

Offshore Energy and Minerals Management

Offshore 5-Year Plan Status

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MARE FORUM USA

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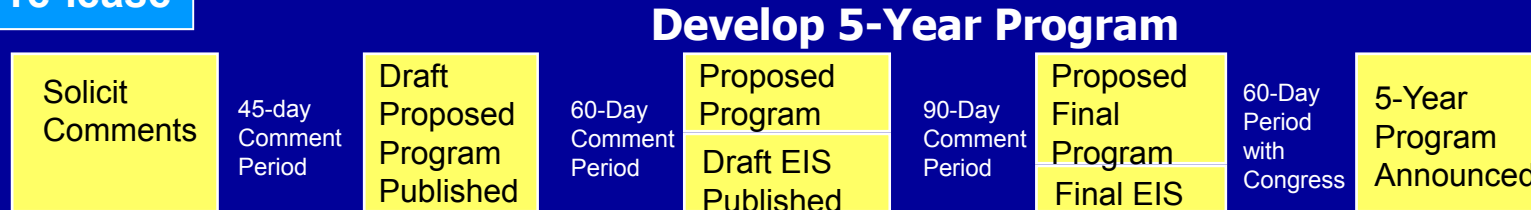
MMS Overview

- **Created in 1982**
- **Responsible for 1.7 billion OCS acres**
 - Lease issuance to decommission
- **Day-to-Day**
 - ~8,000 leases
 - ~43 million acres leased
 - ~27% of oil;~15% natural gas
 - ~4,000 production platforms
 - ~33,000 miles of pipeline
 - ~42,000 OCS personnel
 - ~125 operating companies
- **~\$26 billion revenue for fiscal year 2008. (About \$13 billion annual revenue based on 5-year average.)**

