
Leasing Activities Information

BOEM

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

Information To Lessees Western Planning Area, Oil and Gas Lease Sale 218 Final Notice of Sale

This document contains Information to Lessees (ITL) paragraphs designed to inform potential bidders of notable applicable requirements of Federal agencies other than the United States (U.S.) Bureau of Ocean Energy Management (BOEM) as well as emerging BOEM/Bureau of Safety and Environmental Enforcement (BSEE) requirements that may apply to this sale.

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(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 et seq.), 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 Appendix A, Deepwater Port Safety Zone Boundaries.

U.S. Army Corps of Engineers (COE) 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 more information contact, Lieutenant Commander Marcie Kohn, Waterways Management Branch, Sector New Orleans, 200 Hendee Street, New Orleans, Louisiana 70114, (504) 365-2281. For more COE information contact Mr. Kevin Morgan, Chief Evaluation Section, Regulatory Branch, Post Office Box 1229, Galveston, Texas 77553-1229, (409) 766-3938.

(b) Ordnance Disposal Areas. Bidders are advised that two inactive ordnance disposal areas are located in the Corpus Christi and East Breaks areas, as shown on the map “Stipulations and Deferred Blocks” included in the Notice of Sale (NOS) Package. These areas were used to dispose of ordnance of unknown composition and quantity. These areas have not been used since about 1970. Water depths in the Corpus Christi area range from approximately 600 to 900 meters. Water depths in the East Breaks area range from approximately 300 to 700 meters. Bottom sediments in both areas are generally soft, consisting of silty clays. Exploration and development activities in these areas require precautions commensurate with the potential hazards.

(c) Existing and Proposed Artificial Reefs/Rigs-to-Reefs. Bidders are advised that there are OCS artificial reef planning and general permit areas for the Gulf of Mexico Region (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 BOEM and COE. 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.state.ms.us/Fisheries/Reefs/offshore-reefs.htm
TX	Dale Shively	(512) 389-4686	http://www.tpwd.state.tx.us/landwater/water/habitats/artificial_reef/

(d) Lightering Zones. Bidders are advised that the USCG has designated certain areas of the Gulf of Mexico (GOM) as lightering zones for the purpose of permitting single hull vessels to off-load oil within the U.S. Exclusive Economic Zone (EEZ). Such designation may have implications for oil and gas operations in the areas. See 33 CFR 156.300 for the regulations concerning lightering zones. For more information contact Lieutenant Commander Rachelle Samuel, Program Manager/Team Leader of Offshore Compliance and Commercial Diving, Office of Vessel Activities CG5432 Foreign and Offshore Compliance Division at (202) 372-2267 or via email to Rachelle.N.Samuel@uscg.mil.

(e) Indicated Hydrocarbons List. Bidders are advised that approximately three months prior to a lease sale BOEM makes available a list of unleased blocks in the Central, Western, and Eastern Planning Area that have wellbores with indicated hydrocarbons. Information relating to production, wellbores, and pay range for each block is included. See the BOEM website at: <http://www.gomr.boem.gov/homepg/offshore/gulfocs/hclist/hclist.html>.

(f) Military Areas. Military Warning Areas are established in the Federal Aviation Administration (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>

The Military Areas Stipulation (Stipulation No. 2 in the document "Lease Stipulations" included in the Sale Notice Package) will be applied to leases in any new areas that may be established by that publication in addition to blocks in those Warning Areas that have had the stipulation in past sales.

Certain restrictions on flights and radio communications in the Warning Areas will require close coordination between lessees (and their operators and agents) and the appropriate military commander using the specific Warning Area. It is the responsibility of lessees to establish and maintain contact and coordination with the military commander(s) in any Warning Area in which operations or flights would be expected in the course of occupying and developing any leases; this could include flights through a Warning Area traveling to a leased block that is not in a Warning Area.

Lessees should establish and maintain contact and coordination with the appropriate military commander(s) whether or not there is a military stipulation in their lease(s).

The contact for administrative questions about the warning areas is:

Federal Aviation Administration
Houston Air Route Traffic Control (ARTC) Center
16600 John F. Kennedy Boulevard
Houston, Texas 77032
Telephone: (281) 230-5563 Military Operations Specialist
(281) 230-5520 Airspace and Procedures Office

(281) 230-5560 ECCO 1 - Operational Manager-in-Charge (This office is available 24 hours a day, 7 days a week)

For additional information, including a map of the Military Warning and Water Test Areas, see Notice to Lessees 2009-G06, available from the BOEM GOM Region Office Public Information Unit at the address at the end of this document and from the BOEM website at: <http://www.gomr.boem.gov/homepg/regulate/regs/ntls/2009NTLs/09-g06.pdf>.

(g) Safety Zones for Certain Production Facilities. Bidders are advised to review the USCG regulations at 33 CFR, Chapter I, Part 147 - Safety Zones. These regulations established a 500-meter (1,640.4-foot) safety zone around several oil and gas production facilities on the GOM OCS, measured from each point on its outer edge or from its construction site, not to interfere with the use of recognized sea lanes essential to navigation. These facilities and their locations are specifically identified at 33 CFR, Chapter I, Parts 147.801 through 147.847.

