
Leasing Activities Information

BOEM U.S. Department of the Interior
Bureau of Ocean Energy Management
Gulf of Mexico Region

**Information to Lessees
Central Planning Area, Oil and Gas Lease Sale 227
Final Notice of Sale**

This document contains Information to Lessees (ITL) clauses designed to inform potential bidders of select applicable Federal requirements and other information that may be of benefit to bidders participating in this sale.

Table of Contents

- (a) Navigation Safety
- (b) Ordnance Disposal Areas
- (c) Communications Towers
- (d) Existing and Proposed Artificial Reefs/Rigs-to-Reefs
- (e) Lightering Zones
- (f) Indicated Hydrocarbons List
- (g) Military Warning Areas
- (h) Safety Zones for Certain Production Facilities
- (i) Bureau of Safety and Environmental Enforcement (BSEE) Inspection and Enforcement of Certain Coast Guard Regulations
- (j) Ocean Dredged Material Disposal Sites
- (k) Potential Sand Dredging Activities
- (l) Below Seabed Operations
- (m) Commercial Waste Disposal Areas
- (n) Air Quality Permits
- (o) Notice of Arrival on the Outer Continental Shelf
- (p) Bids on Blocks near U.S.-Mexico Maritime and Continental Shelf Boundary

(a) Navigation Safety. Bidders are advised that operations on certain blocks may be restricted by the designation of fairways, precautionary zones, anchorages, safety zones, or traffic separation schemes established by the U.S. Coast Guard (USCG) pursuant to the Ports and Waterways Safety Act (33 U.S.C. 1221-1236), as amended, and the Deepwater Port Act (33 U.S.C. 1501-1524). Bidders are advised to review the USCG regulations at 33 CFR part 150, including 33 CFR 150.940, "Safety zones for specific deepwater ports" and the Louisiana Offshore Oil Port Safety Zones.

U.S. Army Corps of Engineers (USACE) permits are required for construction of any artificial islands, installations, and other devices permanently or temporarily attached to the seabed located on the Outer Continental Shelf (OCS) in accordance with section 4(e) of the OCS Lands Act, as amended.

For additional USCG information, contact Lieutenant Commander Brandon Sullivan, Waterways Management Division, Sector New Orleans, 200 Hendee Street, New Orleans, Louisiana 70114, or at (504) 365-2281. For additional USACE information, contact Mr. Pete Serio, CEMVN-OD-S, P.O. Box 60267, New Orleans, Louisiana 70160-0267, or at (504) 862-2255.

(b) Ordnance Disposal Areas. Bidders are advised that two inactive ordnance disposal areas are located in Mississippi Canyon, as shown on the map "Stipulations and Deferred Blocks" included in the Final NOS Package. These areas were used to dispose of ordnance of unknown quantity and composition in approximate water depths of 750 to 1,525 meters. Bottom sediments in both disposal areas are soft, consisting of silty clays. Exploration and development activities in these areas require precautions commensurate with the potential hazards.

The U.S. Air Force (USAF) has released an indeterminable amount of unexploded ordnance throughout Eglin Water Test Areas 1, 3, and 4. The exact location of the unexploded ordnance is unknown, and lessees are advised that all lease blocks within these water test areas should be considered potentially hazardous to drilling and platform/pipeline placement.

(c) Communication Towers. Bidders are advised that the USAF has installed seven military communications towers in the Chandeleur, Mobile, and Viosca Knoll areas that support Air Combat Maneuvering Instrumentation (ACMI). The USAF may impose certain restrictions on oil and gas activities in that area since no activity can take place within 500 feet of a tower site and unobstructed lines of sight must be maintained between towers. The seven towers are located within Mobile Blocks 769, 819, and 990; Viosca Knoll Block 116; Chandeleur Area Blocks 33 and 61; and Chandeleur Area, East Addition, Block 39.

For information and maps of the specific locations and line of sight crossings for ACMI towers, contact Ms. Kasey Couture at (504) 736-2909, in the Bureau of Ocean Energy Management (BOEM) Gulf of Mexico (GOM) Region.

The Notice to Lessees (NTL) 2009-G26 is also available from the BOEM Gulf of Mexico Region Public Information Office at the address at the end of this document, or the BOEM website at <http://www.boem.gov/Regulations/Notices-To-Lessees/Notices-to-Lessees-and-Operators.aspx>.