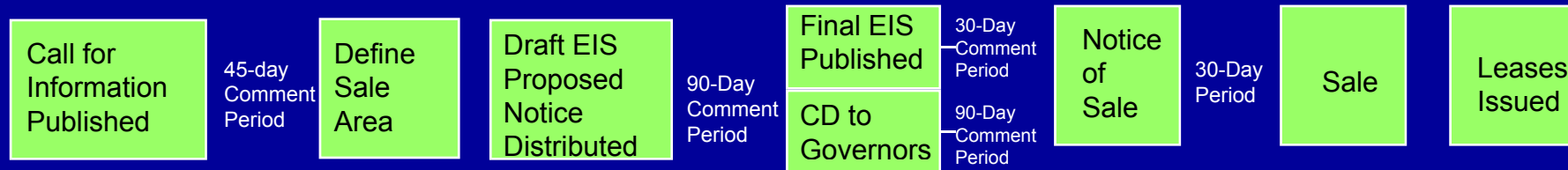


Leasing, Exploration, & Development Process

Pre-lease

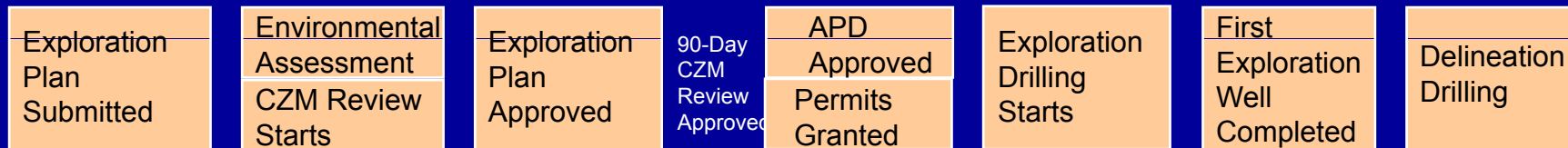


Planning for Specific Sale

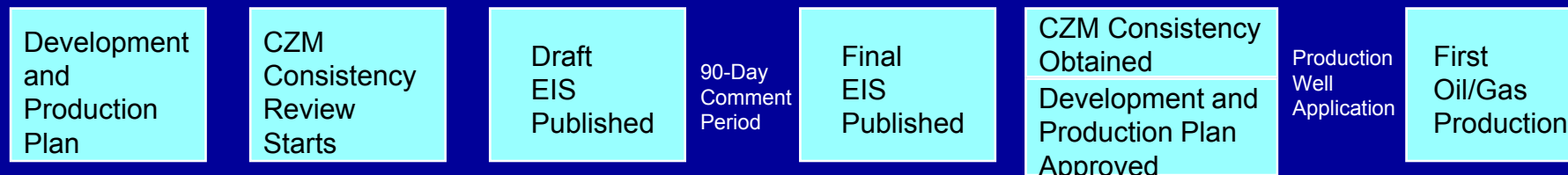


Post Lease

Exploration Plan Approval



Development & Production Plan Approval



Outer Continental Shelf Oil & Gas Leasing Program 2007 - 2012



OCS New 5-Year Program DPP



Resource Estimates in DPP Areas

(at \$60 bbl & \$6.41 mcf)

<u>Planning Area</u>	<u>Oil</u>	<u>Gas</u>	<u>BBOE</u>
• Central Gulf of Mexico	14.37	59.52	24.96
• Western Gulf of Mexico	5.74	33.78	11.78
• Southern California	4.15	7.08	5.41
• Eastern Gulf of Mexico	3.03	10.97	4.98
• North Atlantic	1.33	7.32	2.64
• Northern California	1.63	2.30	2.04
• Mid-Atlantic	0.94	5.54	1.93
• Beaufort Sea	1.36	1.58	1.64
• Cook Inlet	0.73	0.70	0.85
• South Atlantic	0.31	1.69	0.61
• North Aleutian	0.43	0.79	0.57
• Chukchi Sea	0.11	0.16	0.13

What Steps have Occurred with New 5- Year Program (2010-2015)

- **Request for Comments/Intent to Prepare an EIS published on August 1, 2008, with 45-day comment period**
- **Draft Proposed Program (DPP) announced on January 15, 2009 by former Secretary and published on January 21, 2009, with 60-day comment period**
- **On February 10, 2009, Secretary Salazar announced 4-step strategy for OCS energy:**
 - extended comment period by 180 days to September 21, 2009;
 - directed preparation of a report on conventional and renewable resources and potential impacts (“45-day report”);
 - held 4 regional meetings in April; and
 - issued final renewable energy rules.
- **DPP Comment Period Closed – September 21, 2009**

