

collection was previously published in the *Federal Register* (82 FR 48840) on October 20, 2017, allowing for a 60-day comment period. This notice allows for an additional 30 days for public comments. This process is conducted in accordance with 5 CFR 1320.8. Written comments and suggestions from the public and affected agencies should address one or more of the following four points: (1) Whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (2) the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (3) suggestions to enhance the quality, utility, and clarity of the information to be collected; and (4) suggestions to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, *e.g.*, permitting electronic submission of responses. The comments that are submitted will be summarized and included in the request for approval. All comments will become a matter of public record.

Overview of This Information Collection

Title: Application for Identification Card.

OMB Number: 1651-0008.

Form Number: CBP Form 3078.

Action: CBP proposes to extend the expiration date of this information collection with no change to the estimated burden hours or to CBP Form 3078.

Type of Review: Extension (without change).

Abstract: CBP Form 3078, *Application for Identification Card*, is filled out in order to obtain an Identification Card which is used to gain access to CBP security areas. This form collects biographical information and is usually completed by licensed Cartmen or Lightermen whose duties require receiving, transporting, or otherwise handling imported merchandise which has not been released from CBP custody. This form is submitted to the local CBP office at the port of entry that the respondent will be requesting access to the Federal Inspection Section. Form 3078 is authorized by 19 U.S.C. 66, 1551, 1555, 1565, 1624, 1641; and 19 CFR 112.42, 118, 122.182, and 146.6. This form is accessible at: <http://www.cbp.gov/sites/default/files/documents/CBP%20Form%203078.pdf>.

Affected Public: Businesses.

Estimated Number of Respondents: 150,000.

Estimated Number of Total Annual Responses: 150,000.

Estimated Time per Response: 17 minutes.

Estimated Total Annual Burden Hours: 42,450.

Dated: January 2, 2018.

Seth Renkema,
Branch Chief, Economic Impact Analysis Branch, U.S. Customs and Border Protection.

[FR Doc. 2018-00070 Filed 1-5-18; 8:45 am]

BILLING CODE 9111-14-P

DEPARTMENT OF THE INTERIOR

Bureau of Ocean Energy Management
[BOEM-2017-0074; MMAA104000]

Notice of Availability of the 2019-2024 Draft Proposed Outer Continental Shelf Oil and Gas Leasing Program and Notice of Intent To Prepare a Programmatic Environmental Impact Statement

AGENCY: Bureau of Ocean Energy Management (BOEM), Interior.

ACTION: Notice; request for comments.

SUMMARY: BOEM is announcing the availability of, and requests comments on, the Draft Proposed Program (DPP) for the 2019-2024 Outer Continental Shelf Oil and Gas Leasing Program (2019-2024 Program or Program). BOEM is also announcing its decision to prepare a Programmatic Environmental Impact Statement for the 2019-2024 Program (Programmatic EIS) and the initiation of the formal scoping process.

DATES: Comments should be submitted by March 9, 2018 to the address specified in the ADDRESSES section of this notice. Dates of public meetings to be held between now and March 9, 2018, will be posted on <https://www.BOEM.gov/National-OCS-Program>.

ADDRESSES: Comments on the DPP or Programmatic EIS may be submitted in one of the following ways:

1. Mailed in an envelope labeled "Comments for the 2019-2024 Draft Proposed National Oil and Gas Leasing Program" and mailed (or hand delivered) to Ms. Kelly Hammerle, Chief, National Oil and Gas Leasing Program Development and Coordination Branch, Leasing Division, Office of Strategic Resources, Bureau of Ocean Energy Management (VAM-LD), 45600 Woodland Road, Sterling, VA 20166-9216, telephone (703) 787-1613.

Written comments may also be hand delivered at a public meeting to the BOEM official in charge.

2. Through the *Regulations.gov* web portal: Navigate to <http://www.regulations.gov> and under the Search tab, in the space provided, type in Docket ID: BOEM-2017-0074 to submit comments and to view other comments already submitted. Information on using www.regulations.gov, including instructions for accessing documents, submitting comments, and viewing the docket after the close of the comment period, is available through the links under the box entitled "Are you new to this site?"

FOR FURTHER INFORMATION CONTACT: For information on the 2019-2024 Program process or BOEM's policies associated with this notice, please contact Ms. Kelly Hammerle, Chief, National Oil and Gas Leasing Program Development and Coordination Branch at (703) 787-1613. For information on the 2019-2024 Programmatic EIS, submission of comments related to potential environmental impacts, or Cooperating Agency status, please contact Dr. Jill Lewandowski, Chief, Division of Environmental Assessment, at (703) 787-1703.

SUPPLEMENTARY INFORMATION: On April 28, 2017, Presidential Executive Order 13795: Implementing an America First Offshore Energy Strategy (E.O. 13795), directed the Secretary of the Interior (Secretary) to give full consideration to revising the schedule of proposed oil and gas lease sales adopted in the 2017-2022 Outer Continental Shelf Oil and Gas Leasing Program, which was approved on January 17, 2017. The Secretary issued Secretarial Order 3350 on May 1, 2017, which further directed BOEM to develop a new National Outer Continental Shelf Oil and Gas Leasing Program. As directed by the Secretary, BOEM initiated the development of the 2019-2024 Program by issuing a request for information and comments (RFI) on July 3, 2017 (82 FR 30886). The Program development process required by section 18 of the Outer Continental Shelf Lands Act (OCSLA), 43 U.S.C. 1344, and its implementing regulations, includes the development of a DPP, a Proposed Program, a Proposed Final Program (PFP), and Secretarial approval of the 2019-2024 Program.

This notice serves as the NOA for the DPP and the NOI for the preparation of a Programmatic EIS. The DPP includes the section 18 analysis for the OCS areas of potential interest to the Secretary and his initial proposed schedule of lease sales for the 2019-2024 Program. The

DPP provides the basis for gathering information and conducting analyses to inform the Secretary on which areas to include for further leasing consideration in the 2019–2024 Program.

The DPP for the 2019–2024 Program would make more than 98 percent of the OCS resources available to consider for oil and gas leasing during the 2019–2024 period. Including at this stage nearly the entire OCS for potential oil and gas discovery is consistent with advancing the goal of moving the United States from simply aspiring to energy independence to attaining energy dominance. This DPP would allow for unprecedented increases in access to America’s extensive offshore oil and gas resources, a critical component of the Nation’s energy portfolio, and emphasizes the importance of producing American energy in America.