(d) Existing and Proposed Artificial Reefs/Rigs-to-Reefs. Bidders are advised that there are OCS artificial reef planning and general permit areas for the GOMR in which reef sites are or may be established for use in the Rigs-to-Reefs program. Proposals for reefing structures must be accepted by the appropriate State and approved by the BSEE Gulf of Mexico Region. The lessee must also obtain a permit from the USACE. Also, each State’s Artificial Reefs/Rigs-to-Reefs program is managed under that State’s Artificial Reef Plan. For more information, see the contact information in the table below.

State	Coordinator	Phone	URL
AL	Kevin Anson	(251) 968-7577	http://www.outdooralabama.com/fishing/saltwater/where/artificial-reefs/
FL	Jon Dodrill	(850) 487-0580, ext. 209	http://myfwc.com/conservation/saltwater/artificial-reefs/
LA	Doug Peter	(225) 765-2375	http://www.wlf.louisiana.gov/fishing/programs/habitat/artificialreef.cfm
MS	K. Cuevas	(228) 523-4061	http://www.dmr.ms.gov/marine-fisheries/artificial-reef/74-offshore-reefs
TX	Dale Shively	(512) 389-4686	http://www.tpwd.state.tx.us/landwater/water/habitats/artificial_reef/

(e) Lightering Zones. Bidders are advised that the USCG has designated certain areas of the OCS as lightering zones for the purpose of permitting single hull vessels to offload oil within the U.S. Exclusive Economic Zone. Such designation may have implications for oil and gas operations in the areas. See 33 CFR 156.300 through 156.330 for the regulations concerning lightering zones. For more information contact USCG Attorney Advisor, Shelley R. Miller, Eighth District Waterways Management, at (504) 671-2139, or via e-mail to Shelley.R.Miller@uscg.mil.

(f) Indicated Hydrocarbons List. Bidders are advised that approximately three months prior to a lease sale, BOEM will make available a list of unleased blocks in the Central, Western, and Eastern Planning Areas that have wellbores with indicated hydrocarbons. Information relating to production, wellbores, and pay range for each block is included. For more information, see the BOEM website at <http://www.boem.gov/Oil-and-Gas-Energy-Program/Resource-Evaluation/Gulf-OCS-Region-Activities/Indicated-Hydrocarbon-List.aspx>.

(g) Military Warning Areas. Bidders are advised that Stipulation No. 3, Military Areas, in “Lease Stipulations” included in the Final NOS Package, will apply to leases in any new areas that may be established by the Federal Aviation Administration (FAA) Air Traffic Document JO 7400.8T (see below) and any blocks that were previously subject to the stipulation.

The stipulation also applies to the Eglin Water Test Areas (EWTAs) established by agreement between the USAF (Eglin Air Force Base) and the FAA. A small portion of the extreme eastern portion of the Central Planning Area (CPA) is included in EWTAs 1, 3, and 4.

Military Warning Areas are established in the FAA Air Traffic Document JO 7400.8T “Title 14- Aeronautics and Space - Chapter 1 Federal Aviation Administration - Subchapter Airspace - Part 73- Special Use Airspace Regulatory and Nonregulatory.” This document may be downloaded

from the FAA website at <http://www.faa.gov/documentLibrary/media/Order/SUA.pdf>.

It is the lessees' responsibility to establish and maintain contact and coordinate with the military commander(s) in any Military Warning Area in which operations, radio communications, or flights are planned during the occupation and development of any leases, including flights that pass through a Military Warning Area, to a leased block that is not in a Military Warning Area.

Lessees should establish and maintain contact and coordinate with the appropriate military commander(s), whether or not their lease is subject to a Military Areas Stipulation.

For more information, contact:

Federal Aviation Administration Airspace Office
Houston Air Route Traffic Control Center (ARTCC)
Attention: Steve Stooksberry
16600 John F. Kennedy Boulevard
Houston, Texas 77032
Telephone: (281) 230-5563 (mission support)
Telephone: (281) 230-5520 (airspace and procedures)

For more information, including a map of the Military Warning Areas, see NTL 2009-G06, available from the BOEM Gulf of Mexico Region Public Information Office at the address at the end of this document, or see the BOEM website at <http://www.boem.gov/Regulations/Notices-To-Lessees/Notices-to-Lessees-and-Operators.aspx>.

