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# ***Leasing Activities Information***

***BOEM***

U.S. Department of the Interior  
Bureau of Ocean Energy Management  
Gulf of Mexico OCS Region

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## **FINAL NOTICE OF SALE 247 Central Planning Area**

Attached is the Final Notice of Sale (NOS) Package (Package), for the Central Gulf of Mexico Planning Area Oil and Gas Lease Sale 247 (CPA Sale 247) scheduled to be held via live streaming at 9 a.m. on Wednesday, March 22, 2017, at 1201 Elmwood Park Blvd. in New Orleans, Louisiana.

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This Package consists of:

- Final NOS for CPA Sale 247
- Lease Stipulations
- Information to Lessees
- Bid Form (in a fillable format) and a Sample Envelope
- Telephone Numbers/Addresses of Bidders Form (in a fillable format)
- Example of Preferred Format - Geophysical Data and Information Statement (in a fillable format) and a Sample Envelope
- Lease Terms and Financial Conditions Map (pdf) (zip)
- Stipulations and Deferred Blocks Map (pdf) (zip)
- List of Blocks Available for Leasing
- Unleased Split Blocks and Available Unleased Acreage of Blocks and Irregular Portions Under Lease or Deferred

All maps listed above are available from the BOEM Gulf of Mexico (GOM) Region Public Information Office; telephone (800) 200-GULF or (504) 736-2519; or by written request to:

Bureau of Ocean Energy Management  
Gulf of Mexico OCS Region  
Public Information Office (GM 217G)  
1201 Elmwood Park Boulevard  
New Orleans, Louisiana 70123-2394

All of these documents, including the maps, may also be found on the Lease Sale Information page on the BOEM GOM website at <http://www.boem.gov/sale-247/>

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## **Please Note:**

This is the fifth and last Gulf of Mexico Region sale in the 2012-2017 Five-Year Program. Terms and conditions for CPA Sale 247 are the same as previous sales held in the Gulf of Mexico, with the most recent being Western Planning Area (WPA) Sale 248, held in August 2016. The following noteworthy matters are highlighted for your attention:

### **Change to Bid Opening Procedure**

**There will be a change in the bid opening procedure. The bid opening at 1201 Elmwood Park Blvd., New Orleans, LA, will not be open to the public. Instead, the bid opening will be available for the public to view in real-time on BOEM's website at [www.boem.gov](http://www.boem.gov) via video live-streaming beginning at 9:00 a.m. on the day of the sale. The use of live-streaming to announce bids is being implemented to provide greater access to a wider national and international audience while ensuring the security of BOEM staff. BOEM will also post the results on its website after bid opening and reading is completed.**

### **Royalty Rate**

Bidders are advised that the royalty rate on all blocks in all water depths is 18 ¾%.

### **New Flower Garden Banks Expansion (FGBNMS) ITL**

Bidders are advised that on June 10, 2016, the National Oceanic and Atmospheric Administration published a Notice of Availability (NOA) in the *Federal Register* of a Draft Environmental Impact Statement (Draft EIS) analyzing the proposed expansion of the Flower Garden Banks National Marine Sanctuary (FGBNMS or Sanctuary) boundaries, based on the recommendation contained within the Sanctuary Expansion Action Plan of the FGBNMS Management Plan (April 2012). [81 Fed. Reg. 37576 (June 10, 2016); <https://www.gpo.gov/fdsys/pkg/FR-2016-06-10/pdf/2016-13661.pdf>.

Bidders are advised that certain activities related to oil and gas exploration and development are already prohibited within a portion of several of the banks recommended for expansion, as these areas have been designated "No Activity Zones" by BOEM (See Stipulation 1: Topographic Features). These restrictions are also explained in NTL No. 2009-G39: "Biologically Sensitive Underwater Features and Areas," for the Central and Western planning areas of the OCS in the Gulf of Mexico.

### **Bid Adequacy Procedures Change**

BOEM removed the Number of Bids Rule from its bid adequacy procedures. This bid adequacy change is in effect and will apply to any bids received for the CPA Sale 247. The updated procedures are posted on BOEM's website at <https://www.boem.gov/Bid-Adequacy-Procedures/>

### **Updated Electronic Funds Transfer (EFT) Instructions**

Bidders are advised that the EFT instructions have been updated. Please note important payment information on the new ONRR Payment Information webpage at <http://onrr.gov/ReportPay/payments.htm>. Please refer to the following website for complete information: <http://www.boem.gov/sale-247/> .

### **Geophysical Data and Information Statements**

This Final NOS Package includes information for bidders regarding the submission of Geophysical Data and Information Statements (GDIS). Every bidder submitting a bid on a block in the CPA Sale 247, or participating as a joint bidder in such a bid, must submit at the time of bid submission a GDIS in a separate and sealed envelope, identifying any proprietary data, reprocessed speculative data and/or any Controlled Source Electromagnetic, Gravity or Magnetic data, or other information used as part of the decision to bid or participate in a bid on the block. **Please note: The GDIS Information Table may be submitted digitally on a CD or Digital Video Disc as an Excel Spreadsheet.**

### **Bidder/Lessee Notice Obligations Related to Criminal/Civil Charges and Offenses, Suspension or Debarment**

Bidders and/or Lessees are advised to refer to the CPA Sale 247 Information to Lessees document,

paragraph (17). This ITL clause reminds bidders/lessees that it is incumbent upon them to notify BOEM of any conviction that may result in a suspension and/or debarment prohibiting them from entering into a contract with the United States.

