



United States Department of the Interior

BUREAU OF OCEAN ENERGY MANAGEMENT

Gulf of Mexico OCS Region
1201 Elmwood Park Boulevard
New Orleans, LA 70123-2394

December 29, 2020

To Record Title Owner(s):

In August 2020, President Trump signed into law the Great American Outdoors Act (Public Law 116-152), establishing the National Parks and Public Land Legacy Restoration Fund. Among other things, this landmark legislation dedicates 50 percent of all funds received to the U.S. Treasury from energy development on the Outer Continental Shelf (OCS) in Fiscal Years 2021-2025 to priority deferred maintenance projects in our nation's National Parks, National Wildlife Refuge System, Bureau of Land Management, Bureau of Indian Education schools, and National Forest System.

As record title owners of Federal OCS leases, your development of offshore mineral resources and subsequent payments in the form of royalties, rents, and other fees contribute to this unprecedented investment in our public lands, as well as billions of dollars each year directly to the U.S. Treasury. It is worth noting that these contributions are in addition to the approximately \$60 billion in economic output, \$33 billion in value added, \$19 billion in labor income, and more than 280,000 jobs from domestic offshore energy in Fiscal Year 2019, as well as the affordable and reliable energy this development provides to the nation.

As you know, under existing law the federal government has a duty to process your properly submitted permits in a reasonably timely manner. According to existing regulations, you must obtain approval of an Application for Permit to Drill (APD) before beginning to drill any well or to sidetrack, bypass, or deepen a well, and an approved Application for Permit to Modify (APM) for subsequent modifications to well operations, however, no specific timeframe for these actions is defined in the regulations or your existing lease terms.

In order to promote the orderly and expeditious development of the OCS, the Bureau of Ocean Energy Management (BOEM) recently included such a timeframe for APD and APM decisions in a lease stipulation issued as part of Gulf of Mexico Region-wide Sale 256 held on November 18, 2020.

Now, BOEM is offering to make a similar clarification to the APD and APM timeframes by revising your lease instruments through the attached amendment. By the Lessor and Lessee(s) mutually agreeing to the terms of this amendment, both parties will benefit from the certainty and clarity this language provides, as well as from the continued orderly and expeditious development of the OCS.

If you and every other record title interest owner agree to the attached amendment for some or all of your leases, please complete and sign one original copy, with Exhibit "A" Schedule of Leases, attached, and return it to BOEM. In the attached Exhibit "A," Schedule of Leases, please enter the lease number, the effective date, and the name of each Lessee, and its percentage of record title interest. Please be sure that the company name and the signatory official match those in your company qualification file.

This agreement may be signed in counterparts, but you must submit all of them to BOEM in one package to expedite processing. BOEM recommends returning the signed agreement(s) as soon as possible to ensure timely processing of the amendment(s) in January 2021. BOEM will accept electronic filing and signing of these agreements. If you have any questions, please contact Yolanda Winslow at (504) 736-2851 or Bernadette Thomas at (504) 736-2596.

Your prompt attention to this matter and response are welcomed.

Sincerely,

Michael A. Celata
Director, Gulf of Mexico Office
Department of Interior Region 1,2,4 and 6
Bureau of Ocean Energy Management

AMENDMENT TO FEDERAL OCS OIL AND GAS LEASE

This amendment agreement (hereinafter “agreement”) is entered into by and between the United States of America (hereinafter called the “Lessor”), by the Bureau of Ocean Energy Management (BOEM), its authorized officer, and the undersigned parties (individually or collectively referred to as “Lessee”). In consideration of the mutual benefits and the promises, terms, conditions, and covenants contained herein, Lessor and Lessee hereby agree to the following provisions to each lease listed on Exhibit “A”:

1. **Timeframe for Decisions on an Application for Permit to Drill (APD) and an Application for Permit to Modify (APM)**

In order to provide for the prompt and efficient exploration and development of a lease area, and to the extent not inconsistent with other applicable law (e.g. National Environmental Policy Act, Endangered Species Act [ESA] and any applicable biological opinion or review process developed during ESA consultation), for APDs and APMs submitted to the Bureau of Safety and Environmental Enforcement (BSEE) under this lease, the following provisions shall apply to APDs submitted under 30 C.F.R. § 250.410 and APMs submitted under 30 C.F.R. § 250.465, provided the well and the intended operation have been described in an approved exploration plan, development and production plan, or development operations coordination document, if required.