(h) Safety Zones for Certain Production Facilities. Bidders are advised to review the USCG regulations at 33 CFR part 147 - Safety Zones. These regulations establish a 500-meter (1,640.4-foot) safety zone around several oil and gas production facilities on the OCS, measured from each point on its outer edge or from its construction site, so as not to interfere with the use of recognized sea lanes essential to navigation. These regulations prevent all vessels from entering or remaining in the safety zones except as follows: (1) an attending vessel, (2) a vessel under 100 feet in length overall not engaged in towing, or (3) a vessel authorized by the Eighth Coast Guard District Commander. These facilities and their locations are specifically identified at 33 CFR part 147.

(i) Bureau of Safety and Environmental Enforcement (BSEE) Inspection and Enforcement of Certain Coast Guard Regulations. Bidders are advised to review the USCG regulations at 33 CFR part 140, subpart B – Inspections. These regulations authorize BSEE to perform inspections on fixed OCS facilities engaged in OCS activities and to enforce USCG regulations applicable to those facilities in accordance with 33 CFR subchapter N, parts 140-147. For more information, contact USCG Sector New Orleans, 200 Hendee Street, New Orleans, Louisiana 70114.

(j) Ocean Dredged Material Disposal Sites. Bidders are advised that pursuant to the Marine Protection, Research, and Sanctuaries Act of 1972 (MPRSA), the U.S. Environmental Protection Agency (USEPA) has the responsibility for designating and managing Ocean Dredged Material

Disposal Sites (ODMDS). The USEPA currently has six ODMDS in the GOM. Four of these ODMDS are located within the CPA offshore: one in Pascagoula, Mississippi; two in Gulfport, Mississippi; and one in Mobile, Alabama. Another two are located within the Eastern Planning Area, offshore Pensacola, Florida (located in Pensacola Blocks 846 and 847 and another site in State waters). A map and coordinates to these sites can be found on the USEPA Region 4 website below. In addition, USEPA is considering designation of an additional offshore ODMDS near Gulfport, Mississippi, and enlarging the existing or designating a new offshore ODMDS near Mobile, Alabama. The USEPA Final National Pollutant Discharge Elimination System (General Permit No. GEG460000) for Offshore Oil and Gas Activities in the Eastern GOM (including portions of the CPA), does not allow the discharge of any drilling fluids, drill cuttings, or wastewaters from offshore oil and gas facilities within 1,000 meters of, or within, any USEPA-designated ODMDS. A map and coordinates for each ODMDS can be found at 40 CFR 228.15(h), or on the USEPA Region 4 website at <http://www.epa.gov/region4/water/oceans/sites.html> or on the USEPA Region 6 website at http://www.epa.gov/region6/water/ecopro/em/ocean/odmd_sites.html.

For more information contact:

Mr. Chris McArthur, Ocean Disposal Program Coordinator,
Mcarthur.Christopher@epa.gov, (404) 562-9391

Mr. Doug Johnson, Regional Sediment Quality Coordinator,
Johnson.Doug@epa.gov, (404) 562-9386

Mr. Gary Collins, Biological Oceanographer,
Collins.GaryW@epa.gov, (404) 562-9395

Ms. Jenny Jacobson, USACE, Mobile District,
Jennifer.L.Jacobson@usace.army.mil, (251) 690-2724

(k) Potential Sand Dredging Activities. Bidders are advised that offshore dredging activities performed in order to obtain OCS sand for beach nourishment and coastal restoration projects will occur in some of the blocks listed below:

CPA Blocks: Additional blocks were added recently in the Chandeleur Area, Main Pass Area, Sabine Pass Area, West Cameron Area, Vermillion Area, and South Pelto Area.

Chandeleur – 30, 31, 32, 33, 34

Main Pass – 86, 87, 88, 89, 90, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 118, 119, 120

Main Pass South and East Addition – 161, 162, 180, 181

Sabine Pass Area – 11, 12, 13, 14, 15

West Cameron Area – 20, 21, 22, 43, 44, 45, 56, 57, 58, 90, 91, 92, 93, 113, 114, 115, 116, 117, 118, 128, 129, 130, 131, 132, 133, 134, 147, 148, 149, 168, 169, 170, 171, 172

West Cameron West Area – 155, 156, 162

Vermilion Area – 11, 30, 51, 52, 53, 54, 68, 69, 70, 71, 72, 74, 75, 76, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 108, 109, 110, 111

