

DEPARTMENT OF THE INTERIOR

Bureau of Ocean Energy Management

Cook Inlet Planning Area Outer Continental Shelf Oil and Gas Lease Sale 258

AGENCY: Bureau of Ocean Energy Management, Interior.

ACTION: Proposed Notice of Sale.

SUMMARY: On Friday, December 30, 2022, the Bureau of Ocean Energy Management (BOEM) proposes to open and publicly announce bids received for blocks offered in the Cook Inlet Planning Area Outer Continental Shelf (OCS) Oil and Gas Lease Sale 258 (Cook Inlet Sale 258), in accordance with provisions of the Outer Continental Shelf Lands Act (OCSLA), as amended, and the implementing regulations issued pursuant thereto. The Cook Inlet Sale 258 Proposed Notice of Sale (NOS) package contains information essential to potential bidders and consists of the Proposed NOS, Information to Lessees, and Lease Stipulations.

DATES: BOEM proposes to hold Cook Inlet Sale 258 at 10 a.m. on Friday, December 30, 2022. All times referred to in this document are Alaska Time, unless otherwise specified.

Bid Submission Deadline: BOEM must receive all sealed bids by the bid submission deadline of 10:00 a.m. on Thursday, December 29, 2022, the day before the lease sale. Bids will not be accepted in person or by email for any reason. For more information on bid submission, see Section VII, “Bidding Instructions,” of this document.

ADDRESSES: Interested parties may download the Proposed NOS package from BOEM’s website at <http://www.boem.gov/ak258/>. Copies of the Proposed NOS or the sale maps can also be obtained by contacting the BOEM Alaska Regional Office:

Bureau of Ocean Energy Management
3801 Centerpoint Drive, Suite 500
Anchorage, Alaska 99503-5823
(907) 334-5200

FOR FURTHER INFORMATION CONTACT: Joel Immaraj, Alaska Regional Supervisor, Office of Leasing and Plans, (907) 334-5238, joel.immaraj@boem.gov, or Andrew Krueger, Chief, Sales Coordination Branch, Office of Strategic Resources, 703-787-1554, andrew.krueger@boem.gov.

AUTHORITY: This notice of sale is published pursuant to 43 U.S.C. §§ 1331 *et seq.* (Outer Continental Shelf Lands Act, as amended) and 30 CFR 556.304(c).

TABLE OF CONTENTS

- I. Lease Sale Area
- II. Statutes and Regulations
- III. Lease Terms and Economic Conditions
- IV. Lease Stipulations
- V. Information to Lessees
- VI. Maps
- VII. Bidding Instructions
- VIII. Bidding Rules and Restrictions
- IX. Forms
- X. The Lease Sale
- XI. Delay of Sale
- XII. Upcoming Milestones

I. Lease Sale Area

BOEM proposes to offer for bid in this lease sale all unleased whole blocks and partial blocks in the area of Cook Inlet identified on the map included as part of this notice that is entitled, “Cook Inlet Planning Area, Lease Sale 258, December 30, 2022, Proposed Notice of Sale.” The BOEM Official Protraction Diagrams (OPDs) and Supplemental Official OCS Block Diagrams are available online at <https://www.boem.gov/alaska-cadastral-data>. All blocks are shown on the following OPDs:

- Iliamna (OPD NO05-01)
- Seldovia (OPD NO05-02)
- Kenai (OPD NP05-08)

The available Federal area of each whole and partial block in this lease sale will be shown in the document entitled, “List of Blocks Available for Leasing,” which will be included in the Final NOS Package. Some of these blocks, known as “partial blocks,” may be transected by administrative lines, such as the Federal/State jurisdictional line. A bid on a block must include all of the available Federal area of that block.

Bidders should be aware that BOEM is considering removing from potential leasing a total of 17 OCS blocks in the northern portion of the Cook Inlet Planning Area: 10 that overlap with beluga whale designated critical habitat areas (blocks 6759, 6760, 6808, 6809, 6810, 6811, 6858, 6859, 6860, and 6861, as identified under OPD NP05-08) and 7 that overlap with northern sea otter designated critical habitat (blocks 6055, 6056, 6057, 6105, 6106, 6155, as identified under OPD NO05-02, and block 6911, as identified under OPD NP05-08).