A. Timeframe for decision on APD or APM. Not later than 75 days after the APD or APM is received, the District Manager will:

1. Approve the APD or APM, unless an environmental assessment or environmental impact statement is required under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*) and those, or compliance with other applicable law, cannot be completed within such timeframe, or where the activities described in the proposed APD or APM cannot be mitigated to provide adequate provisions for safety, environmental protection, and conservation of natural resources to comply with the lease, the Outer Continental Shelf Lands Act (“the Act”), the regulations prescribed under the Act, and other Federal laws;
2. Notify the applicant of any modifications it must make to the proposed APD or APM to meet the requirements necessary to receive BSEE approval under paragraph (a)(1), including additional information the applicant must provide if the application is incomplete; or
3. Disapprove the proposed APD or APM and notify the applicant of the decision in writing and the reasons for disapproving the APD or APM.

B. Submitting a modified APD or APM or resubmitting a disapproved APD or APM.

1. If the District Manager requires the applicant to modify its APD or APM, the applicant must submit the modifications in the same manner as a new APD or APM. The applicant needs to submit only the information related to the proposed modifications.
2. If the District Manager disapproves its APD or APM, the applicant may resubmit the APD or APM if there is a change in the conditions that were the basis for its disapproval.
3. If the applicant does not submit the modifications within 120 days after being notified of the needed modifications under paragraph (a), the District Manager may deem its APD or APM withdrawn.

C. Timeframe for Decision on a Modified or Resubmitted APD or APM.

1. The District Manager will approve, require the applicant to further modify, or disapprove its modified or resubmitted APD or APM.
2. The District Manager will make a decision within 60 days after the District Manager receives the applicant's modified or resubmitted APD or APM, or receives the last amendment to its modified or resubmitted APD or APM, whichever occurs later.

D. Exceptions to Timeframes for Decision on an APD or APM.

1. The timeframes above for a decision on an APD or APM do not apply if approval of the APD or APM by that date is incompatible with a court order, if reaching a decision requires additional time due to the inclusion of new and unusual technology in the APM or APD or occurrence of a force majeure event, or if additional time is required to comply with another applicable law or consultation process (e.g., step-down review required in a biological opinion under ESA).
 2. The District Manager will notify the applicant in writing as soon as practicable if the District Manager is unable to meet the timeframes, the reasons for being unable to do so under (1) and provide a reasonable estimate of the timeframe needed to complete the review.
2. This agreement is subject to the Outer Continental Shelf Lands Act of August 7, 1953, 67 Stat. 462; 43 U.S.C. § 1331 et seq., as amended (the "Act"), and Lessee is subject to, and shall fully comply with, all applicable regulations now or to be issued under the Act.

This instrument may be executed in any number of counterparts, each of which will be deemed an original instrument, but all of which together shall constitute but one and the same instrument provided, however, this instrument and any other counterpart hereof, will not be binding unless and until executed by all of the parties, and will not be accepted by the Bureau of Ocean Energy Management unless all counterparts are filed simultaneously. A signatory, authorized pursuant to the qualification records on file with BOEM, Gulf of Mexico Region (GOMR), Adjudication Section, must execute on behalf of the Lessee, and return the same to the BOEM GOMR Office of Leasing and Plans, Adjudication Section, 1201 Elmwood Park Blvd., MS 276A, New Orleans, LA 70123 or to permitleaseamendment@boem.gov.

3. Exhibit "A," which sets forth a schedule of leases subject to this agreement, as well as the ownership thereof, is attached hereto and made a part hereof. For each lease on Exhibit "A" a signatory that is reflected as owning record title interest in a lease certifies it is the owner of record title interest in that lease and the record title interests of all signatories with stated record title interests in that lease, taken together, equal one hundred (100) percent.
4. This lease, as amended hereby, shall remain in full force and effect.

This agreement will be made effective between the parties hereto as of _____, upon the execution by the Bureau of Ocean Energy Management, United States Department of the Interior.

(Lessee)

THE UNITED STATES OF AMERICA, Lessor

(Lessee Qualification No.)

(Signature of Authorized Officer)

(Signature of Authorized Officer)

(Name of Signatory)

(Name of Signatory)

(Title)

(Title)

(Date)

(Date)

(Address)

(Lessee)

(Lessee)

(Lessee Qualification No.)

(Lessee Qualification No.)

(Signature of Authorized Officer)

(Signature of Authorized Officer)

(Name of Signatory)

(Name of Signatory)

(Title)

(Title)

(Date)

(Date)

(Address)

(Address)

(Lessee)

(Lessee)

(Lessee Qualification No.)

(Lessee Qualification No.)

(Signature of Authorized Officer)

(Signature of Authorized Officer)

(Name of Signatory)

(Name of Signatory)

(Title)

(Title)

(Date)

(Date)

(Address)

(Address)

EXAMPLE FORMAT
Exhibit "A"
Schedule of Leases

1. Lease OCS-G#####, Effective December 24, 2018

Offshore U.S.A. Inc. 50.00%

Deepwater Energy 50.00%

2. Lease OCS-G#####, Effective July 1, 2016

Deepwater Energy 100.00%