The DPP will enable the Secretary to receive information necessary to conduct a thorough consideration of the Section 18(a)(2) factors in order to perform the balancing analysis required by Section 18(a)(3) of the OCS Lands Act. Including areas in the 2019–2024 Program will incentivize industry to employ their world-class geological and technical expertise to assess and evaluate America’s potential offshore oil and gas resources. By not prematurely

restricting or narrowing OCS areas under consideration, this DPP will allow industry the opportunity to further inform the Secretary of their interest in leasing frontier areas and to collect data in areas that have not been explored in decades, if ever. This will, in turn, further our understanding of the resources available on the OCS to meet national energy needs. The Secretary’s approach to the DPP lease sale schedule does not prematurely foreclose exploration planning, but fosters it, to allow for potential for the discovery of oil and gas on the OCS.

Allowing for the potential discovery of new oil and gas reserves on the OCS is consistent with the Administration’s America-First Energy Strategy, which seeks to achieve energy security and resilience by reducing U.S. reliance on imported energy. Additionally, OCS oil and gas production benefits the United States by helping to reinvigorate American manufacturing and job growth, and contributes to the gross domestic product. Many of the jobs in the oil and gas industry earn a significant wage premium; these employees have more purchasing power and can consume more goods and services, increasing their standard of living, and contributing more to the economy.

Grounded in the above principles, and after careful consideration of public input and the OCS Lands Act Section 18(a)(2) factors, the DPP proposes a lease sale schedule of 47 lease sales in all four OCS regions and includes 25 of the 26 planning areas: 19 lease sales in the Alaska Region (3 in the Chukchi Sea, 3 in the Beaufort Sea, 2 in Cook Inlet, and 1 sale each in the 11 other available planning areas in Alaska), 7 lease sales in the Pacific Region (2 each for Northern California, Central California, and Southern California, and 1 for Washington/Oregon), 12 lease sales in the Gulf of Mexico (GOM) Region (10 regionwide lease sales for the portions of the Central, Western, and Eastern GOM planning areas that are not currently under moratorium, and 2 sales for the portions of the Central and Eastern GOM planning areas that will no longer be under moratorium in 2022), and 9 lease sales in the Atlantic Region (3 sales each for the Mid- and South Atlantic, 2 for the North Atlantic, and 1 for the Straits of Florida).

The DPP does not include a sale in the North Aleutian Basin Planning Area. This area was withdrawn on December 16, 2014, from consideration for any oil and gas leasing for a time period without specific expiration.

TABLE 1—2019–2024 DRAFT PROPOSED PROGRAM LEASE SALE SCHEDULE

| Sale year | OCS Region | Program area |
|-----------|----------------|--|
| 1. 2019 | Alaska | Beaufort Sea. |
| 2. 2020 | Alaska | Chukchi Sea. |
| 3. 2020 | Pacific | Southern California. |
| 4. 2020 | Gulf of Mexico | Western, Central, and Eastern Gulf of Mexico.* |
| 5. 2020 | Gulf of Mexico | Western, Central, and Eastern Gulf of Mexico.* |
| 6. 2020 | Atlantic | South Atlantic. |
| 7. 2020 | Atlantic | Mid-Atlantic. |
| 8. 2021 | Alaska | Beaufort Sea. |
| 9. 2021 | Alaska | Cook Inlet. |
| 10. 2021 | Pacific | Washington/Oregon. |
| 11. 2021 | Pacific | Northern California. |
| 12. 2021 | Pacific | Central California. |
| 13. 2021 | Atlantic | North Atlantic. |
| 14. 2021 | Gulf of Mexico | Western, Central, and Eastern Gulf of Mexico.* |
| 15. 2021 | Gulf of Mexico | Western, Central, and Eastern Gulf of Mexico.* |
| 16. 2022 | Alaska | Chukchi Sea. |
| 17. 2022 | Pacific | Southern California. |
| 18. 2022 | Atlantic | Mid-Atlantic. |
| 19. 2022 | Atlantic | South Atlantic. |
| 20. 2022 | Gulf of Mexico | Western, Central, and Eastern Gulf of Mexico.* |
| 21. 2022 | Gulf of Mexico | Western, Central, and Eastern Gulf of Mexico.* |
| 22. 2023 | Alaska | Beaufort Sea. |
| 23. 2023 | Alaska | Cook Inlet. |
| 24. 2023 | Alaska | Hope Basin. |
| 25. 2023 | Alaska | Norton Basin. |
| 26. 2023 | Alaska | St. Matthew-Hall. |
| 27. 2023 | Alaska | Navarin Basin. |
| 28. 2023 | Alaska | Aleutian Basin. |
| 29. 2023 | Alaska | St. George Basin. |
| 30. 2023 | Alaska | Bowers Basin. |
| 31. 2023 | Alaska | Aleutian Arc. |
| 32. 2023 | Alaska | Shumagin. |
| 33. 2023 | Alaska | Kodiak. |
| 34. 2023 | Alaska | Gulf of Alaska. |

TABLE 1—2019–2024 DRAFT PROPOSED PROGRAM LEASE SALE SCHEDULE—Continued

| Sale year | OCS Region | Program area |
|-----------|----------------|--|
| 35. 2023 | Pacific | Central California. |
| 36. 2023 | Pacific | Northern California. |
| 37. 2023 | Gulf of Mexico | Western, Central, and Eastern Gulf of Mexico.* |
| 38. 2023 | Gulf of Mexico | Western, Central, and Eastern Gulf of Mexico.* |
| 39. 2023 | Gulf of Mexico | Eastern and Central Gulf of Mexico.** |
| 40. 2023 | Atlantic | Straits of Florida. |
| 41. 2023 | Atlantic | North Atlantic. |
| 42. 2024 | Alaska | Chukchi Sea. |
| 43. 2024 | Gulf of Mexico | Western, Central, and Eastern Gulf of Mexico.* |
| 44. 2024 | Gulf of Mexico | Western, Central, and Eastern Gulf of Mexico.* |
| 45. 2024 | Gulf of Mexico | Eastern and Central Gulf of Mexico.** |
| 46. 2024 | Atlantic | South Atlantic. |
| 47. 2024 | Atlantic | Mid-Atlantic. |

* All available areas, not including those subject to the GOMESA moratorium through June 30, 2022.
** Those areas available following the expiration of the GOMESA moratorium.