These regulations prevent all vessels from entering or remaining in the safety zones except as follows: an attending vessel, a vessel under 100 feet in length overall not engaged in towing, or a vessel authorized by the Eighth Coast Guard District Commander.

(h) BSEE Inspection and Enforcement of Certain Coast Guard Regulations. Bidders are advised to review the USCG regulations at 33 CFR, Chapter I, Part 140, Subpart B – Inspections. These regulations authorize BSEE to perform inspections on fixed OCS facilities engaged in OCS activities and to enforce Coast Guard regulations applicable to those facilities in accordance with 33 CFR, Chapter I, Subchapter N. For more information contact: USCG, Eighth District, Sector New Orleans, 200 Hendee Street, New Orleans, Louisiana 70114.

(i) Debarment and Suspension (Nonprocurement). Bidders are advised that in accordance with regulations at 2 CFR Parts 180 and 1400, the lessee shall comply with the U.S. Department of the Interior's nonprocurement debarment and suspension requirements, and agrees to communicate this requirement to comply with these regulations to persons with whom the lessee does business as it relates to their lease by including this term as a condition to enter into their contracts and other transactions. This agreement is now evidenced by language in section 1, paragraph 2 of each lease resulting from this lease sale.

(j) Potential Sand Dredging Activities. Bidders are advised that in the next five years offshore dredging activities to obtain OCS sand for beach renourishment and coastal restoration projects will occur in some of the blocks listed below:

(Western and Central Planning Areas) Chandeleur Blocks 30-34; Main Pass Blocks 86-90, 92, 93-114, 118, 119, and 120; Main Pass South and East Addition Blocks 161, 162, 180, and 181; High Island Area, Blocks 38, 39, 45-48, 71-76, 88, 89, 114, 199, 200, and 202; Sabine Pass Area, Blocks 10-16, 39, 40, 44-47; West Cameron Area, Blocks 20-22, 43-45, 56-58, 90-93, 113-118, 128-134, 147-149, 155-157, 160-162, and 168-172; Vermilion Area, Blocks 11, 30, 51-54, 68-72, 74-76, 87-96, and 108-111; South Marsh Island Area, North Addition, Blocks 207-237, 241-249, 259, and 260; Eugene Island Area, Blocks 10, 18-35, 37-69, and 71-93; Ship Shoal Area, Blocks 64, 71, 84-100, and 107-110; South Pelto Area, Blocks 11-14, and 17-20;

West Delta Area, Blocks 20-31, 43-50, and 56-61; and Mobile, Blocks 816-821, 860-865, 904-909. Additional blocks were added recently in the Chandeleur Area, Main Pass Area, Sabine Pass Area, West Cameron Area, Vermillion Area, and South Pelto Area.

Central Planning Area: The National Oceanic and Atmospheric Administration (NOAA) and the Louisiana Office of Coastal Protection and Restoration (OCPR) plan to use 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 OCPR plan to use 0.75 million cubic yards of OCS material from the Ship Shoal Area, Blocks 64 and 71, to restore the marsh on Raccoon Island. The OCPR also proposes to mine sand from Sabine Bank in the West Cameron Area, Blocks 114 and 117, to renourish Holly Beach and other parts of the Cameron Parish coast. Further, OCPR proposes 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. In July 2004, the COE released the draft plan that identified Ship, Tiger, and Trinity Shoals as possible sand sources for the coastal restoration portion of a 10-year, \$1.9 billion program to address the most critical ecological needs facing the Louisiana coastal area. St. Bernard Shoals has also been identified as a possible target for the restoration of the Chandeleur Islands. In late 2007, the Water Resources Development Act of 2007 authorized the Louisiana Coastal Area Restoration Plan; more than 60 million cubic yards of OCS sand may be required for barrier shoreline, headlands, and island restoration actions.

Western Planning Area: The BOEM-Texas Cooperative Sand Program identified offshore sand deposits at Heald Bank and Sabine Bank for possible use in coastal restoration projects along the Texas coast. Although no specific beach renourishment or coastal restoration projects have been identified, future projects in this area may occur.

For more information or to obtain a map of the potentially affected blocks, contact GOMR Regional Supervisor, Office of Environment, BOEM, at (504) 736-2759. Also, see the BOEM website at: <http://www.boem.gov/sandandgravel/MultipleUse/index.htm> and the NTL No. 2009-G04, Significant OCS Sediment Resources in the Gulf of Mexico.

(k) Concrete Anchors. Bidders are advised that after several geophysical surveys were acquired in various GOM OCS areas, non-degradable and degradable concrete anchors were left on the seafloor. Lessees should consider the location of these anchors when conducting hazards surveys as required in the BOEM regulations 30 CFR 550, Subpart B.

