Lease sale is held in accordance with the Five Year Program. BOEM evaluates high bids for leases to ensure government receives fair market value. Winning bids are announced and leases issued. Lessee submits oil spill response plan to BSEE. Exploration Plans (EP) submitted (or supplemental for existing plans)* to BOEM. BOEM reviews EP** for completeness. If incomplete, lessee is asked to provide necessary info. If complete:

- BOEM, other government agencies and states conduct reviews of the EP, examining: the description of the drilling rig, location of each well, current structure maps, sequence of exploration activities, biological reports, coastal zone management consistency, environmental report, air emissions information and information contained in NTL No. 2010 N06 (worst case discharge and blowout scenario).

- Coastal zone management review completed by the state.

- Application for Permit to Drill (APD) is submitted to BSEE.

- EP conditionally approved by BOEM (pending final approval from government agencies and state review for coastal zone management consistency).

- Environmental Assessment conducted.

- BSEE reviews APD** to examine the fitness of the drilling unit, mud program, casing program cement program, the H2S contingency plan and information contained in the Interim Final Rule.

- APD is approved.

- Drilling begins.

*An initial EP describes all exploration activities planned by an operator for a specific lease(s), the timing of these activities, information concerning drilling vessels, the location of each well, and an analysis of both onshore and offshore impacts that may occur as a result of the plan’s implemented action.

**Submitted EPs and APDs may be returned to the operator for further information or clarification.