Including 25 of the 26 planning areas in the DPP allows for maximum flexibility in the future stages of the process, as well as the opportunity to seek additional input and further coordinate with key stakeholders on those areas. The Secretary is committed to enhancing coordination and collaboration with other governmental entities to discover solutions to multiple use challenges so that oil and gas resources can be extracted, critical military and other ocean uses can continue, and our sensitive physical and biological resources can be protected. The Secretary's goal is to increase access to America's energy resources and to provide environmental stewardship based upon the most up to date environmental information and analysis.

The DPP serves as the basis for the proposed action to be evaluated in the Programmatic EIS. This NOI starts the formal scoping process for the Programmatic EIS under 40 CFR 1501.7 of the Council on Environmental Quality (CEQ) National Environmental Policy Act (NEPA) regulations and solicits input from the public regarding alternatives, impacting factors, and environmental resources and issues of concern in the DPP areas that should be evaluated in the Programmatic EIS. The purpose of scoping for the Programmatic EIS is to determine the appropriate content and scope for a focused and balanced programmatic environmental analysis by ensuring significant issues are identified early and properly studied during development of the Programmatic EIS. BOEM expects to consider environmentally sensitive areas in the Programmatic EIS that could be considered for exclusion as part of the Section 18 winnowing process.

Please go to <https://www.boem.gov/National-OCS-Oil-and-Gas-Leasing->

Program-for-2019-2024/ for additional information about the Programmatic EIS and the 2019–2024 Program.

Public Comment: All interested parties, including Federal, state, tribal, and local governments and others, can submit written comments on the DPP and the scope of the Programmatic EIS, significant issues that should be addressed, and the types of oil and gas activities of interest in OCS planning areas included in the DPP (e.g., gas in shallow water and industry interest in leasing and/or exploring planning areas not included in previous National OCS Programs). Comments on individual lease sale EIS documents should be submitted separately through the unique docket for each sale. Comments that provide scientific information, geospatial or other data, or anecdotal evidence to support your input are most useful and such information can be provided as attachments to comments.

BOEM will protect privileged or proprietary information that you submit in accordance with the Freedom of Information Act (FOIA) and OCSLA requirements. To avoid inadvertent release of such information, interested parties should mark all documents and every page containing such information with "Confidential—Contains Proprietary Information." To the extent a document contains a mix of proprietary and nonproprietary information, interested parties should mark clearly which portion of the document is proprietary and which is not. Exemption 4 of FOIA applies to trade secrets and commercial or financial information that you submit that is privileged or confidential. The OCSLA states that the "Secretary shall maintain the confidentiality of all privileged or proprietary data or information for such period of time as is provided for in this subchapter, established by regulation, or agreed to

by the parties" (43 U.S.C. 1344(g)). BOEM considers each interested party's nominations of specific blocks to be proprietary, and therefore BOEM will not release information that identifies any particular nomination, so as not to compromise the competitive position of any participants in the process of indicating interest.

However, please be aware that BOEM's practice is to make all other public comments, including the names and addresses of individuals, available for public inspection. Before including your address, phone number, email address, or other personal identifying information in your comment, please be advised that your entire comment, including your personal identifying information, may be made publicly available at any time. While you can ask us in your comment to withhold from public review your personal identifying information, we cannot guarantee that we will be able to do so. In order for BOEM to consider withholding from disclosure your personal identifying information, you must identify any information contained in the submittal of your comments that, if released, would constitute a clearly unwarranted invasion of your personal privacy. You must also briefly describe any possible harmful consequence(s) of the disclosure of information, such as embarrassment, injury or other harm. Note that BOEM will make available for public inspection, in their entirety, all comments submitted by organizations and businesses, or by individuals identifying themselves as representatives of organizations or businesses.

Public Meetings: BOEM will hold a series of public meetings to provide information and the opportunity for public comment on the 2019–2024 Program and the Programmatic EIS. BOEM's public meetings will be held

using an open house format. The open house format allows members of the public to come to a meeting any time during meeting hours to view information, provide comments, and discuss the 2019–2024 Program and the Programmatic EIS with BOEM staff.

Public meetings will be held between now and March 9, 2018 to receive scoping comments on the Programmatic EIS. Meetings are being planned for, but are not necessarily limited to the following cities:

- Washington, DC;
- Augusta, ME;
- Concord, NH;
- Boston, MA;
- Providence, RI;
- Hartford, CT;
- Albany, NY;
- Trenton, NJ;
- Dover, DE;
- Annapolis, MD;
- Richmond, VA;
- Raleigh, NC;
- Columbia, SC;
- Atlanta, GA;
- Tallahassee, FL;
- Montgomery, AL;
- Jackson, MS;
- Baton Rouge, LA;
- Austin, TX;
- Sacramento, CA;
- Salem, OR;

- Olympia, WA;
- Anchorage, AK.

Specific dates, times, and venues will be posted on <https://www.boem.gov/National-OCS-Program>.

Cooperating Agencies: BOEM invites other Federal agencies and state, tribal, and local governments to consider becoming cooperating agencies in the preparation of the Programmatic EIS. Pursuant to CEQ regulations and guidelines, qualified agencies and governments are those with “jurisdiction by law or special expertise.” Potential cooperating agencies and governments should consider their authority and capacity to assume the responsibilities of a cooperating agency and remember that an agency’s role as a cooperating agency in the environmental analysis neither enlarges nor diminishes its authority in the NEPA process. BOEM will provide potential cooperating agencies with a written summary of expectations for cooperating agencies, including schedules, milestones, responsibilities, scope and expected detail of cooperating agencies’ contributions, and availability of predecisional information. BOEM anticipates this summary will form the basis for a Cooperating Agency Agreement between

BOEM and any cooperating agency. Agencies should also consider the “Factors for Determining Cooperating Agency Status” in CEQ’s January 30, 2002, Memorandum for the Heads of Federal Agencies: *Cooperating Agencies in Implementing the Procedural Requirements of the National Environmental Policy Act*. This document is available on the website, <https://ceq.doe.gov/guidance/guidance.html>. BOEM, as lead agency, does not plan to provide financial assistance to cooperating agencies. Even if an organization is not a cooperating agency, opportunities will exist to provide information and comments to BOEM during the normal public input stages of the NEPA process.

