

LEGAL UPDATE

November 2021 Prepared by: Marianna Knister Gordon Arata

BOEM Resumes Oil and Gas Lease Sale for the Gulf of Mexico

In compliance with an order from the US District Court for the Western District of Louisiana, the Bureau of Ocean Management (BOEM) announced Thursday that it will hold an oil and gas lease sale for the Gulf of Mexico on November 17, 2021.

That court order was rendered in response to President Biden's January 2021 Executive Order 14008, which paused new oil and gas leases on federal lands and offshore waters in order to provide a period for a review of the program's climate impacts. Thirteen states, including Louisiana, jointly sued President Biden and the Interior Department in March 2021 to undo the executive order. Plaintiff states argued that the White House neglected to provide a required comment period and bypassed other bureaucratic steps. US District Judge Terry Doughty of the Western District of Louisiana granted a preliminary injunction to those plaintiff states and required that lease sales be resumed across the US. In his decision, Judge Doughty found that "[t]he omission of any rational explanation in cancelling the lease sales, and in enacting the Pause, results in this Court ruling that Plaintiff States also have a substantial likelihood of success on the merits of this claim."

The Interior Department agreed to comply with the ruling; however, the Administration will continue its comprehensive review of the alleged deficiencies associated with offshore and onshore oil and gas leasing programs.

Initially scheduled by the Trump Administration for March 2021, Lease Sale 257 was cancelled in February 2021 in compliance with Executive Order 14008. Lease Sale 257 will be the eighth offshore sale under the 2017-2022 Outer Continental Shelf (OCS) Oil and Gas Leasing Program, and will be live streamed from New Orleans. The Lease Sale will include approximately 15,135 unleased blocks located from 3 to 231 miles offshore in the Gulf of Mexico, with water depths ranging from 9 to more than 11,115 feet (3 to 3,400 meters). This will be the first lease sale held by the Biden Administration.

Terms and conditions of Lease Sale 257 are detailed in the Final Notice of Sale (FNOS) information package, available at www.boem.gov/sale-257. Copies of Sale 257 maps can be obtained by contacting the BOEM Gulf of Mexico Region public information office at 1201 Elmwood Park Blvd. New Orleans, LA 70123-2394 or by calling 1-800-200-GULF.