II. Statutes and Regulations

BOEM has been directed to hold Cook Inlet Sale 258 by December 31, 2022, as required under the Inflation Reduction Act of 2022 (Pub. L. No. 117-169). Each lease is issued pursuant to OCSLA, 43 U.S.C. §§ 1331 *et seq.*, as amended, and 30 CFR part 556. All leases are subject to OCSLA, the implementing regulations promulgated pursuant thereto, and other applicable statutes and regulations in existence upon the effective date of the lease. Additionally, all leases are subject to applicable statutes enacted and regulations promulgated thereafter, except to the extent that the after-enacted statutes and regulations explicitly conflict with an express provision of the lease. Each lease is also subject to amendments to statutes and regulations, including but not limited to OCSLA, that do not explicitly conflict with an express provision of the lease. The lessee expressly bears the risk that such new or amended statutes and regulations (i.e., those that do not explicitly conflict with an express provision of the lease) may increase or decrease the lessee’s obligations under the lease. BOEM reserves the right to reject any and all bids received, regardless of the amount offered (see 30 CFR 556.516(b)).

III. Lease Terms and Economic Conditions

Lease Terms

OCS Lease Form

BOEM will use Form BOEM-2005 (February 2017) to convey leases resulting from this sale. This lease form can be viewed on BOEM's website at <http://www.boem.gov/BOEM-2005>. The lease form will be amended to include specific terms, conditions, and stipulations applicable to the individual lease. The terms, conditions, and stipulations applicable to this sale are set forth below.

Proposed Primary Term: The primary term will be 10 years.

Proposed Minimum Bonus Bid Amounts: \$25 per hectare or fraction thereof. BOEM will not accept a bonus bid unless it provides for a cash bonus in the amount equal to, or exceeding, the specified minimum bonus bid of \$25 per hectare or fraction thereof for all blocks.

Proposed Rental Rates: An annual rental rate for all blocks of \$16 per hectare or fraction thereof, until the start of year eight of the primary term or a discovery of oil and gas, whichever occurs first; then an annual rate of \$24 per hectare or fraction thereof.

Proposed Royalty Rates: 18 ³/₄ percent

Proposed Minimum Royalty: \$24 per hectare or fraction thereof per year

Proposed Royalty Suspensions: No royalty suspension

IV. Lease Stipulations

One or more of the following stipulations may be applied to leases issued as a result of this lease sale. The applicable blocks for each stipulation are identified on the map "Cook Inlet Planning Area, Lease Sale 258, December 30, 2022, Proposed Notice of Sale, Stipulation Blocks" included in the Proposed NOS package. The detailed text of these stipulations is contained in the "Lease Stipulations" section of the Proposed NOS Package.

- (1) Protection of Fisheries
- (2) Protection of Biological Resources
- (3) Orientation Program
- (4) Transportation of Hydrocarbons
- (5) Protection of Beluga Whale Critical Habitat
- (6) Protection of Beluga Whale Nearshore Feeding Areas
- (7) Protection of Beluga Whales
- (8) Protection of Northern Sea Otter Critical Habitat
- (9) Protection of Gillnet Fishery
- (10) Alaska Conflict Management Plan
- (11) Royalties on All Produced Gas

V. Information to Lessees

Information to Lessees (ITLs) documents provide detailed information on certain issues pertaining to specific oil and gas lease sales. The full text of the ITLs proposed for this sale is contained in the “Information to Lessees” section of the Proposed NOS package and covers the following topics:

- (1) Seismic Surveys: Environmental and Regulatory Review and Coordination Requirements
- (2) Archaeological and Geological Hazards Reports and Surveys
- (3) Discharge Restrictions and Prohibitions
- (4) Trash and Debris Awareness and Elimination
- (5) Navigation Safety
- (6) Notice of Arrival on the Outer Continental Shelf
- (7) Bidder/Lessee Notice of Obligations Related to Criminal/Civil Charges and Offenses, Suspension, or Debarment; Disqualification Due to a Conviction under the Clean Air Act or the Clean Water Act
- (8) Oil Spill Response Preparedness
- (9) Bureau of Safety and Environmental Enforcement (BSEE) Inspection and Enforcement of Certain U.S. Coast Guard (USCG) Regulations
- (10) Air Quality Permit/Plan Approvals
- (11) Inflation Reduction Act of 2022