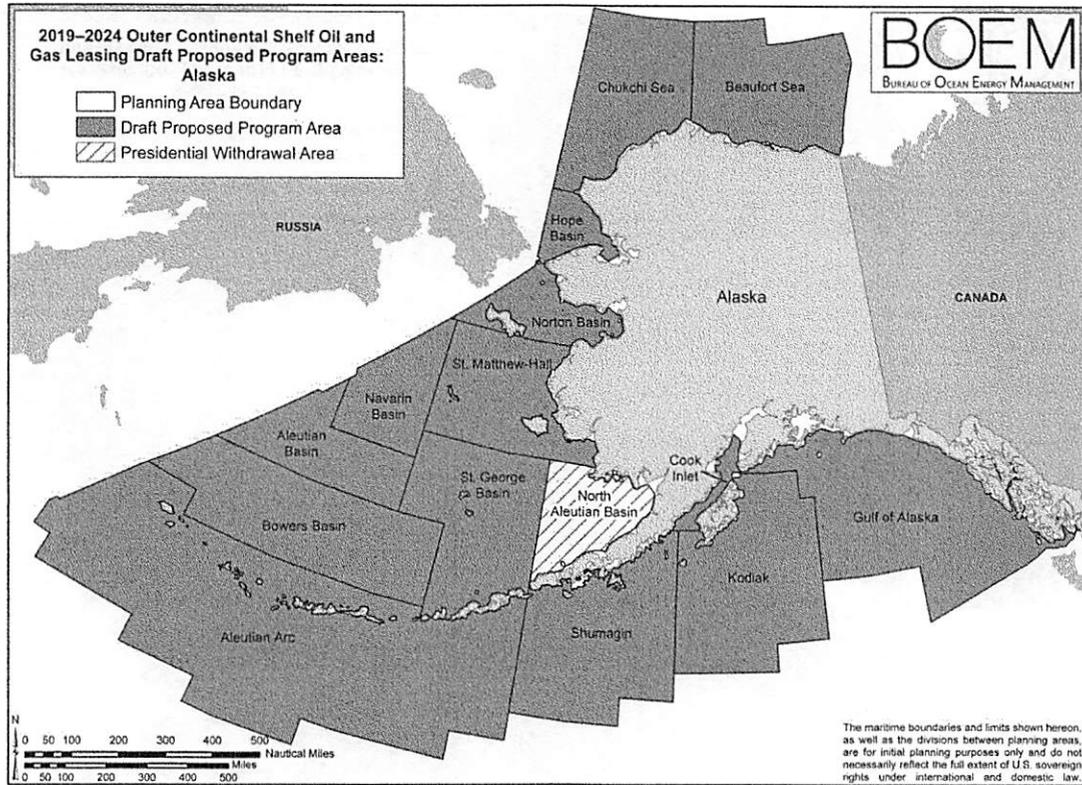
Authority: This NOA for the DPP for the 2019–2024 Program is published in accordance with section 18 of OCSLA and its implementing regulations (30 CFR part 556). This NOI to prepare the 2019–2024 Programmatic EIS is published pursuant to the regulations (40 CFR 1501.7 and 43 CFR 46.235) implementing the provisions of NEPA.

Dated: December 11, 2018.

Walter Cruickshank,
Acting Director, Bureau of Ocean Energy Management.

BILLING CODE 4310–MR–P

Figure 2: DPP Map - Alaska



[FR Doc. 2018-00083 Filed 1-5-18; 8:45 am]
BILLING CODE 4310-MR-C

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337-TA-1093]

Certain Mobile Electronic Devices and Radio Frequency and Processing Components Thereof (II); Institution of Investigation

AGENCY: U.S. International Trade Commission.

ACTION: Notice.

SUMMARY: Notice is hereby given that a complaint was filed with the U.S. International Trade Commission on November 30, 2017, under section 337 of the Tariff Act of 1930, as amended, on behalf of Qualcomm Incorporated of San Diego, California. The complaint alleges violations of section 337 based upon the importation into the United States, the sale for importation, and the sale within the United States after importation of certain mobile electronic devices and radio frequency and processing components thereof by reason of infringement of certain claims

of U.S. Patent No. 9,154,356 (“the ‘356 patent”); U.S. Patent No. 9,473,336 (“the ‘336 patent”); U.S. Patent No. 8,063,674 (“the ‘674 patent”); U.S. Patent No. 7,693,002 (“the ‘002 patent”); and U.S. Patent No. 9,552,633 (“the ‘633 patent”). The complaint further alleges that an industry in the United States exists as required by the applicable Federal Statute.

The complainant requests that the Commission institute an investigation and, after the investigation, issue a limited exclusion order and a cease and desist order.

ADDRESSES: The complaint, except for any confidential information contained therein, is available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street SW, Room 112, Washington, DC 20436, telephone (202) 205-2000. Hearing impaired individuals are advised that information on this matter can be obtained by contacting the Commission’s TDD terminal on (202) 205-1810. Persons with mobility impairments who will need special assistance in gaining access to the Commission should contact the Office of the Secretary at (202) 205-

2000. General information concerning the Commission may also be obtained by accessing its internet server at <https://www.usitc.gov>. The public record for this investigation may be viewed on the Commission’s electronic docket (EDIS) at <https://edis.usitc.gov>.

FOR FURTHER INFORMATION CONTACT: Pathenia M. Proctor, The Office of Unfair Import Investigations, U.S. International Trade Commission, telephone (202) 205-2560.

SUPPLEMENTARY INFORMATION:

Authority: The authority for institution of this investigation is contained in section 337 of the Tariff Act of 1930, as amended, 19 U.S.C. 1337 and in section 210.10 of the Commission’s Rules of Practice and Procedure, 19 CFR 210.10 (2017).

Scope of Investigation: Having considered the complaint, the U.S. International Trade Commission, on January 2, 2018, ordered that—

(1) Pursuant to subsection (b) of section 337 of the Tariff Act of 1930, as amended, an investigation be instituted to determine whether there is a violation of subsection (a)(1)(B) of section 337 in the importation into the United States, the sale for importation, or the sale within the United States after

Frequently Asked Questions

2019-2024 National Outer Continental Shelf Oil and Gas Leasing Program

1

What is the Outer Continental Shelf?

The Outer Continental Shelf (OCS) consists of all submerged lands (the seafloor) lying seaward of State waters. BOEM manages 1.7 billion acres of submerged lands on the OCS, which is more than 2/3 of the total land area of the United States! BOEM divides the OCS into 26 planning areas. Planning areas are an administrative division used as the initial basis for considering what areas to lease.

2

What is the Outer Continental Shelf Lands Act?