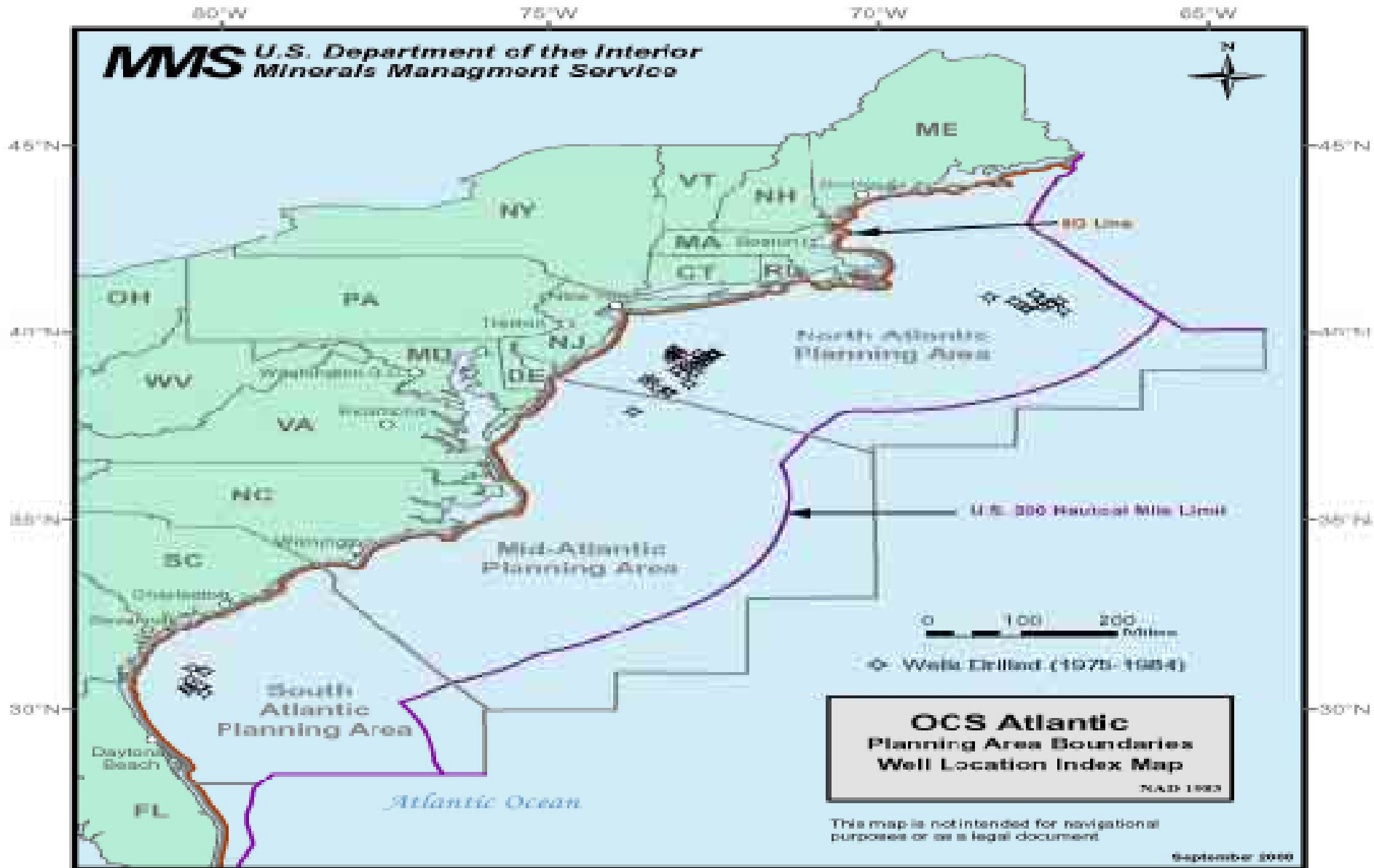
What Steps are Next for New 5-Year Program

- Schedule Scoping meetings on draft EIS;
- Publication of Proposed Program and DEIS with minimum 90-day comment period;
- Publication of Proposed Final Program and Final DEIS and submission to President and Congress with minimum 60-day waiting period;
- Secretary approves new program;
- Sale steps for early sales on the schedule may begin before finalization of new program.

History of the Atlantic OCS

- **10 oil and gas lease sales were held between 1976 and 1983.**
 - **32 exploratory wells were drilled in the mid-Atlantic.**
 - **1 Discovery – Hudson Canyon (HC) - 4-block area located in the North Atlantic planning area offshore NJ/NY.**
 - **Manteo Exploration Unit – Offshore NC – unit approved 1990 – leases relinquished.**
 - **Based on the 2006 National Assessment, we estimate the mean Undiscovered Technically Recoverable Resources contained in the Sale 220 program area to be 130 million barrels of oil and 1.14 trillion cubic feet of gas. (Seismic data over 25 years old).**
- * No active oil and gas leases currently exist off the Atlantic seaboard.**

MMS U.S. Department of the Interior
Minerals Management Service



Atlantic Seismic Activities

- **On January 21, 2009, MMS published a Notice of Intent to Prepare a Programmatic EIS and Call for Interest for Future Geologic and Geophysical (Seismic) Activity on the Atlantic OCS.**
- **In mid-March 2010, MMS plans to publish a Federal Register Notice which reopens the Scoping Period for 45 days regarding this planned Programmatic EIS.**
- **There now are 7 companies that have applied for 11 permits for 2D seismic in all Planning Areas of the Atlantic.**

Questions?