South Marsh Island Area, North Addition – 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 241, 242, 243, 244, 245, 246, 247, 248, 249, 259, 260

Eugene Island Area – 10, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93

Ship Shoal Area – 64, 71, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 107, 108, 109, 110

South Pelto Area – 11, 12, 13, 14, 17, 18, 19, 20

West Delta Area – 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 43, 44, 45, 46, 47, 48, 49, 50, 56, 57, 58, 59, 60, 61

Mobile – 816, 817, 818, 819, 820, 821, 860, 861, 862, 863, 864, 865, 904, 905, 906, 907, 908, 909

The National Oceanic and Atmospheric Administration and the Coastal Protection and Restoration Authority of Louisiana (CPRA) are using approximately 5.5 million cubic yards of sand from the Sandy Point borrow areas in the West Delta Area, Blocks 26, 27, and 49, to restore Pelican Island. The U.S. Department of Agriculture Natural Resources Conservation Service and the CPRA plan to use 0.75 million cubic yards of OCS material from a borrow area in Ship Shoal Area, Blocks 64 and 71, to restore the marsh on Raccoon Island. On August 2, 2012, BOEM issued a noncompetitive negotiated lease to CPRA to mine sand from the Sabine Bank sand body in West Cameron Area, Blocks 114 and 117, to renourish Holly Beach. BOEM also issued a noncompetitive negotiated lease to CPRA to mine sand from Ship Shoal in the South Pelto Area, Blocks 12-14, for restoration of the Caminada Headland in Lafourche and Jefferson Parishes. CPRA also has requested a non-competitive negotiated agreement from BOEM to mine sand from Ship Shoal in Ship Shoal Area, Block 88, to construct an ecosystem restoration project on Whiskey Island. In July 2004, the USACE released a draft of the Louisiana Coastal Area (LCA) ecosystem restoration plan which proposed the use of 60 million cubic yards of OCS sand for barrier island and headland restoration. Potential sand sources included Ship, Tiger, and Trinity Shoals. In late 2007, the Water Resources Development Act of 2007 authorized the LCA restoration plan for barrier island and headland restoration.

The USACE Mobile District has requested that BOEM enter into a Memorandum of Agreement for the use of OCS sand for barrier island restoration in Mississippi as part of the Mississippi Coastal Improvements Program along the Gulf Islands National Seashore. Sand for the Mississippi Coastal Improvements Program potentially will be excavated from a borrow area that may include Mobile Area, Blocks 817-820; 861-864; and 905-908. Additionally, St. Bernard Shoals have been identified as a possible sand target for the restoration of Breton and Chandeleur Islands.

If it is determined that a proposed activity adversely impacts a significant OCS sediment resource, BOEM may require the lessee to modify the proposed activity to avoid and/or minimize impacts to the maximum extent practicable. Measures may include the relocation of structures/pipelines, modification of operations and pre and/or post-construction monitoring. For more information, or to obtain a map of the potentially affected blocks, contact the BOEM-Regional Supervisor, Office of Environment, at (504) 736-2759, or visit BOEM's website at <http://www.boem.gov/Non-Energy-Minerals/Managing-Multiple-Uses-in-the-Gulf-of-Mexico.aspx> or the NTL No. 2009-G04, Significant OCS Sediment Resources in the GOM <http://www.boem.gov/Regulations/Notices-To-Lessees/Notices-to-Lessees-and-Operators.aspx>.

(l) Below Seabed Operations. Bidders are advised that a right-of-use and easement has been approved for Walker Ridge, Blocks 762 and 763 (which are currently unleased). Rights-of-use and easement have been granted for the blocks listed below to allow permanent mooring of floating production facilities. Oil and gas leases for these blocks will prohibit any activities including, but not limited to, the construction and use of structures, operation of drilling rigs, laying of pipelines, and/or anchoring, from occurring or being located on the seafloor or in the water column within the areas depicted by the maps included with Stipulation No. 9 in the document, *Lease Stipulations Central Planning Area, Oil and Gas Lease Sale 227 Final Notice of Sale*. Sub-seabed activities that are part of exploration, development, and production activities from outside the no activity zones and associated 500-foot buffer zones may be allowed, including the use of directional drilling or other techniques.

