Proposed Outer Continental Shelf Oil and Gas Leasing Program for 2012-2017

The Proposed Outer Continental Shelf (OCS) Oil and Gas Leasing Program for 2012–2017 (Proposed Program) will advance safe and responsible domestic energy exploration and production by offering substantial acreage for lease in regions with known potential for oil and gas development. The Proposed Program is consistent with the Obama Administration's *Blueprint for a Secure Energy Future,* which aims to promote domestic energy security and reduce oil imports by a third by 2025 through a comprehensive national energy policy.

The Proposed Program is informed by lessons learned from the *Deepwater Horizon* tragedy and reforms that have been implemented to make offshore drilling safer and more environmentally responsible, and to ensure that we are better prepared in case a blowout or oil spill occurs. More information on the department's ongoing offshore reforms can be found at: http://www.boem.gov/About-BOEM/Reforms/Reforms.aspx.

MAKING MORE THAN 75% OF UNDISCOVERED RESOURCES AVAILABLE

The Proposed Program includes **15 lease sales in six offshore areas** where there are currently active leases and exploration and where there is known or anticipated hydrocarbon potential. This strategy makes **more than 75%** of the undiscovered technically recoverable oil and gas resources estimated on the OCS available for development.

The following sales are included in the Proposed Program:

- **Western Gulf of Mexico:** Five annual areawide lease sales beginning in the fall of 2012 that make available all unleased acreage.

- **Central Gulf of Mexico:** Five annual areawide lease sales beginning in the spring of 2013 that make available all unleased acreage.

- **Eastern Gulf of Mexico:** Two sales, in 2014 and 2016, in areas of the Eastern Gulf that are not currently under congressional moratorium.

- **Beaufort Sea:** One sale in 2015 with time to learn from any interim exploration and further analyze environmental issues, subsistence use needs, and infrastructure capabilities – so that the lease sale can be tailored to balance these issues.

- **Chukchi Sea:** One sale in 2016, with time to learn from any interim exploration and further analyze environmental issues, subsistence use needs, and infrastructure capabilities – so that the lease sale can be tailored to balance these issues.

- **Cook Inlet:** One special interest sale including the entire planning area, which is initially scheduled for 2013, but may be moved to later in the program depending on industry interest in the sale.

ADOPTING A TARGETED, REGION-SPECIFIC APPROACH

The Proposed Program is tailored to specific regional considerations like resource potential, adequacy of infrastructure including oil spill response capabilities, state interests and concerns, and the need for a balanced approach to our use of natural resources. By focusing on six offshore regions, the Proposed Program advances a strategy that Secretary of the Interior Ken Salazar announced on December 1, 2010.

Gulf of Mexico: The Gulf of Mexico (GOM) currently supplies more than a quarter of the nation's oil production, and the Central and Western GOM remain the two offshore areas of highest resource potential and industry interest. The infrastructure supporting the oil and gas industry, including subsea containment and oil spill response resources, is the most mature and well developed in these regions. Therefore, the Proposed Program schedules annual, areawide lease sales in both the Western and Central GOM throughout the five-year leasing program. The program also includes lease sales gauged to accommodate anticipated industry interest in the portion of the Eastern GOM that is not currently subject to congressional moratorium. Other areas in the Eastern Gulf of Mexico – including the Straits of Florida – are not included in this Proposed Program because they are under a congressionally-mandated leasing moratorium until June 30, 2022.

Alaska: The Proposed Program represents a balanced and careful approach to offshore development in the Arctic that accounts for resource potential; environmental needs; and the social, cultural, and subsistence needs of Native Alaskan communities. Single sales in each of the Beaufort and Chukchi Sea planning areas are placed late in the schedule to account for the significant inventory of yet-undeveloped leases in these frontier areas and to: 1) facilitate the development, synthesis, and consideration of further scientific study relevant to oil and gas exploration and development in the Arctic; 2) allow time for the analysis and evaluation of data collected from any exploration activity under current leases in the Beaufort and Chukchi Sea planning areas; 3) enable further long-term planning and development of spill response preparedness and infrastructure, building on current plans that could support limited activity in the near-term; and 4) support a leasing strategy that is tailored to both the specific resource opportunities and the special environmental and subsistence concerns presented in these regions.

Atlantic: This Proposed Program does not include lease sales in the Atlantic region. While an OCS development strategy announced in 2009 included the Mid- and South- Atlantic planning areas under consideration for potential inclusion in the Proposed Program, a number of specific considerations supported the Secretary's decision not to include these areas, including the current lack of infrastructure to support oil and gas exploration and development, as well as spill preparedness and response. Additionally, there remain complex issues relating to potentially conflicting uses, including those of the Department of Defense. As the oil and gas resource potential in the Mid- and South Atlantic planning areas is not well understood, the Bureau of Ocean Energy Management is moving forward to expeditiously to facilitate resource evaluation in these areas, including conducting a programmatic Environmental Impact Statement relating to seismic surveys in the Atlantic.

Pacific: Areas off the Pacific coast are not included in this Proposed Program, which seeks to accommodate the recommendations of governors of coastal states and of state and local agencies – an important priority established by the *OCS Lands Act*. The exclusion of the Pacific Coast is consistent with state interests, as framed in an agreement that the governors of California, Washington and Oregon signed in 2006, which expressed their opposition to oil and gas development off their coasts.