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MMS Announces Proposed Final 5-Year OCS Oil and Gas Leasing Program for 1997-2002

The U.S. Department of the Interior's Minerals Management Service (MMS) today announced the Proposed Final 5-Year Program for natural gas and oil lease sales on the Outer Continental Shelf (OCS) for 1997-2002.

The program schedules consideration of 16 sales in 7 areas of the OCS. No leasing is under consideration off the Atlantic or Pacific coasts. Five sales are to be considered in four areas of the Alaska OCS. Annual sales are scheduled for the Central and Western Gulf of Mexico, with one sale being considered in the Eastern Gulf of Mexico 15 miles offshore Alabama and in deep water more than 100 miles off Florida.

Two areas for leasing consideration have been modified in the Proposed Final Program as a result of MMS outreach efforts following the release of the Proposed Program in February 1996:

Beaufort Sea: In Alaska's Beaufort Sea, 416 blocks east of Barter Island that are farther from shore and encompass a major portion of the whale migration corridor will be excluded from the area to be considered in 2000. The change was made in response to local concerns as Eskimo whalers believe this area of the Eastern Beaufort Sea is an important feeding ground for the bowhead whale. Retained for consideration is the nearshore area which includes active leases, and which is adjacent to areas where future state natural gas and oil lease sales are anticipated.

Eastern Gulf of Mexico: In the Eastern Gulf of Mexico, 22 blocks within 15 miles of Alabama's coast will be excluded from the area to be considered in 2001. This recognizes state and local concerns about the possible adverse impact of any additional visible natural gas and oil structures on the tourism industry. Added to the area under consideration are 384 blocks in deep water 100 or more miles off the coasts of Alabama and Florida. The addition encompasses all nearby existing deepwater leases in the Eastern Gulf adjacent to deepwater tracts in the Central Gulf of Mexico, and is intended to recognize the natural gas and oil industry's desire to expand the area of leasing consideration in a way that is acceptable to other MMS constituents.

"The Proposed Final Program continues MMS's consensus-based approach and is the product of many months of consultation and analysis. In particular, it reflects three policy objectives that have been endorsed by the President and the Secretary of Interior: consensus-based decision making, science-based decision making, and the use of natural gas as an environmentally preferable fuel," said MMS Director Cynthia Quarterman. "Over the past 3 years, MMS has devoted time and effort to consensus building. The new 5-year program defines the Administration's commitment to continuing such efforts. We hope to continue and build upon the approach this Administration is pursuing to conduct problem solving at

the regional level, in dialogue with affected parties."

"We believe this 5-year program carefully balances customer and stakeholder concerns, and that it will best meet the national energy needs at this time," Quarterman continued.

This Proposed Final Program has been sent to the President and Congress. The final step of the two-year process is for the Secretary of the Interior to approve the 5-Year OCS Oil and Gas Leasing Program after the 60-day notification period has elapsed.

The 5-Year Program will consider leasing offshore acreage containing economically recoverable resources estimated at almost 45 trillion cubic feet of natural gas and more than 5 billion barrels of oil, with an estimated net economic benefits of more than \$8 billion to the nation.

MMS also announced the availability of the Final Environmental Impact Statement (FEIS) which presents the results of environmental analyses of the Proposed Program. The Federal Register of August 28 carries notices of the availability of the Proposed Final Program and the FEIS.

MMS is the federal agency that manages the nation's natural gas, oil and other mineral resources on the OCS, and collects, accounts for, and disburses about \$4 billion yearly in revenues from federal offshore leases and federal and Indian onshore mineral leases.

EDITOR'S NOTE:

The Proposed Final Program document and the August 28 Federal Register notices are available on MMS's home page on the Internet.

SPECIAL INFORMATION:

[Preparation of the 5-Year OCS Oil & Gas Leasing Program](#)
[Areas Proposed for Leasing Consideration in the Proposed Final Program](#)

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