Minerals Management Service

Mission

The Minerals Management Service manages the ocean energy and mineral resources on the Outer Continental Shelf and Federal and Indian mineral revenues to enhance public and trust benefits, promote responsible use, and realize fair value.
Cumulative Mineral Lease
Revenue Disbursement ~ $210.69 Billion

- Since 1982, MMS has distributed $210.69 billion in revenues from onshore and offshore lands to the Nation, states, and American Indians.
- The MMS distribution to the U.S. Treasury is one of the Federal government's greatest sources of non-tax income.

Regional OCS Oil & Gas Activity

- Gulf of Mexico - most active
  - ~6600 leases (58% in depth > 1000 ft); ~20% producing
  - Production: 1.5 million bopd; 6.6 Bcf/gpd
- Pacific
  - 49 leases, 43 producing; 23 platforms
  - Production: 65,000 bopd; 129 MMcf/gpd
- Alaska
  - 675 leases, 3 producing
  - Northstar ~22,000 bopd (3900 bopd Federal share)
  - Liberty - development
- Atlantic
  - Programmatic EIS to analyze effects of gathering seismic data

Note: Rounding may affect totals.
Example Subsea BOP Stack

Double Annular BOP*
Blue Control Pod
Choke / Kill Line Valve
Pipe Ram
Choke / Kill Line Valve

Riser Adapter
Flex Joint
Yellow Control Pod
LMRP** Connector
Blind / Shear Ram
Casing Shear Ram
Choke / Kill Line Valve
Wellhead Connector

* BOP = Blowout Preventer
** LMRP = Lower Marine Riser Package

Conceptual Relief Well Proposal
Comprehensive Energy Plan for the Outer Continental Shelf

Original 5-Year Oil and Gas Program 2007-2012

- 21 Sales in 8 OCS Planning Areas
- 2 sales
- 12 sales
- 8 sales

Access to:
- 181 million acres
- 2 new areas (NAB and VA)
- More acreage in Beaufort, Chukchi

5-Year OCS Oil and Gas Leasing Program 2007-2012

- Planning Area
- Final Program Area

Oil: 66 billion barrels
Gas: 324 trillion cubic feet
2007 – 2012 Five Year Program Litigation

In 2009 the U.S. Court of Appeals for the District of Columbia Circuit ordered a Program remand to the Department of the Interior on the narrow issue of the Environmental Sensitivity Analysis for the Beaufort, Chukchi, and Bering Seas in Alaska.

Steps to meet the Court’s Remand:

Publish Preliminary Final Program
(Published 4/2/2010)

Allow 30-Day Public Comment Period
(Closed 5/2/2010)

Secretary Approves Program
(Court will review the Secretary’s Approval
of the Program)

*On 3/31/2010, Secretary Salazar announced the removal of Bristol Bay from consideration and cancelled remaining sales in the Beaufort and Chukchi Seas.

Lease Sale 220 - Offshore Virginia

<table>
<thead>
<tr>
<th>Area</th>
<th>Acres (million)</th>
<th>Oil (bbls)</th>
<th>Gas (tcf)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mid-Atlantic</td>
<td>110.5</td>
<td>1.50</td>
<td>15.13</td>
</tr>
</tbody>
</table>

 Lease Sale 220 - Offshore Virginia

![Map of Lease Sale 220 Offshore Virginia](image)
Areas Under Consideration for Leasing in 2012 - 2017
Upcoming 5-Year Program (2012-2017)

The next steps include:

- Scoping for EIS (Spring 2010)
- Proposed Program & Draft Environmental Impact Statement
- Proposed Final Program & Final Environmental Impact Statement
- Approved Program

Mid- and South Atlantic areas to be analyzed in a Programmatic EIS for Geologic and Geophysical Activities
**OCS Hydrocarbon Potential**

16 Bbo (Oil) and 170 Tcf (Gas) produced since 1954

Significant potential remains as reserves in proven fields or resources in currently undiscovered fields.

The OCS contains an estimated 60% of the oil and 40% of the gas that remains undiscovered in the U.S.

<table>
<thead>
<tr>
<th>Resource Category*</th>
<th>Alaska OCS</th>
<th>Pacific OCS</th>
<th>Atlantic OCS</th>
<th>Gulf of Mexico OCS</th>
<th>Total OCS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reserves Oil</td>
<td>0.03</td>
<td>1.5</td>
<td>0</td>
<td>13.9</td>
<td>15.4</td>
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<tr>
<td>Gas</td>
<td>0</td>
<td>1.6</td>
<td>0</td>
<td>58.6</td>
<td>60.2</td>
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<tr>
<td>Resources Oil</td>
<td>26.6</td>
<td>10.5</td>
<td>3.8</td>
<td>44.9</td>
<td>85.8</td>
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<tr>
<td>Gas</td>
<td>132.1</td>
<td>18.3</td>
<td>37.6</td>
<td>232.5</td>
<td>419.9</td>
</tr>
</tbody>
</table>

* Undiscovered Technically Recoverable Resources
Reserves and Reserves Appreciation

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**Renewable Energy & Alternate Use**

MMS Authority: Section 388 of the Energy Policy Act of 2005

- Wind Energy
- Wave Energy
- Ocean Current Energy
- Solar Energy
- Hydrogen

**Alternate Uses**
- Research
- Education
- Recreation
- Offshore Operations Support
- Telecommunications

(uses not otherwise authorized by OCSLA, Deepwater Port Act, the Ocean Thermal Energy Conversion Act or other applicable law.)
Offshore Wind Resource Potential

<table>
<thead>
<tr>
<th>Region</th>
<th>GW by Depth (m)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0 - 30</td>
</tr>
<tr>
<td>New England</td>
<td>10.3</td>
</tr>
<tr>
<td>Mid-Atlantic</td>
<td>64.3</td>
</tr>
<tr>
<td>Great Lakes</td>
<td>15.5</td>
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<tr>
<td>California</td>
<td>0.0</td>
</tr>
<tr>
<td>Pacific Northwest</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>90.1</td>
</tr>
</tbody>
</table>

Renewable Energy Program

- Atlantic Offshore Wind Energy Consortium
  - MOU between DOI and 13 Atlantic coastal states
  - Coordination for the efficient, orderly, and responsible development of the significant wind resources of the OCS along the Atlantic coast

- West Coast Governors’ Agreement on Ocean Health and Renewable Ocean Energy Action Coordination Team

- MMS-State Renewable Energy Task Forces
  - Task forces in: Delaware, Rhode Island, Massachusetts, New Jersey, Virginia, Maryland
  - Establishing Task forces in: New York, South Carolina, and Florida
  - Forum for communication and collaboration among state, local, and tribal governments and Federal agencies
Renewable Energy Program

- Delaware Request for Interest (RFI)
  - Commercial wind
  - Submissions of interest must be received by: **June 25, 2010**
- Commercial Projects
  - Applications received offshore VA (2) and NJ (1)
  - RFI development with Task Forces underway

Renewable Energy Program

**Cape Wind Energy Project**
- Proposal consists of 130, 3.6 MW wind turbine generators; 25 sq. miles - Nantucket Sound
- DEIS published Jan. 2008
- FEIS published Jan. 2009
- ROD issued by Secretary Salazar on **April 28, 2010**
MMS Stewardship of OCS Energy and Mineral Resources, Marine Environment, and Mineral Revenues