The Outer Continental Shelf Lands Act, or the OCS Lands Act, established the OCS as "a vital national resource reserve held by the Federal Government for the public, which should be made available for expeditious and orderly development, subject to environmental safeguards, in a manner which is consistent with the maintenance of competition and other national needs" and gave the Secretary of the Interior the authority to grant leases for the exploration, development, and production of oil and gas on the OCS.

The OCS Lands Act requires the Secretary of the Interior to prepare a five-year schedule of proposed oil and gas lease sales. The Secretary of the Interior and BOEM are embarking on the development of the 2019-2024 National OCS Oil and Gas Leasing Program (National OCS Program), which includes several opportunities for public involvement and comment.

3

What are the specific factors that the Secretary of the Interior must consider when developing a National OCS Program?

Per the OCS Lands Act, the Secretary must consider eight factors when determining the size, timing, and location of potential oil and gas lease sales:

- Geographical, Geological, and Ecological Characteristics
- Equitable Sharing of Developmental Benefits and Environmental Risks
- Location with Respect to Regional and National Energy Markets and Needs
- Other Uses of the Sea and Seabed
- Laws, Goals, and Policies of Affected States Identified by Governors
- Interest of Potential Oil and Gas Producers
- Environmental Sensitivity and Marine Productivity
- Environmental and Predictive Information

4

What is the Draft Proposed Program?

The Draft Proposed Program (DPP) is the first stage of a three-stage process to develop the National OCS Program. The National OCS Program development process starts with the broadest consideration of areas potentially available for leasing (i.e., all 26 OCS planning areas) and is narrowed through a winnowing process. Following the publication of the DPP, BOEM will publish a Proposed Program followed by the Proposed Final Program. The Secretary considers and makes a decision on all three program documents.

Inclusion of an area at the DPP phase is not a final indication it will be included in the National OCS Program or offered in a lease sale; many decisions will be made that may potentially reduce or remove areas or sales. The Draft Programmatic Environmental Impact Statement (EIS) analyzes the potential environmental impacts from activities that could occur based on the schedule of lease sales in the DPP.

Frequently Asked Questions

2019-2024 National Outer Continental Shelf Oil and Gas Leasing Program

5

What is a lease sale?

A lease sale is the process by which BOEM provides the right to apply for authorization to explore and develop the mineral resources within the leased area. Typically, a lease sale consists of many OCS blocks. Each block covers an area that is no more than 5,760 acres (a three mile by three mile area).

Before authorizing any activities, BOEM conducts a review under the National Environmental Policy Act (NEPA) and numerous other environmental laws to ensure that the activities will be conducted in a safe and environmentally sound manner, and that the interests of key stakeholders are considered.

6

What is NEPA?

NEPA was passed in 1970 and requires Federal agencies to consider potential environmental impacts of and alternatives to any action they propose. The NEPA process includes opportunities for public review and comment on these evaluations.

7

How does NEPA integrate with the OCS Lands Act process?

The NEPA process informs decision-making alongside the OCS Lands Act process. For the National OCS Program, BOEM is developing a Programmatic EIS. A Programmatic EIS is a document that contains the analyses regarding the potential environmental impacts of an action within a broad geographic scope, such as oil and gas leasing in OCS waters.

BOEM uses the Programmatic EIS to disclose the environmental impacts of the National OCS Program, ways to effectively avoid or mitigate those impacts, and other viable alternatives and options for the National OCS Program. The Secretary considers the Final Programmatic EIS together with the National OCS Program when making a final decision regarding the schedule of lease sales. In addition, BOEM prepares subsequent NEPA reviews before an area is leased, including site-specific analyses.

8

What is scoping?

The first step in the NEPA process is determining potential issues, impacts, and alternatives through a process called scoping. NEPA requires scoping to be an early and open process for determining the potentially significant issues to be addressed by the Programmatic EIS. BOEM is asking for input on what issues should be covered in this Programmatic EIS. The most important things to capture are what people, places, habitats, or species are the most likely to be affected, or other impacts on the environment.

A GUIDE to Providing Comments

2019-2024 National Outer Continental Shelf Oil and Gas Leasing Program

The Bureau of Ocean Energy Management (BOEM) is preparing public meetings for the 2019-2024 National Outer Continental Shelf (OCS) Oil and Gas Leasing Program. BOEM is asking all stakeholders to help identify areas or issues of concern for evaluation.

Your local expertise and perspective can help inform the decision about where and when to hold oil and gas lease sales.

1 Learn!

Visit boem.gov/National-Program/ or attend a public meeting.

2 Understand what input is useful

Help us identify areas or issues of concern for evaluation.

3 Determine how you will provide input

Sending comments via the website is recommended. You can also send them by mail.

4 Develop your comments

Write it down, map it out, or send us your data!

5 Submit!

Send your comments through regulations.gov



How to Learn More and Submit Comments

Two ways to learn more:

VISIT BOEM'S WEBSITE



Boem.gov/National-Program/ provides a centralized resource center with background information, details about the National OCS Program, helpful tips for providing comments, answers to frequently asked questions, and more!

ATTEND A PUBLIC MEETING



Public meetings will be an open house format to facilitate one-on-one conversations and to provide information. To find a meeting near you, please visit boem.gov/National-Program/.

SUBMIT YOUR COMMENTS



YOU CAN SUBMIT YOUR COMMENTS:

**1 ONLINE AT REGULATIONS.GOV
(PREFERRED METHOD)**



ONLINE

Follow the directions at regulations.gov. If you have data sets you would like to submit, you can do so via regulations.gov. For file sizes larger than 10 MB, please save to DVD-ROM and mail or bring to a public meeting.

2 BY MAIL OR HAND DELIVERY



HAND WRITTEN

Please submit your written comments via U.S. mail in envelopes labeled "Comments for the 2019-2024 Draft Proposed OCS Oil and Gas Leasing Program" and mail or hand deliver them:

3 AT A PUBLIC MEETING



PUBLIC MEETINGS

Comment forms and computers will be available for your use at the public meetings. To find a meeting near you, visit boem.gov/National-Program/.