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**Blocks Not Offered for Leasing:**

All whole or partial blocks in the CPA deferred by the Gulf of Mexico Energy Security Act of 2006, Pub. L. No. 109-432:

Pensacola (OPD NH 16-05)

Whole Blocks: 751 through 754, 793 through 798, 837 through 842, 881 through 886, 925 through 930, and 969 through 975

Destin Dome (OPD NH 16-08)

Whole Blocks: 1 through 7, 45 through 51, 89 through 96, 133 through 140, 177 through 184, 221 through 228, 265 through 273, 309 through 317, 353 through 361, 397 through 405, 441 through 450, 485 through 494, 529 through 538, 573 through 582, 617 through 627, 661 through 671, 705 through 715, 749 through 759, 793 through 804, 837 through 848, 881 through 892, 925 through 936, and 969 through 981

DeSoto Canyon (OPD NH 16-11)

Whole Blocks: 1 through 15, 45 through 59, and 92 through 102  
Partial Blocks: 16, 60, 61, 89 through 91, 103 through 105, and 135 through 147

Henderson (OPD NG 16-05)

Partial Blocks: 114, 158, 202, 246, 290, 334, 335, 378, 379, 422, and 423

Blocks that are adjacent to or beyond the United States Exclusive Economic Zone in the area known as the northern portion of the Eastern Gap:

Lund South (OPD NG 16-07)

Whole Blocks: 128, 129, 169 through 173, 208 through 217, 248 through 261, 293 through 305, and 349

Henderson (OPD NG 16-05)

Whole Blocks: 466, 508 through 510, 551 through 554, 594 through 599, 637 through 643, 679 through 687, 722 through 731, 764 through 775, 807 through 819, 849 through 862, 891 through 905, 933 through 949, and 975 through 992  
Partial Blocks: 467, 511, 555, 556, 600, 644, 688, 732, 776, 777, 820, 821, 863, 864, 906, 907, 950, 993, and 994

Florida Plain (OPD NG 16-08)

Whole Blocks: 5 through 24, 46 through 67, 89 through 110, 133 through 154, 177 through 197, 221 through 240, 265 through 283, 309 through 327, and 363 through 370

The lease status of the following blocks are currently under appeal:

West Cameron (Leasing Map LA1) Block 171

**Statistical Information (CPA Sale 247):**

**Approximate Size:** 9,118 unleased blocks; approximately 48.53 million acres

**Initial Period:**

5 years for blocks in water depths less than 400 meters (subject to administrative requirements noted in the Final NOS for CPA Sale 247) :	3,000 blocks
5 years for blocks in water 400 meters to less than 800 meters (subject to administrative requirements noted in the Final NOS for CPA Sale 247) :	347 blocks
7 years for blocks in water depths of 800 meters to less than 1600 meters (subject to administrative requirements noted in the Final NOS for EPA Sale 247):	1,012 blocks
10 years for water depths of 1600 meters or greater	4,759 blocks

**Minimum Bonus Bid Amount:**

\$25.00 or more per acre for water depths less than 400 meters	3,000 blocks
\$100.00 or more per acre or fraction thereof for water depths 400 meters or deeper:	6,118 blocks

**Rental Rates:**

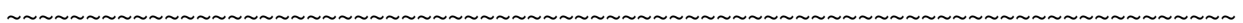
\$7.00 per acre or fraction thereof for water depths less than 200 meters (with a possible escalation to as much as \$28.00 per acre if the lease has an approved extension of the initial 5 year period) :	2,752 blocks
\$11.00 per acre or fraction thereof for water depths of less than 400 meters (with a possible escalation to as much as \$44.00 per acre as noted in the Final NOS);	248 blocks
\$11.00 per acre or fraction thereof for water depths 400 meters or deeper (with possible escalation to as much as \$16.00 per acre as noted in the Final NOS):	6,118 blocks

**Minimum Royalty Rates:**

\$7.00 per acre or fraction thereof for water depths less than 200 meters:	2,752 blocks
\$11.00 per acre or fraction thereof for water depths 200 meters or deeper:	6,366 blocks

**Royalty Rates:**

18.75% royalty rate in all water depths:	9,118 blocks
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For more information on the Final NOS Package for CPA Sale 247, potential bidders are advised to contact Ms. Cindy Thibodeaux at (504) 736-2809 or Mr. Greg Purvis at (504) 736-1729 of the BOEM Gulf of Mexico OCS Region Leasing and Financial Responsibility Section.

**Gulf of Mexico Region Public Information Office**  
**Bureau of Ocean Energy Management**  
**1201 Elmwood Park Boulevard**  
**New Orleans, Louisiana 70123-2394**  
**Telephone: (504) 736-2519 or (800) 200-GULF [4853]**  
BOEM website: <http://www.boem.gov>