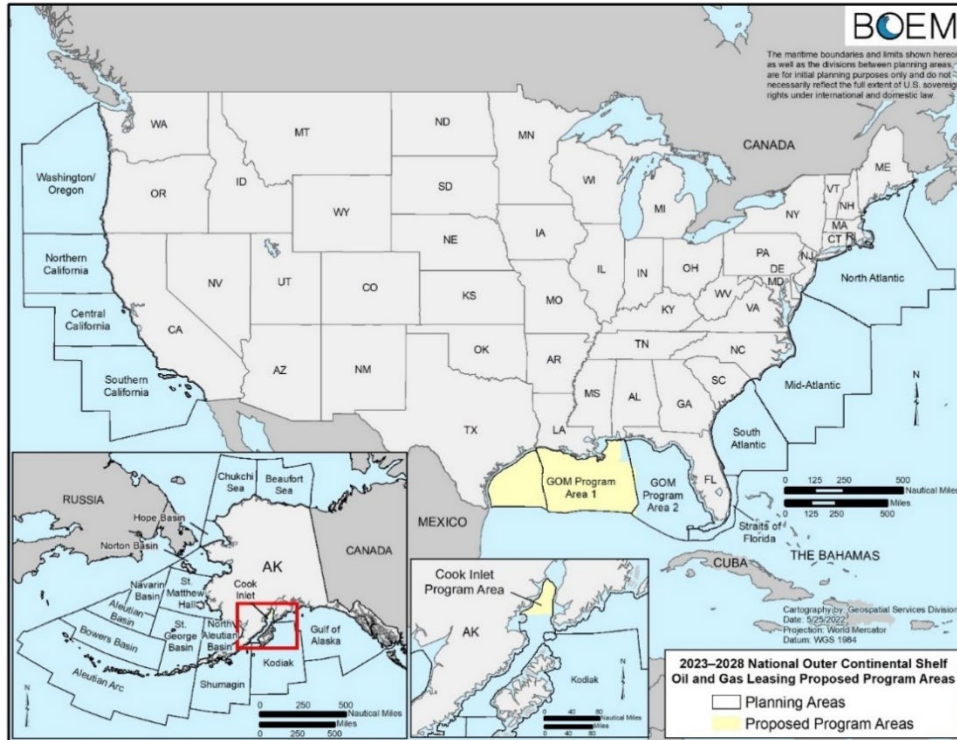
A Notice of Availability (NOA) published in the Federal Register on Friday, July 8, 2022 initiating a 90-day public comment period which closes on October 6, 2022.

The Proposed Program and Draft PEIS puts forward for public review and comment a proposed a range from zero to no more than ten proposed lease sales in the Gulf of Mexico (GOM) Program Area 1 (which includes the Western GOM Planning Area, most of the Central GOM Planning Area, and a small portion of the Eastern GOM Planning area), as well as an option for a potential lease sale in the northern portion of Cook Inlet Planning Area offshore Alaska. Inclusion of an area in the Proposed Program is not a final determination that the area will be included in the PFP.

2023-2028 PROPOSED PROGRAM MAXIMUM POTENTIAL LEASE SALE SCHEDULE

Count	Sale Number	Sale Year	OCS Region and Program Area
1	262	2023	Gulf of Mexico: GOM Program Area 1
2	263	2024	Gulf of Mexico: GOM Program Area 1
3	264	2024	Gulf of Mexico: GOM Program Area 1
4	265	2025	Gulf of Mexico: GOM Program Area 1
5	266	2025	Gulf of Mexico: GOM Program Area 1
6	267	2026	Alaska: Cook Inlet Program Area
7	268	2026	Gulf of Mexico: GOM Program Area 1
8	269	2026	Gulf of Mexico: GOM Program Area 1
9	270	2027	Gulf of Mexico: GOM Program Area 1
10	271	2027	Gulf of Mexico: GOM Program Area 1
11	272	2028	Gulf of Mexico: GOM Program Area 1

2023-2028 PROPOSED PROGRAM AREAS



8. What are the next steps for the National OCS Program for years 2023 - 2038?

The publication of the Proposed Program and Draft PEIS on July 8, 2022, initiated a 90-day public comment period. During this time, BOEM is planning to host four virtual public meetings to provide information on the Proposed Program and draft PEIS.