Ms. Kelly Hammerle

National OCS Oil and Gas Leasing Program Manager
Bureau of Ocean Energy Management (VAM-LD)
45600 Woodland Road, Sterling, VA 20166-9216

FOR MORE INFORMATION



On the 2019-2024 National OCS Program, please contact:

Ms. Kelly Hammerle

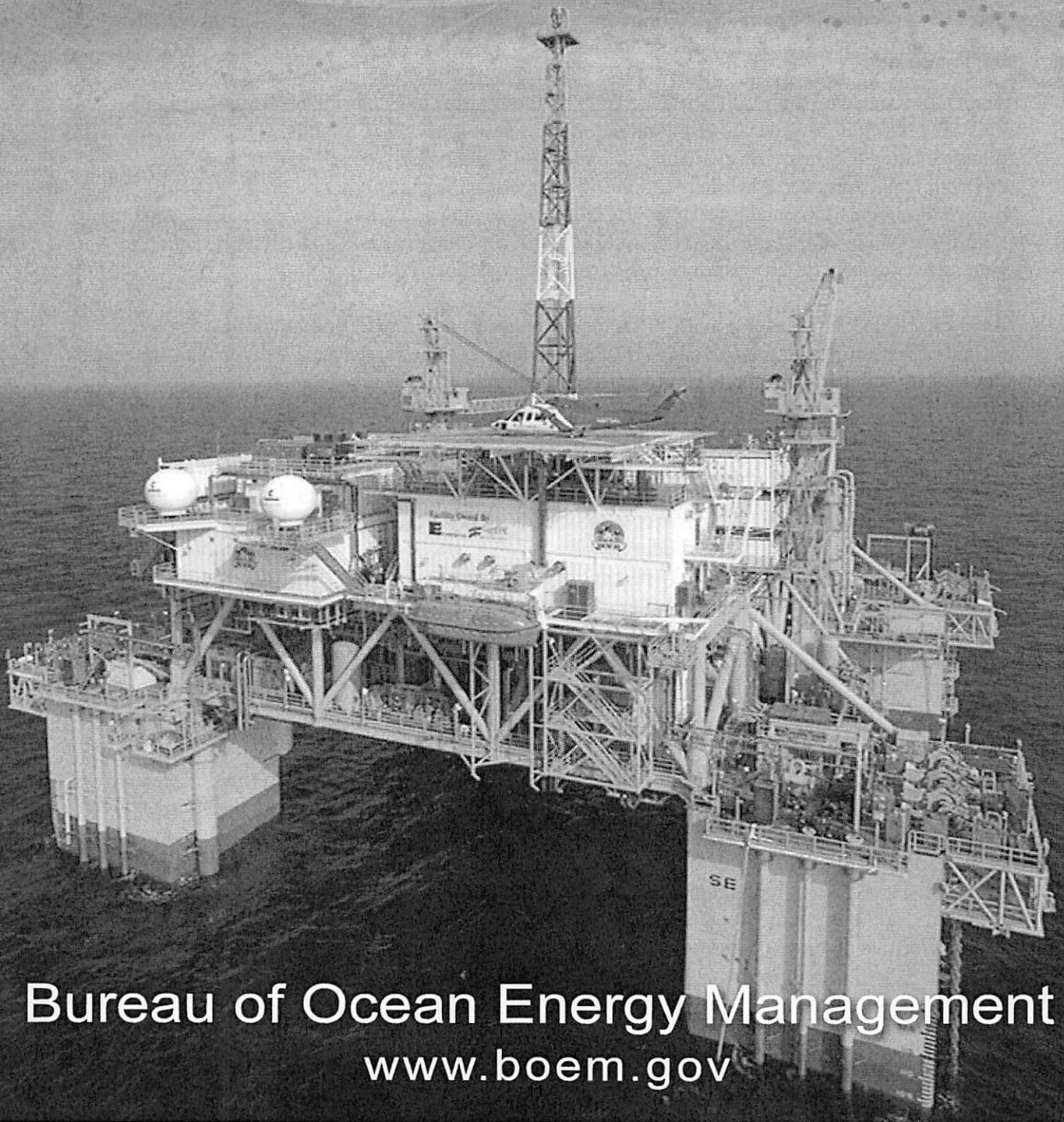
National OCS Oil and Gas Leasing Program Manager
at (703) 787-1613.

On the 2019-2024 Programmatic Environmental Impact Statement or potential impacts, please contact:

Dr. Jill Lewandowski

Division of Environmental Assessment Chief
at (703) 787-1703.

OIL AND GAS LEASING ON THE OUTER CONTINENTAL SHELF



Bureau of Ocean Energy Management
www.boem.gov

OIL AND GAS LEASING ON THE OUTER CONTINENTAL SHELF

Background

The Bureau of Ocean Energy Management (BOEM) is a bureau in the United States Department of the Interior (DOI) that manages the offshore energy resources of the Outer Continental Shelf (OCS). BOEM manages approximately 1.7 billion acres containing about 8,000 active leases of this federally owned offshore area while protecting the human, marine, and coastal environments through advanced science and technology research. The almost 36 million leased OCS acres generally account for about 7 percent of America's domestic natural gas production and about 24 percent of America's domestic oil production.

The OCS Lands Act authorizes the Secretary of the Interior to grant mineral leases and to prescribe regulations governing oil and natural gas activities on OCS lands. The OCS Lands Act mandates the OCS be made available for expeditious and orderly development, subject to environmental safeguards while maintaining competition for the OCS resources. Federal ownership begins three nautical miles off most coastal states; the exceptions are Texas and the Gulf coast of Florida where the OCS starts at about nine nautical miles. Federal jurisdiction generally ends around 200 nautical miles from the coastline.

Revenues from OCS leases consist of bonuses, royalties, and rentals and are collected by the Office of Natural Resource Revenue (ONRR). These revenues are shared with coastal states, as directed by statute, and the remaining funds deposited in the U.S. Treasury.

OCS revenues provide annual deposits of nearly \$900 million to the Land and Water Conservation Fund and \$150 million to the Historical Preservation Fund. By statute, coastal states share a portion of the revenues from OCS leasing and production under three programs: 1) the Outer Continental Shelf Lands Act (OCS Lands Act) section 8(g) revenue sharing program that provides states with offshore federal leases located within the first three miles from the state's seaward boundary receive 27 percent of the revenue generated from those leases; 2) the Coastal Impact Assistance Program (CIAP) for Alaska, Alabama, California, Louisiana, Mississippi, and Texas; and, 3) the Gulf of Mexico Energy Security Act (GOMESA) for Alabama, Louisiana, Mississippi and Texas.

