

## MMS: Providing Energy for the Road Ahead

Regulating companies that meet today's energy needs – as well as the energy needs of the future – is the daily challenge of the Minerals Management Service's (MMS) Offshore Minerals Management Program.

### **Energy**

MMS has worked diligently for more than 25 years to build a successful offshore program that provides safe and environmentally sound Outer Continental Shelf (OCS) energy development for the benefit of the American people. MMS is committed to achieving the proper balance among the priorities of providing energy, protecting coastal environments, and offshore safety.

As the steward of mineral resources on the OCS, MMS is responsible for all phases of mineral resource management in Federal waters, about 1.76 billion acres of submerged lands. Oil from the OCS has contributed approximately 27 percent of total U.S. oil production and approximately 15 percent of total U.S. natural gas production.

Energy production in the OCS plays a key role in the President's National Energy Policy, enhancing the nation's energy security, supporting the economy, and ensuring America's quality of life. With passage of the Energy Policy Act of 2005, MMS also has lead authority for renewable energy projects, such as wind, wave, solar, and underwater current in offshore areas.

### **Environmental Protection**

MMS Environmental Studies Program is designed to protect the offshore environment from potential adverse impacts of energy and marine mineral resource exploration and development. Marine archaeology, ocean currents, life forms in extremely deep waters, sea ice conditions, and marine mammals are some of the topics currently being studied.

The studies provide scientific information that is critical to making decisions related to environmentally responsible energy development.



### **Offshore Worker Safety**

Safety in the offshore workplace is a top priority for MMS. An international leader in offshore safety, MMS has a regulatory program in place that sets standards for the design of facilities and the conduct of operations that is second to none. The Technology Assessment and Research program evaluates new technologies for possible use by the offshore industry with the dual goal of achieving an ever-increasing level of efficiency and providing the safest possible environment for offshore workers. Sound engineering standards and rigorous inspections are critical. MMS works closely with the energy industry to ensure the continued safety of offshore facilities for offshore workers. During Hurricane Katrina, for example, workers were evacuated without a single injury or fatality.

## ***Energy from the Deep***

Energy exploration in the deep waters of the Gulf of Mexico is perhaps the most exciting aspect of offshore energy exploration today. Most of the energy discoveries of recent years have been found in the Gulf's deep waters, with more than 50 percent of the Gulf's 8,000 active leases in deep waters.

What qualifies as deep water? A water depth greater than or equal to 1,000 feet is generally considered to be deep water. A depth of greater than 5,000 feet is considered to be ultra-deep water. Five thousand feet is equal to about 33 "Statues of Liberty" stacked on top of each other. (The Statue of Liberty stands 151 feet from base to torch.)

Energy production has increased at a rapid rate in the Gulf's deep waters. More than 980 exploration wells have been drilled in the deepwater Gulf since 1995 and at least 126 deepwater discoveries have been announced since then. There are 35 Gulf Deepwater projects currently active, as of January 7, 2008. For 2006, Gulf Deepwater production totaled 342,531,863 barrels of oil and 1,094, 672,953 Mcf of natural gas. This represents about 72% of total Gulf oil and about 38% of total Gulf gas production.

## ***Coastal Restoration***

Eroding coastlines are an increasing concern as more and more people choose to make their homes in or near coastal areas. The Energy Policy Act of 2005 established the Coastal Impact Assistance Program (CIAP), which in turn authorizes the Secretary of the Interior to distribute \$250 million annually for fiscal years 2007 through 2010 among six Outer Continental Shelf (OCS) oil and gas producing States. The Secretary has delegated this authority and responsibility to the Minerals Management Service.

## ***Rigs Become Reefs***

Our Rigs to Reefs policy provides a first-rate example of environmental stewardship and protection. The MMS works with state Rigs to Reefs Programs to reuse oil and gas platforms in the OCS for reef development. A platform can provide two to three acres of living and feeding habitat for thousands of underwater species whose survival depends on the protection provided by the structures.

## ***Securing the Future***

The MMS offshore program is dedicated to securing America's energy future and quality of life while protecting offshore workers and the environment.

MMS manages offshore oil and gas exploration and development as well as renewable and alternative energy sources such as wind, wave, and current on 1.76 billion acres of the Outer Continental Shelf while protecting the human, marine, and coastal environments. MMS also collects, accounts for, and disburses mineral revenues from Federal and American Indian lands, sharing revenues with states, American Indians and individual lease holders, and the U.S. Treasury. The revenues are also contributed to the Land and Water Conservation Fund and other special use funds. In Fiscal Year 2007, MMS disbursed approximately \$11.7 billion, totaling more than \$176 billion since 1982.

For more information on the Minerals Management Service, go to [www.mms.gov](http://www.mms.gov).

***People Promoting Energy, the Environment and the Economy***