After consideration of all comments received in response to the Proposed Program and Draft PEIS, as well as BOEM’s analyses, the Secretary will decide which areas to include in the Proposed Final Program. Once the Proposed Final Program and Final PEIS are submitted to Congress and the President, a 60-day presidential and Congressional waiting period is observed. Afterward, the Secretary may then approve the Final Program and issue the Record of Decision.

9. Can you explain BOEM’s environmental review process for the National OCS Program?

BOEM has developed a PEIS pursuant to the National Environmental Policy Act (NEPA) to inform the development of the National OCS Program. The Draft PEIS analyzes the potential environmental impacts from activities that could occur based on the proposed schedule of lease sales in the DPP.

The Final PEIS will analyze the potential environmental impacts from activities that could occur based on the proposed schedule of lease sales in the Proposed Program. The Secretary will consider the Final PEIS together with the PFP analyses when deciding on the schedule of lease sales.

In addition, BOEM conducts NEPA reviews for each lease area before a lease sale is held, including site-specific analyses, so that the most current data can be incorporated. These additional NEPA reviews will also include opportunities for public involvement; additional public comment opportunities are included after publication of the call for information and proposed notice of sale steps of the lease sale process.

10. What is a Record of Decision?

A Record of Decision is the final step in the NEPA process for an environmental impact statement. It is a concise public document that records a federal agency's decision concerning a proposed action for which the agency has prepared an Environmental Impact Statement.

11. DOI (BOEM & BSEE) has an extensive regulatory and inspection program; can you describe this a bit more?

After obtaining a lease, a company must file an exploration plan before drilling any wells and that is subject to a technical and environmental review by BOEM and regulatory supervision by the Bureau of Safety and Environmental Enforcement (BSEE). Once a discovery is made that the company is interested in developing, it must file a development and production plan for BOEM to again conduct a technical and environmental review before production could begin. For major facilities, BSEE conducts an onsite inspection before allowing production to begin. Often this is a joint inspection with the US Coast Guard. Air emissions permits and water discharge permits must also be obtained as required by law. BSEE has inspectors that daily fly offshore to conduct safety and environmental inspections.

12. What is the general estimated length of time from holding a lease sale to getting oil and gas production to market?

In a mature area such as the Gulf of Mexico, it generally takes four to ten years from the time a lease is issued before production begins; shallow waters take less time and deep and ultradeep waters take longer. In a frontier area where leasing has never occurred or not occurred in many years, the time would likely be longer depending on the challenges presented in the area. The Proposed Program document presents this information in [Figure 5-1](#).

13. What is the lifetime of a typical Oil and Gas OCS lease?

The timeline of an oil and gas lease can vary depending on whether hydrocarbons are found on the lease. By statute, a lease is granted for a primary term of five years, unless BOEM determines that the lease is located in unusually deep water or involves other unusually adverse conditions, in which case the maximum primary term is 10 years.

The primary term is specified in the Notice of Sale prior to a lease sale and included in the lease itself. In order to maintain a lease beyond the primary term, lessees must be undertaking operations with the objective of establishing production or demonstrating production of oil and gas in paying quantities.

Once a lease enters production, it is considered held by production and the lessee may retain the lease as long as it continues producing in paying quantities and other lease requirements are met. If a lease enters production, it can produce for 40-70 years, depending on its location and conditions.

14. If Congress or the President disapprove of the plan, what can they do about it?

The President and Congress have other mechanisms, such as Congress enacting new legislation or the President withdrawing areas of the OCS from consideration for leasing under the OCS Lands Act section 12(a), that could alter the scope of the Department’s offshore leasing activities.

15. Where can I find the history of lease sales, including the number of acres in each program?

The first National OCS Program took effect in 1980 and covered the years 1980-1985. Any sales prior to 1980 were done on a sale-by-sale basis.

Additional historical lease sale data can be found here: <https://www.boem.gov/oil-gas-energy/leasing>. Chapter 4 of the Proposed Program document discusses leasing background, history and status for all OCS regions and includes summary maps and charts.

Program	Number of Sales
1980-1985	36
1982-1987	41
1987-1992	37
1992-1997	18
1997-2002	16
2002-2007	20
2007-2012	21
2012-2017	11
2017-2022	11