Reorganization

The Bureau of Ocean Energy Management, Regulation, and Enforcement (BOEMRE) recently underwent a reorganization that was completed in October 2011. BOEMRE replaced the previous Minerals Management Service (MMS) by separating out the revenue collection responsibilities to ONRR. BOEMRE was then further sub-divided into two independent agencies. The resource management roles, including leasing, economic analysis, resource evaluation and environmental analysis, reside with BOEM. The safety and enforcement responsibilities including operations, inspections, and environmental compliance are located

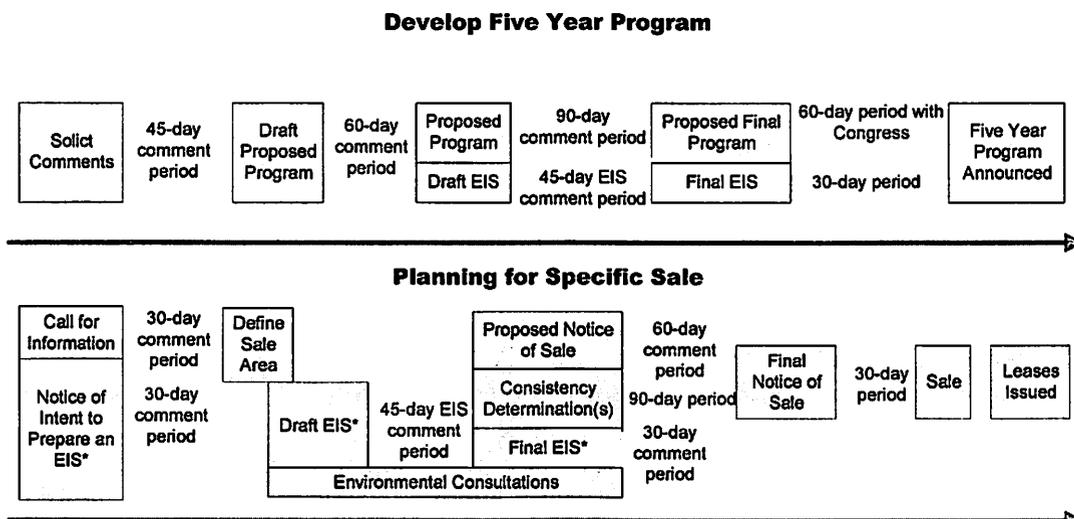
within the Bureau of Safety and Environmental Enforcement (BSEE). The reorganization of the former MMS and BOEMRE was intended to remove the perceived and real conflicting missions of these agencies by clarifying and separating missions across three agencies and providing each of the new agencies with clear missions and additional resources necessary to fulfill those missions.

The Oil & Gas Leasing Process

BOEM has start-to-finish oversight responsibility on oil and gas leasing activities within the OCS. Section 18 of the OCS Lands Act, requires the Secretary of the Interior to prepare an oil and gas leasing program that consists of a 5-year schedule of proposed lease sales that shows the size, timing, and location of leasing activity as precisely as possible. This Five Year Program must balance the priorities of meeting national energy needs, environmentally sound and safe operations, and fair market return to the taxpayer.

For any specific lease sale to be held, it must be included in an approved Five Year Program. A lease sale cannot be added later to an existing Five Year Program without an act of Congress. Whether a lease sale is held depends on sale-specific analyses.

The Five Year Program preparation process includes three separate comment periods, two separate draft proposals, a final draft proposal, final secretarial approval, and development of an environmental impact statement (EIS). This statutory mandated process usually takes about two and a half years. The Five Year Program includes coordination with multiple federal agencies, state, local and tribal input. After the Secretary of the Interior approves the Program, the Proposed Final Five Year Program is sent to the President and Congress. After a minimum of 60 days, the Secretary may approve the program.



* Level of appropriate National Environmental Policy Act documentation to be determined based on the actual project proposed

Abbreviation: EIS – Environmental Impact Statement

The durations of comment periods are the minimum time frames required.

Figure 1: Leasing Process

The Sale Process

After adoption of a Five Year Program, the usual first step in the sale process for an individual area is to publish a Call for Information and Nominations and a Notice of Intent to Prepare an EIS in the *Federal Register*. The entire process from the Call to the sale may take two or more years (see Figure 1). Some proposed sale areas may include an additional first step — a request for industry to express their interest in the specific area before BOEM proceeds with the sale process. The lease sale process is described below. Note: the timeframes listed represent the minimum required by law and may be longer in some cases. For example, the Draft EIS has a 45-day comment period but sometimes a policy decision is made to provide 60 days because it can be a lengthy document.

- Call for Information/Notice of Intent to Prepare an EIS is published – This is the initial request for industry to identify those blocks within an OCS planning area in which they potentially have interest in leasing. Additionally, the public may comment on areas that should or should not be considered for leasing as well as issues pertinent to the EIS.
 - Scoping Meetings – These are public meetings conducted in the vicinity of the area proposed for leasing consideration in order to receive public comments regarding issues related to developing an EIS.
- Define Proposed Sale Area – BOEM analyzes comments and considers resource potential and environmental effects and recommends the geographic area to be analyzed in an EIS (called Area Identification).
- Draft EIS Published – The area identified undergoes a full NEPA analysis and a draft EIS is published with a 45-day public comment period.
 - Public Hearings – Public meetings are held inviting constituents and stakeholders to submit written or oral comments on the draft EIS; these meetings are held in selected localities near the proposed lease sale area.
- Final EIS is published – After considering comments on the draft EIS, a Final EIS is published with a 30-day comment period.
- Proposed Notice of Sale (NOS) Published – This is the first public document stating the proposed time and location of the proposed lease sale with the terms and conditions as well as the recommended mitigating measures. The Proposed Notice is sent to the Governor of the affected state(s) and the Governor has 60 days to comment on the proposed sale.
- Consistency Determination to affected states – BOEM prepares a consistency determination in accordance with the Coastal Zone Management Act (CZMA) to determine if the proposed lease sale is consistent with the affected state(s)' coastal zone policies. The state has 60 days to agree or disagree with the Federal consistency determination. There is an additional 15 days for an extension if the State requests it. After that, there is an additional 15 days for internal review, providing a total of 90 days for the consistency determination process.
- Final NOS Published – This Final NOS states the final terms and conditions of the lease sale and must be published in the *Federal Register* at least 30 days prior to the sale date. The Record of Decision for the EIS is typically issued concurrent with the Final NOS.