For information and anchor locations contact: Ms. Rebecca Murphey at (504) 736-2430 or Mr. John Johnson at (504) 736-2455. Also, see the BOEM website at: <http://www.gomr.boem.gov/homepg/fastfacts/anchors/anchmaster.asp>.

(l) Deepwater Port Application for an Offshore Crude Oil Facility. To date, the USCG and the Maritime Administration (MARAD) have received one application for the licensing of a crude oil deepwater port in the Western Planning Area of the Gulf of Mexico OCS Region. The Texas Offshore Port System (TOPS) application was evaluated, deemed complete, and was being processed under the statutory timelines prescribed by the Deepwater Port Act of 1974, as

amended. However, on April 12, 2010, TOPS formally withdrew their license application; this will be the last ITL package to contain a clause regarding the status of this application.

Additional information regarding the proposed crude oil deepwater port may be obtained at the following address:

Commandant (CG-5225)
Deepwater Ports Standards Division (CG-5225)
U.S. Coast Guard Headquarters (Room 15081210)
2100 Second Street, SW STOP 7126
Washington, DC 20593-7126
(202) 372-1440/1401

By email to the USCG at:

DWP@comdt.uscg.mil

From the USCG Deepwater Port Division website at:

<http://www.uscg.mil/hq/cg5/cg522/cg5225/g-m/mso/mso5.htm>

Or by contacting:

Mr. Kevin Tone
U.S. Coast Guard
(202) 372-1441
Kevin.P.Tone@uscg.mil

All publicly available data related to this deepwater port project may be found online by searching on the docket number noted below, at the following website at:

<http://www.regulations.gov>.

Texas Offshore Port System (TOPS) Deepwater Port System License Application. Docket Number: USCG-2008-1239.

(m) Notice of Arrival on the Outer Continental Shelf. Bidders are advised that the United States Coast Guard (USCG) has published a Final Rule on the Notice of Arrival on the Outer Continental Shelf (76 FR 2254, dated January 13, 2011). This Final Rule revises the USCG regulations on Outer Continental Shelf (OCS) Activities to enhance maritime domain safety and security awareness on the OCS. These revised regulations require notice of arrival for floating facilities, mobile offshore drilling units (MODUs), and vessels planning to engage in OCS activities. This Final Rule implements provisions of the Security and Accountability for Every Port Act of 2006 (SAFE Port Act) and increases overall maritime domain awareness by requiring owner or operators of United States and foreign flag floating facilities, MODUs, and vessels to submit notice of arrival information to the National Vessel Movement Center (<http://www.nvmc.uscg.gov>) prior to engaging in OCS activities. This rule became effective on February 14, 2011.

For more information contact:

Mr. Kevin Pekarek,

Vessel and Facility Operating Standards Division, Coast Guard

Telephone: 202-366-9826 or E-mail: Kevin.Y.Pekarek2@uscg.mil

(n) Bids on Blocks Near the U.S.-Mexico Maritime and Continental Shelf Boundary. Bidders are advised to refer to the Final Notice of Sale Document for detailed information pertaining to the ongoing negotiations with the Government of Mexico on the transboundary agreement. Bids submitted on blocks in the Boundary Area will not be opened on the date scheduled for the sale, but may be opened at a later date. On or before 30 days following execution of a Transboundary Agreement or June 14, 2012, 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.

Port Isabel Blocks – 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 945, 946, 947, 948, 958, 959, 960, 961, 962, 963, 964, 965, 965, 966, 967, 968, 989, 990, 991, and 992

Alaminos Canyon Blocks – 881, 882, 883*, 884*, 885, 886, 887, 888, 889*, 890*, 891, 892, 893*, 894*, 895, 896, 897, 898, 899*, 900*, 901*, 902*, 903*, 904*, 905, 906, 907, 908, 909, 910, 911, 912, 925, 926, 927*, 928*, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939*, 940*, 941, 942*, 943*, 944*, 945*, 946, 947*, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 992, 993, 994, 995, 996, 997, 998, 999, 1000, 1001, 1002, 1003, 1004, 1005, 1006, 1007, 1008, and 1009

Keathley Canyon Blocks – 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, and 981

Sigsbee Escarpment Blocks – 11, 12, 13, 14, 15, 57, 58, 59, 60, 61, 103, 104, 105, 106, 148, 149, 150, and 194

South Padre Island Blocks – 1154, 1163, 1164, 1165, and 1166*

South Padre Island, East Addition Blocks – 1155, 1156, 1157, 1158, 1159, 1160, 1161, 1162, A 78, A 79, A 80, A 81, A 82, A 83, A 84, A 85, A 86, A 87, A 89, and A 90

***Leased**

**Gulf of Mexico Region Public Information Unit
Bureau of Ocean Energy Management
1201 Elmwood Park Boulevard
New Orleans, Louisiana 70123-2394
Telephone: (504) 736-2519 or (800) 200-GULF
BOEM GOM Homepage Address on the Internet at: <http://www.gomr.boem.gov/>**