VI. Maps

Maps pertaining to this proposed lease sale are available on the BOEM website at <http://www.boem.gov/ak258/>. The following maps also are included in the Proposed NOS Package:

- (1) “Cook Inlet Planning Area, Lease Sale 258, December 30, 2022, Proposed Notice of Sale,” which shows the blocks which may be made available for leasing; and
- (2) “Cook Inlet Planning Area, Lease Sale 258, December 30, 2022, Proposed Notice of Sale, Stipulation Blocks,” which shows the stipulations and the blocks to which they may apply.

VII. Bidding Instructions

Bids may be submitted BY MAIL ONLY through any parcel delivery service (e.g., FedEx, UPS, USPS, DHL) at the address below in the “Mailed Bids” section. Bidders should be aware that BOEM has eliminated in-person bidding for Cook Inlet Sale 258. Instructions on how to submit a bid, secure payment of the advance bonus bid deposit (if applicable), and the information to be included with the bid are as follows:

Bid Form

For each block bid upon, a separate bid must be submitted in a sealed envelope (as described below) and must include the following:

- Total amount of the bid in whole dollars only;
- Sale number;
- Sale date;
- Each bidder's exact name;
- Each bidder's proportionate interest, stated as a percentage, using a maximum of five decimal places (e.g., 33.33333 percent);
- Typed name and title, and signature of each bidder's authorized officer. Electronic signatures are acceptable. The typed name, title and signature must agree exactly with the name and title on file in the BOEM Alaska Regional Office, Leasing Section;
- Each bidder's qualification number;
- OPD name and number;
- Block number; and
- Statement acknowledging that the bidder(s) understands that this bid legally binds the bidder(s) to comply with all applicable regulations, including the requirement to post a deposit in the amount of one-fifth of the bonus bid amount for any tract bid upon and make payment of the balance of the bonus bid and first year's rental upon BOEM's acceptance of high bids.

The information required on the bid(s) will be specified in the document "Bid Form" that will be available in the Final NOS package. A blank bid form will be provided in the Final NOS package for convenience and can be copied and completed with the necessary information described above.

Bid Envelope

Each bid must be submitted in a separate sealed envelope labeled as follows:

- "Sealed Bid for Cook Inlet Sale 258, not to be opened until 10 a.m., Friday, December 30, 2022";
- OPD name and number;
- Block number for the block bid upon; and
- The exact name and qualification number of the submitting bidder only.

The Final NOS Package will include a sample bid envelope for reference.

Mailed Bids

Please address the envelope containing the sealed bid envelope(s) as follows:

Attention: Regional Supervisor, Office of Leasing and Plans
BOEM Alaska Regional Office
3801 Centerpoint Dr, Ste. 500
Anchorage, AK 99503-5823

Contains Sealed Bids for Cook Inlet Sale 258

Please deliver to Mr. Joel Immaraj, 5th Floor, Immediately

Please Note: Bidders mailing bid(s) are advised to inform Mr. Joel Immaraj, Regional Supervisor, Office of Leasing and Plans, BOEM by email at joel.immaraj@boem.gov immediately after placing bid(s) in the mail. This provides advance notice to BOEM regarding pending bids prior to the bid submission deadline. In the email, please state the tracking number of the bid package, the number of bids being submitted and the email address of the person who should receive the bid receipt for signature. If BOEM receives bids later than the bid submission deadline, the BOEM Alaska Regional Director (Alaska RD) will return those bids unopened to bidders. Please see “Section XI. Delay of Sale” regarding BOEM’s discretion to extend the Bid Submission Deadline in the case of an unexpected event (e.g., flooding) and how bidders can obtain more information on such extensions.

Advance Bonus Bid Deposit Guarantee

Bidders that are not currently an OCS oil and gas lease record title holder or designated operator, or those that have ever defaulted on a one-fifth bonus bid deposit, must guarantee (secure) the payment of the one-fifth bonus bid deposit, by Electronic Funds Transfer (EFT) or otherwise, **prior to** bid submission using one of the following four methods:

- Provide a third-party guarantee;
- Amend a development stage area-wide bond via bond rider;
- Provide a letter of credit; or
- Provide a lump sum payment in advance via EFT.