- **Sale** – No less than 30 days after the Final NOS is published in the *Federal Register*, sealed bids submitted by qualified bidders along with one-fifth of the bonus bid amount are publicly opened and read at the lease sale. The sale is conducted by the appropriate Regional Director, usually in the city in which the OCS regional office is located. Qualified bidders may submit bids on each available block listed in the Final NOS.
- **Leases Issued** – The lease sale is a transparent process. Bids are not accepted or rejected at that time of lease sale. BOEM accepts or rejects all bids within 90 days, although the time may be extended if necessary. The DOI reserves the right to reject any and all bids, regardless of the amount offered, if the bid does not meet BOEM's fair market value criteria. If a bid is rejected, any money deposited will be refunded with the bid plus any interest accrued. If the bid is accepted, the remaining four-fifth's bonus and first year rentals are due no more than 11 days after BOEM approves the bid.

Acquiring a Lease

BOEM places some restrictions on who may acquire a lease. In order to become a lease holder, a qualified bidder must be a legal entity under United States law. This includes being an American national, resident alien, corporation, or partnership, or any combination of the above. Prior leaseholders may be barred from acquiring new leases if they failed to exercise due diligence or have unacceptable operating performance. Additionally, a restricted bidder list prohibits major oil companies from jointly bidding on a lease, under certain conditions.

A lease conveys the right to explore for, develop, and produce the oil and gas contained within the lease area. Leases are offered as blocks which are nine square miles (3 miles on a side). No lease may be sold, exchanged, assigned, or otherwise transferred except with the approval of BOEM. Before BOEM issues a lease or approves an assignment of an existing lease, the high bidder or assignee must provide either a lease-specific or area-wide general bond.

BOEM may determine that the prospective lessee (or an existing lessee, as activities on the lease or the lessee's financial situation changes) needs to provide a supplemental bond as security in addition to the requirements for general bonds. BOEM may call for forfeiture of all or part of the bond or pledged security or performance by the guarantor if the high bidder refuses or fails, within the timeframe, to comply with any term or condition of the lease.

Fair Market Value

In administering the offshore oil and gas leasing program, BOEM is required by law to see that the Government receives a fair return for the lease rights granted and the minerals conveyed. BOEM uses a two-phased system of bid evaluation to assess the adequacy of bids based on multifaceted criteria.

Immediately after the bids are read publicly, BOEM begins the process of determining whether a bid can be accepted and a lease issued. Each high bid is first examined for technical and legal adequacy. Before any bid is accepted, the bidding results of the sale also are reviewed by the

Attorney General and the Federal Trade Commission to determine if awarding a lease would create a situation inconsistent with antitrust laws.

Each valid high bid resulting from these determinations is then analyzed from a fair market value perspective. It is important to note that the fair market value at the time of lease award is not based on the value of the oil and gas eventually discovered or produced; instead it is related to the value of the right to explore and, if there is a discovery, to develop and produce hydrocarbons. This value is therefore based on the expected, not actual, activities and results that are anticipated to occur after the sale.

Lease Terms and Conditions

An oil and natural gas lease grants the exclusive right to explore, develop, and produce oil and/or natural gas for a specific initial period (minimum of five and maximum of ten years) from a specific block of OCS land. All exploration, development, and production plans are carefully reviewed by BOEM to ensure that they will be performed in an environmentally sound and safe manner. If a discovery is made within the initial term of the lease, the lease is extended for as long as oil and/or natural gas is produced in paying quantities or approved drilling operations are conducted. The term of the lease may also be extended if a suspension of production or suspension of operations has been granted or directed. Examples of when a suspension of operations may be granted include weather delays such as hurricanes or other circumstances beyond the lessee's control. Examples of a suspension of production may include unforeseen delays in retrieving a drilling rig once a schedule and commitment to production has been demonstrated.

The lease is a contractual agreement and thus further spells out requirements for surety bonds, royalty payments, rental payments, and assignment or other transfers of the lease or any partial interest. No lease may be sold, exchanged, assigned, or otherwise transferred except with the approval of BOEM.

Appropriate stipulations are included in the OCS oil and natural gas leases in response to concerns raised by coastal states, federal agencies, tribes and other stakeholders. Examples of stipulations include required biological surveys of sensitive seafloor habitats, procedures for the protection of endangered and protected species, environmental training for operations personnel, special operating procedures near military bases or their zones of activity, visual impacts mitigation and other restrictions on OCS oil and natural gas operations. Lease stipulations are legally binding, contractual provisions designed as mitigating measures to address specific concerns pertinent to the lease.

In addition, the lease requires that the lessee comply with additional rules and regulations that may be issued after the lease is awarded. The Notice to Lessees and Operators (NLT) is used by BOEM to notify operators quickly within a particular OCS Region or nationwide concerning changes in administrative practices or procedures for complying with rules, regulations, and lease stipulations and/or to clarify requirements or to convey information.

When the lease is acquired, a bonus bid is paid. The bonus bid is the winning highest dollar amount paid at the time of lease sale. This acquisition cost reflects the opportunity cost of exploring and producing those minerals resources. During the initial term of a lease and before royalty on production is paid, the lessee pays annual rentals, in an amount prescribed in the Final Notice of Sale. Rentals reflect the holding cost of the lease during the initial term, prior to production in paying quantities. In recent sales, BOEM has imposed rentals that escalate over time to encourage faster exploration and development of leases.

The government receives a royalty payment once production starts. The royalty rate is a percentage of production. The royalty rate is used to calculate the royalty payment, that is, the dollar amount paid based on value of the amount of production. Under certain conditions, the royalty payment might be temporarily waived. Known as royalty relief, this generally occurs when an economic incentive is needed to spur additional production such as in a frontier area or deeper depth. Price thresholds or triggers suspend royalty payments if market prices are low but do not suspend royalty payments if market prices are high. Price thresholds provide an incentive when production might not otherwise occur. Additionally, they provide protection when market prices are high and the incentive is no longer needed.

Exploration, Development, and Production

The leasing and operations activities on the OCS are subject to the requirements of some 30 federal laws administered by numerous federal departments and agencies. In addition to the OCS Lands Act, other laws that may apply to OCS exploration, development, and production include, but are not limited to the:

- National Environmental Policy Act (NEPA)
- Endangered Species Act
- Coastal Zone Management Act
- Federal Water Pollution Control Act
- Ports and Water Safety Act
- Marine Mammal Protection Act
- Clean Air Act
- National Historic Preservation Act
- Oil Pollution Act
- Federal Oil and Gas Royalty Management Act

BOEM takes seriously its responsibilities to develop our nation's oil and gas resources in an environmentally sound and safe manner and to obtain fair market value for the American people. Our agency is committed to being responsive to the public's concerns and interests by maintaining a dialogue with all affected parties.