

November 1, 2023

Transmitted via email and regulations.gov

Ms. Bridgette Duplantis, Chief Leasing and Financial Responsibility Section BOEM, Gulf of Mexico OCS Region 1201 Elmwood Park Boulevard, Mail Stop GM 266A New Orleans, Louisiana 70123-2394

RE: Call for Information and Nominations for Western, Central, and Eastern Gulf of Mexico Outer Continental Shelf Oil and Gas Lease Sales for 2024-2029

Docket ID Number: BOEM-2023-0053

Dear Ms. Duplantis:

The Offshore Operators Committee (OOC) respectfully submits these comments in response to the above-referenced call for information and nominations published in the Federal Register, Volume 88, No. 189, pages 67801 – 67803. The OOC has been representing the majority of offshore oil and gas operators in the Gulf of Mexico (GOM) for over 75 years, and the GOM Outer Continental Shelf (OCS) Leasing Program is crucial to our members' ability to continue to meet America's energy needs.

The GOM is a vital oil and gas producing region that contributes nearly 15% of U.S. oil production. The GOM stands out as a premier global oil and gas producing region and a national strategic asset. As global energy demand continues to recover following the COVID-19 pandemic¹, the GOM should remain a premier energy basin and BOEM should continue to offer for lease the vast majority of the Western and Central GOM planning areas, as it has, year after year, since the federal government began area-wide leasing in the early 1980s. In addition, BOEM should continue to include the limited portion of the Eastern GOM planning area that has been offered in area-wide lease sales for more than two decades.

The offshore oil and gas industry supports more than 370,000 jobs and has a national annual GDP impact of \$30.76 billion². The GOM oil and gas supply and vendor chain, while concentrated along the Gulf Coast, extends throughout our nation. All 50 states have jobs and investments supported by the GOM oil and gas industry.

Programs of national significance, such as the Land and Water Conservation Fund ("LWCF"), depend on continued GOM oil and gas production. In particular, the LWCF and the programs it supports – such as the Outdoor Recreation Legacy Partnership – are funded entirely by revenues

¹ https://www.eia.gov/outlooks/steo/report/global oil.php

² https://www.noia.org/gulfimpact2020/

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from offshore oil and gas production. LWCF state grants have supported 45,000 projects in every county across the United States since 1965³. On August 4, 2020, the LWCF was permanently fully funded at \$900 million every year⁴. In addition, the Outdoor Recreation Legacy Partnership ("OLRP") awards grants – which are funded through the LWCF – to build or repair parks in economically distressed urban areas. More than 50 communities have been awarded grants to improve close-to-home access to the outdoors. Communities in cities as far away from the GOM as Detroit, Newark, and Los Angeles have been ORLP grant recipients⁵. Last year, the U.S. Department of the Interior announced another \$192 million in funding available for disbursement under this important program⁶.

Critically, this offshore production also comes with a smaller environmental impact than what has been seen in other regions of the world as it relates to the physical footprint, air emissions, and water use and management. The U.S. offshore is characterized by one of the strongest regulatory and oversight regimes in the world, making production here in the U.S. much cleaner and safer than many producing regions in the world. The offshore GOM produces high volumes of oil with a far smaller physical footprint than can be seen in other regions, so we should continue to support production here in the GOM rather than relying on dirtier production from other parts of the world.

The U.S. offshore oil and gas industry works in concert to produce domestic energy safely and responsibly, with one of the smallest greenhouse gas emissions footprints of the oil producing regions, as concluded by Wood Mackenzie⁷.

 $^{^{3}\ \}underline{\text{https://www.naco.org/blog/interior-announces-land-and-water-conservation-fund-lwcf-grants-states-and-territories-fy-2022}$

⁴ https://lwcfcoalition.org/about-lwcf

⁵ https://www.doi.gov/pressreleases/secretary-haaland-announces-61-million-increase-outdoor-access-urban-spaces

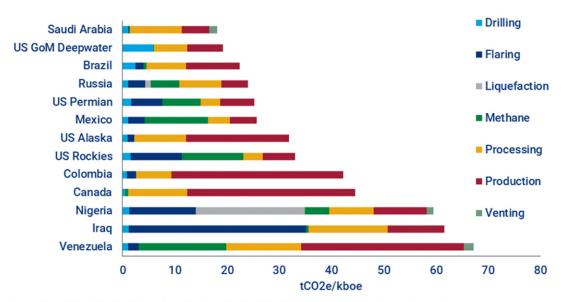
⁶https://www.doi.gov/pressreleases/interior-department-announces-192-million-create-public-parks-expand-recreation

⁷ https://www.woodmac.com/news/opinion/could-restricting-oil-production-in-the-us-gulf-of-mexico-lead-to-carbon-leakage/

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Emissions intensity for US crude importers



Source: Source: Wood Mackenzie Emissions Benchmarking Tool. Shipping/transport emissions are not included.
Countries averaging over 100,000 b/d imports to US over last three years are shown. Ecuador excluded

The world continues to need energy, especially responsibly produced oil and gas, as evidenced by the U.S. Energy Information Administration's Annual Energy Outlook of 2023. As the turmoil in Eastern Europe and the geopolitical upheaval triggered by Vladimir Putin have shown, energy security goes hand in hand with national security.

Policies that restrict domestic offshore development will not end oil production. They will simply outsource production to higher emitting countries. Climate change and solving emissions challenges are global challenges. As Wood Mackenzie has written, "Removing or handicapping a low emitter hurts the collective global average." Our energy reality makes it clear that BOEM should support offshore oil and gas leasing and offer all unleased or open blocks in the Western, Central and Eastern GOM planning areas, which allows greater access to federal offshore lands in the GOM. Offshore leasing is the direct pathway to a myriad of benefits that flow to Americans. On the other hand, restricting offshore leasing will exacerbate the adverse impacts to Americans of all walks of life, such as those we are witnessing in the European energy crisis.

With the exception of the "Blocks Not Offered for Leasing" described in BOEM's Final Notice of Sale for GOM OCS Oil and Gas Lease Sale 257, the OOC nominates all unleased or open blocks in the Western, Central and Eastern GOM planning areas to be offered for sale in the three OCS Lease Sales included in the 2024-2029 Proposed Final Program, which includes only GOM Program Area Lease Sales 262, 263 and 264. All of these leases have a high priority ranking by OOC.

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In conclusion, the OOC wholeheartedly nominates all unleased blocks that were offered for leasing in Lease Sale 257, in the Western, Central and Eastern GOM planning areas for lease in the upcoming OCS Lease Sales, reinforcing our commitment to a sustainable and secure energy future.

We appreciate your consideration of these comments. Please do not hesitate to contact the undersigned with any questions.

Sincerely,

Steve Hamm

Associate Director

Offshore Operators Committee

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cc:

Director Elizabeth Klein Bureau of Ocean Energy Management (BOEM) Department of the Interior 45600 Sterling, Virginia 20166-9216