Please provide, at the time of bid submittal, a confirmation or tracking number for the payment, the name of the company submitting the payment as it appears on the payment, and the date the payment was submitted so BOEM can confirm payment with the Office of Natural Resources Revenue (ONRR). Submitting payment to the bidders’ financial institution at least five business days prior to bid submittal helps ensure that the Office of Foreign Assets Control and the U.S. Department of the Treasury (U.S. Treasury) have the needed time to screen and process payments, so they are posted to ONRR prior to placing the bid. ONRR cannot confirm payment until the monies have been moved into settlement status by the U.S. Treasury. Bids will not be accepted if BOEM cannot confirm payment with ONRR.

If providing a third-party guarantee, amending a development stage area-wide bond via bond rider, or providing a letter of credit to secure your one-fifth bonus bid deposit, bidders are urged to file these documents with BOEM, well in advance of submitting the bid, to allow processing time and time for bidders to take any necessary curative actions prior to bid submission. For more information on EFT procedures, see Section X of this document entitled, “The Lease Sale.”

Affirmative Action

Prior to bidding, each bidder should file the Equal Opportunity Affirmative Action Representation Form BOEM-2032 (February 2020, available on BOEM’s website at <http://www.boem.gov/BOEM-2032/>) and Equal Opportunity Compliance Report Certification Form BOEM-2033 (February 2020, available on BOEM’s website at <http://www.boem.gov/BOEM-2033/>) with the BOEM Alaska Regional Office, Leasing Section. This certification is required by 41 CFR part 60 and Executive Order (E.O.) 11246, issued September 24, 1965, as amended by E.O. 11375, issued October 13, 1967, and by E.O. 13672, issued July 21, 2014. Both forms must be on file for the bidder(s) in the BOEM Alaska Regional Office prior to the execution of any lease contract.

Geophysical Data and Information Statement (GDIS)

The GDIS is composed of three parts:

- (1) A “Statement” page that includes the company representatives’ information and lists of blocks bid on that used proprietary data and those blocks bid upon that did not use proprietary data;
- (2) A “Table” listing the required data about each proprietary survey used (see below); and
- (3) “Maps,” which contain the live trace maps for each proprietary survey that is identified in the GDIS statement and table.

Every bidder submitting a bid on a block in Cook Inlet Sale 258, or participating as a joint bidder in such a bid, must submit at the time of bid submission all three parts of the GDIS. A bidder must submit the GDIS, *even if a joint bidder or bidders on a specific block also have submitted a GDIS*. Any speculative data that has been reprocessed externally or “in-house” is considered proprietary due to the proprietary processing and is no longer considered to be speculative.

The bidder or bidders must submit the GDIS in a separate and sealed envelope and must identify and submit all proprietary data; reprocessed speculative data, and/or any Controlled Source Electromagnetic surveys, Amplitude Versus Offset (AVO) data, gravity data, and/or magnetic data; any and all velocity volumes; any and all available acquisition, processing, or reprocessing reports; or any other information used as part of the decision to bid or participate in a bid on the block. All seismic data must be submitted in 32-bit format SEG-Y with a text file listing header information including byte positions of information in the SEG-Y header. The bidder and joint bidder must also include a live trace map (e.g., .pdf and shapefile) for each proprietary survey identified in the GDIS illustrating the actual areal extent of the proprietary geophysical data in the survey (see the “Example of Preferred Format” that will be included in the Final NOS package for additional information). The shapefile must include only the live trace map of the survey itself, submitted in NAD83 UTM Zone 5N (indicate if transformed from an alternate datum).