Mississippi Canyon – 919, 920, 921, 964, 650, 651, 694, 692, 735

Walker Ridge – 293, 294, 762, 763

(m) Commercial Waste Disposal Areas. Bidders are advised that an inactive commercial waste disposal site exists on all or portions of blocks in the Mississippi Canyon Area. This site is more particularly described as being 28° 00' 00" N to 28° 10' 00" N by 89° 15' 00" W to 89° 30' 00" W, as depicted on the map "Stipulations and Deferred Blocks" included in the Final NOS Package. It was established in the 1970s to facilitate the USEPA's permitting for the seafloor deposition of thousands of steel barrels containing chemical wastes. According to limited USEPA documentation, the chemical wastes consist mostly of chlorinated hydrocarbons and liquid metal salts. The exact location of the waste material is unknown because the geospatial data was not collected when the barrels were jettisoned. Hazards surveys are required before bottom-disturbing activities are approved in plans and permits. Hundreds of barrels have been detected during hazards surveys conducted on blocks over 10 miles away from the designated disposal site boundaries, making the actual disposal site area much larger than the USEPA-permitted site

shown on the map. Therefore, lessees are advised that the blocks associated with the disposal site and adjacent blocks associated with the disposal site that are included in the sale should be considered potentially hazardous. Drilling and platform/pipeline placement may require precautions such as avoidance upon identification and any other appropriate precautions.

(n) Air Quality Permits. Bidders are advised that section 328(a)(1) of the Clean Air Act requires the USEPA to establish requirements to control air pollution from OCS sources under its jurisdiction. Implementing regulations in 40 CFR part 55 apply to all OCS sources except those located westward of 87°30'W longitude, which are subject to BOEM regulations at 30 CFR part 550 subparts B and C. Therefore, lessees who plan activity eastward of 87° 30'W longitude must consult with the USEPA.

Bidders are advised to refer to NTL No. 2009-N11, Air Quality Jurisdiction on the OCS, effective December 4, 2009, located on BOEM's website at <http://www.boem.gov/Regulations/Notices-To-Lessees/Notices-to-Lessees-and-Operators.aspx>.

For more USEPA information, contact:

Ms. Kelly Fortin
USEPA, Region 4, APTMD
61 Forsyth Street SW
Atlanta, Georgia 30303
Attention: Kelly Fortin, Air Permits
Telephone: (404) 562-9117
E-mail: fortin.kelly@epa.gov

(o) Notice of Arrival on the Outer Continental Shelf. Bidders are advised that the USCG has published a Final Rule on the *Notice of Arrival on the Outer Continental Shelf* (76 FR 2254, Jan. 13, 2011). This Final Rule, effective February 14, 2011, implements provisions of the Security and Accountability for Every Port Act of 2006 and requires owners or operators of U.S. and foreign flag floating facilities, Mobile Offshore Drilling Units, and vessels to submit notice of arrival information to the National Vessel Movement Center prior to engaging in OCS activities (33 CFR 146.405).

For more information contact:

LCDR Mike Lendvay
CVC-2 Port State Control Oversight
2100 2nd St SW
Washington, D.C. 20593-7581
Telephone: (202) 372-1218
E-mail: Michael.D.Lendvay@uscg.mil

(p) Bids on Blocks near U.S.-Mexico Maritime and Continental Shelf Boundary. Bidders are advised that bids submitted on blocks in the Boundary Area may not be opened on the date scheduled for the sale, but may be opened at a later date. Within 30 days following approval of the Agreement, or before September 30, 2013, whichever occurs first, the Secretary of the

Interior will determine whether it is in the best interest of the United States either to open bids for Boundary Area blocks or to return the bids unopened. For more information, see the Final NOS Package. The following blocks comprise the Boundary Area:

Sigsbee Escarpment – 151, 152, 195, 196, 197, 239, 240, 241, 242, 243, 284, 285, 286, 287, 288*, 289*, 290*, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349

Amery Terrace – 118, 119, 120, 121, 122, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 265, 266, 267, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 355, 356, 357, 358, 359

Lund South – 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 293, 294, 295, 296

*Leased

**Gulf of Mexico Region Public Information Office
Bureau of Ocean Energy Management
1201 Elmwood Park Boulevard
New Orleans, Louisiana 70123-2394
Telephone: (504) 736-2519 or (800) 200-GULF
BOEM Gulf of Mexico Region website at:**

<http://www.boem.gov/About-BOEM/BOEM-Regions/Gulf-of-Mexico-Region/Index.aspx>