The GDIS statement must include the name, phone number, and full address for a contact person and an alternate, who are both knowledgeable about the geophysical information and data listed, and who are available for 30 days after the sale date. The GDIS statement must also include a

list of all blocks bid upon that did not use proprietary or reprocessed pre- or post-stack geophysical data and information as part of the decision to bid or to participate as a joint bidder in the bid. **Bidders must submit the GDIS statement even if no proprietary geophysical data and information were used in bid preparation for the block.**

An example of the preferred format of the table will be included in the Final NOS Package, and a blank digital version of the preferred table may be accessed on the Cook Inlet Sale 258 sale webpage at <http://www.boem.gov/ak258/>. The GDIS table should have columns that clearly state the following:

- The sale number;
- The bidder company's name;
- The joint bidder's company's name (if applicable);
- The company providing proprietary data to BOEM;
- The block area and block number bid upon;
- The owner of the original data set (i.e., who initially acquired the data);
- The industry's original name of the survey (e.g., E Octopus);
- The BOEM permit number for the survey;
- Whether the dataset is a fast-track version;
- Whether the data is speculative or proprietary;
- The data type (e.g., 2-D, 3-D, or 4-D; pre-stack or post-stack; time or depth);
- The migration algorithm (e.g., Kirchhoff migration, wave equation migration, reverse time migration) of the data;
- The live proprietary survey coverage (2-D line miles or 3-D mi²);
- The computer storage size, to the nearest gigabyte, of each seismic dataset and velocity volume submitted;
- Who reprocessed the data;
- Date the final processing or reprocessing was completed (month and year);
- If data was previously sent to BOEM, list the sale number or purpose (e.g., WCD) and date of the sale for which it was used;
- If AVO/AVA analysis was conducted, provide a summary of the AVO/AVA processes, methodology, and parameters used.

BOEM will use the computer storage size information to estimate the reproduction costs for each data set, if applicable. BOEM will determine the availability of reimbursement of production costs consistent with 30 CFR 551.13.

BOEM reserves the right to inquire about alternate data sets, to perform quality checks, and to compare the listed and alternative data sets to determine which data set most closely meets the needs of the fair market value determination process. (Refer to the "Example of Preferred Format" that will be included in the Final NOS package.)

The GDIS should include live trace maps (in .pdf and ArcGIS shapefiles) submitted for each survey and identified in the GDIS table. They should illustrate the actual areal extent of the geophysical data in the survey (refer to the "Example of Preferred Format" that will be included

in the Final NOS Package). The shapefile should not include cultural information; only the live trace locations of the data itself.

Pursuant to 30 CFR 551.12 and 30 CFR 556.501, as a condition of the sale, the BOEM Alaska RD requires that all bidders and joint bidders submit the proprietary data identified on their GDIS at the time of bid submittal. No reimbursement will be provided for unsolicited data sent to BOEM. The data must be submitted to BOEM at the following address:

Bureau of Ocean Energy Management
Section Chief – Resource Analysis Section
3801 Centerpoint Drive, Ste. 500
Anchorage, AK 99503-5823

BOEM recommends that bidders mark the GDIS submission's external envelope with the designation "Deliver Immediately to Chief - Resource Analysis Section." BOEM also recommends that bidders submit the data in an internal envelope, or otherwise marked, with the following designation: "Proprietary Geophysical Data Submitted Pursuant to Cook Inlet Sale 258 and used during <Bidder Name's> evaluation of Block <Block Number>."

In the event a bidder supplies any type of data to BOEM, that bidder must meet the following requirements to qualify for reimbursement:

- (1) The bidder must be registered with the System for Award Management (SAM), formerly known as the Central Contractor Registration (CCR). CCR usernames will not work in SAM. A new SAM user account is needed to register or update an entity's records. The website for registering is gsa.gov/iaesystems.
- (2) The bidder must be enrolled in the U.S. Treasury's Invoice Processing Platform (IPP) for electronic invoicing. The person must enroll in the IPP at <https://www.ipp.gov/>. Access then will be granted to use the IPP for submitting requests for payment. When submitting a request for payment, the assigned Purchase Order Number must be included.
- (3) The bidder must have a current On-line Representations and Certifications Application at gsa.gov/iaesystems.

Please Note: The GDIS Statement, Table, Maps and other information must be provided digitally in the following formats:

- GDIS Statement and other reports - PDF files
- GDIS Information Table - Excel spreadsheet
- Maps - PDF files
- Live trace outline of each – ESRI compatible shapefile or MapPackage (.mpk) in NAD83 UTM Zone 5N CRS
- Seismic data, including stacks, gathers, and velocity – SEG-Y
- Other data types as appropriate; column delimited ASCII text with headers may be deemed appropriate

Bidder should submit the digital files on an USB external drive (formatted for Windows). If bidders have any questions, please contact BOEM Regional Supervisor, Resource Evaluation at (907) 334-5200.

Bidders should refer to Section X of this document, which is entitled, “The Lease Sale: Acceptance, Rejection, or Return of Bids,” regarding the consequences of a bidder’s failure to comply with the requirements of the Final NOS, including any failure to submit information as required in the Final NOS or Final NOS package.

Telephone Numbers/Addresses of Bidders

BOEM requests that bidders provide this information in the suggested format prior to, or at the time of, bid submission. The suggested format will be included in the Final NOS Package. The form must not be enclosed inside the sealed bid envelope.

Additional Documentation

BOEM may require bidders to submit other documents in accordance with 30 CFR 556.107, 30 CFR 556.401, 30 CFR 556.501, and 30 CFR 556.513.

VIII. Bidding Rules and Restrictions

Restricted Joint Bidders

On October 18, 2021, BOEM published the most recent List of Restricted Joint Bidders in the *Federal Register* at 86 FR 57689. Potential bidders are advised to refer to the *Federal Register*, prior to bidding, for the most current List of Restricted Joint Bidders in place at the time of the lease sale. Please refer to the joint bidding provisions at 30 CFR 556.511-.515.

Authorized Signatures

All signatories executing documents on behalf of bidder(s) must execute the same in conformance with the BOEM qualification records. Bidders are advised that BOEM considers the signed bid to be a legally binding obligation on the part of the bidder(s) to comply with all applicable regulations, including that requiring payment of one-fifth of the bonus bid on all high bids. A statement to this effect is included on each bid form (see the document “Bid Form” that will be included in the Final NOS package).

Unlawful Combination or Intimidation

BOEM warns bidders against violation of 18 U.S.C. § 1860, prohibiting unlawful combination or intimidation of bidders.

Bid Withdrawal

Bids may be withdrawn only by written request delivered to BOEM prior to the bid submission deadline via any parcel delivery service. Withdrawals will not be accepted in person or via email. The withdrawal request must be on company letterhead and must contain the bidder's name, its BOEM qualification number, the map name/number, and the block number(s) of the bid(s) to be withdrawn. The withdrawal request must be executed by one or more of the representatives named in the BOEM qualification records. The name and title of the authorized signatory must be typed under the signature block on the withdrawal request. The BOEM Alaska RD, or the RD's designee, will indicate approval by signing and dating the withdrawal request.

Bid Rounding

Minimum bonus bid calculations, including rounding, for all blocks will be shown in the document "List of Blocks Available for Leasing" included in the Final NOS package. The bonus bid amount must be stated in whole dollars. If the acreage of a block contains a decimal figure, then prior to calculating the minimum bonus bid, BOEM will round up to the next whole hectare. The appropriate minimum rate per hectare will be applied to the whole (rounded up) acreage. The bonus bid amount must be greater than or equal to the minimum bonus bid, as calculated and stated in the Final NOS package.

IX. Forms

The Final NOS package will include instructions, samples, and/or the preferred format for the items listed below. BOEM strongly encourages bidders to use the recommended formats. If bidders use another format, they are responsible for including all the information specified for each item in the Final NOS package.

- (1) Bid Form
- (2) Sample Completed Bid
- (3) Sample Bid Envelope
- (4) Sample Bid Mailing Envelope
- (5) Telephone Numbers/Addresses of Bidders Form
- (6) GDIS Form
- (7) GDIS Envelope Form

X. The Lease Sale

Bid Opening and Reading

Sealed bids received in response to the Final NOS will be opened at the place, date, and hour specified under the "DATES" and "ADDRESSES" sections of the Final NOS. The venue will not be open to the public. Instead, the bid opening and reading will be available for the public to view on BOEM's website at www.boem.gov via live-streaming video. The opening of the bids

is for the sole purpose of publicly announcing and recording the bids received. No bids will be accepted or rejected at that time.

Bonus Bid Deposit for Apparent High Bids

Each bidder submitting an apparent high bid must submit a bonus bid deposit to ONRR equal to one-fifth of the bonus bid amount for each such bid. A copy of the notification of the high bidder's one-fifth bonus bid amount can be obtained on the BOEM website at <http://www.boem.gov/ak258/> under the heading "Notification of EFT 1/5 Bonus Liability" after 1:00 p.m. on the day of the sale. All payments must be electronically deposited into an interest-bearing account in the U.S. Treasury by 4:00 p.m. Eastern Time on January 3, 2023, which is the first business day following the bid reading (no exceptions). Account information is provided in the "Instructions for Making Electronic Funds Transfer Bonus Payments" found on the BOEM website identified above.

Submitting payment to your financial institution as soon as possible the day of bid reading, but no later than 7:00 p.m. Eastern Time the day of bid reading, will help ensure that deposits have time to process through the U.S. Treasury and post to ONRR. ONRR cannot confirm payment until the monies have been moved into settlement status by the U.S. Treasury. BOEM requires bidders to use EFT procedures for payment of one-fifth bonus bid deposits for Cook Inlet Sale 258 following the detailed instructions contained on the ONRR Payment Information webpage at <https://www.onrr.gov/ReportPay/payments.htm>. Acceptance of a deposit does not constitute, and will not be construed as, acceptance of any bid on behalf of the United States.

Withdrawal of Blocks

The United States reserves the right to withdraw any block from this lease sale prior to issuance of a written acceptance of a bid for the block.

Acceptance, Rejection, or Return of Bids

The United States reserves the right to reject any and all bids, regardless of the amount offered. Furthermore, no bid will be accepted, and no lease for any block will be awarded to any bidder, unless:

- (1) The bidder has complied with all applicable regulations and requirements of the Final NOS, including those set forth in the documents contained in the Final NOS package;
- (2) The bid is the highest valid bid; and
- (3) The amount of the bid has been determined to be adequate by the authorized officer.

Any bid submitted that does not conform to the requirements of the Final NOS and Final NOS package, OCSLA, or any other applicable statute or regulation will be rejected and returned to the bidder. The U.S. Department of Justice and the Federal Trade Commission will review the results of the lease sale for any antitrust issues prior to the acceptance of bids and issuance of leases.

Bid Adequacy Review Procedures for Cook Inlet Sale 258

To ensure that the U.S. Government receives fair market value for the conveyance of leases from this sale, BOEM will evaluate high bids in accordance with its bid adequacy procedures that are effective on the date of the sale. Procedures are available on BOEM's website at <http://www.boem.gov/Bid-Adequacy-Procedures/>.

Lease Award

BOEM requires each bidder awarded a lease to complete the following:

- (1) Execute all copies of the lease (Form BOEM-2005 [February 2017], as amended);
- (2) Pay by EFT the balance of the bonus bid amount and the first year's rental for each lease issued in accordance with the requirements of 30 CFR 1218.155 and 556.520(a); and
- (3) Satisfy the bonding requirements of 30 CFR part 556, subpart I, as amended.

ONRR requests that only one transaction be used for payment of the balance of the bonus bid amount and the first year's rental. Once ONRR receives such payment, the bidder awarded the lease may not request a refund of the balance of the bonus bid amount or first year's rental payment.

XI. DELAY OF SALE

The BOEM Alaska RD has the discretion to change any date, time, and/or location specified in the Final NOS Package in case of an event that the BOEM Alaska RD deems may interfere with the carrying out of a fair and orderly lease sale process. Such events could include, but are not limited to, natural disasters (e.g., earthquakes or floods), wars, riots, acts of terrorism, fires, strikes, civil disorder, or other events of a similar nature. In case of such events, bidders should call (907) 334-5200, or access the BOEM website at <http://www.boem.gov> for information regarding any changes.

XII. UPCOMING MILESTONES

After the Governor of Alaska has had an opportunity to comment on the size, timing, and location of the proposed lease sale, as required by section 19 of OCSLA (see 43 U.S.C. § 1345), the Assistant Secretary for Land and Minerals Management will make a decision on how to proceed with Cook Inlet Sale 258. After the Assistant Secretary for Land and Minerals Management approves the lease sale, a Final NOS for Cook Inlet Sale 258 will be published in the *Federal Register* at least 30 days prior to the date of the public bid reading. The Final NOS Package for Cook Inlet Sale 258 will be available at that time from the BOEM Alaska Region and on BOEM's website at <http://www.boem.gov/ak258/>.

The Department of the Interior reserves the right to revise the areas offered for bidding and associated terms and conditions described in this Proposed NOS.