



Ms. Kelly Hammerle
Five Year Program Manager
Bureau of Ocean Energy Management (HM-20)
81 Elden Street
Herndon, VA 20170

March 9, 2018

Re: Request for Comments on the Draft Proposed Outer Continental Shelf Oil and Gas Leasing Program for 2019-2024 and Notice of Intent to Prepare a Programmatic Environmental Impact Statement.

Docket ID: BOEM-207-0074

Dear Ms. Hammerle,

The Independent Petroleum Association of America (IPAA) appreciates the opportunity to submit comments on the 2019-2024 Draft Proposed Outer Continental Shelf (OCS) Oil and Gas Leasing Program (DPP).

IPAA is a national trade association representing the thousands of U.S. independent oil and natural gas explorers and producers, as well as the service and supply industries that support their efforts. Independent producers develop 90 percent of American wells, produce more than 50 percent of American oil, and more than 85 percent of American natural gas. IPAA is dedicated to ensuring a strong, viable American oil and natural gas industry, recognizing that a secure supply of energy developed in an environmentally responsible manner is essential to the United States economy.

The federal OCS has been a foundation of American energy policy since the 1950's and provides outstanding oil and natural gas exploration and production opportunities for independent producers. The offshore industry can and will bring large volumes of oil and natural gas safely and efficiently to market from currently unavailable areas of the OCS, if those areas are reasonably made available for leasing. As global energy demand continues to increase, a failure to provide U.S. producers with needed access to the OCS will increase U.S. energy prices, slow economic growth, and create hardship for American consumers. It is essential that the Bureau of Ocean Energy Management (BOEM) develop a leasing program that maximizes the opportunities for our nation to address its energy needs. Increasing the safe development of offshore oil and natural gas resources would create high-paying American jobs, economic development, and strengthen energy security for not only the coastal states but across the nation. IPAA believes that America's long-term energy security and job creation should be top priorities for our nation.

IPAA supports the Administration's DPP and the inclusion of 25 areas proposed for leasing. Since the 1950s, the United States has benefitted from safe and responsible development in the OCS, which has played a vital role in helping the United States become the world's leading producer of oil and natural gas. While the United States reaches near-record levels of production, we continue to import nearly 7 million barrels of oil per day. Increased access to additional areas of the OCS with known resources for safe and responsible development could continue to reduce American dependence on foreign sources of energy. This will also

help support President Trump's vision of an America-first energy policy, as detailed in Executive Order 13795 and Secretarial Order 3350.

The 2019-2024 DPP, which starts with all planning areas available for consideration, is a vital first step in letting the free market drive production in areas that are economically viable. It is essential that the BOEM consider this priority when developing a final leasing program to maximize the opportunity for our nation to address its energy needs. The Gulf of Mexico has been a critical component of U.S. energy production for decades and has safely produced over one million barrels of oil per day for the last 20 years. Our country's rich natural resources do not stop at the Central Gulf of Mexico. IPAA member companies would welcome the opportunity to lease areas in the Eastern Gulf of Mexico as they believe these areas could be safely, responsibly, and economically developed just like the rest of the Gulf.

U.S. oil and natural gas is forecast to continue powering our daily lives for decades to come. A robust offshore oil and natural gas leasing program is critical to keep up with America's growing energy demands. Long-term energy security can only be attained by a commitment to expanding access. Furthermore, it is important to consider the length of time required to fully develop a lease offshore. The time from lease sale to first production in the OCS can be 10 to 15 years, particularly in new frontier areas. Long-term planning is crucial to provide certainty to IPAA member companies as well as the American consumers.

America's offshore energy resources belong to all Americans. BOEM, being good stewards of U.S. waters, must always remember that the *Outer Continental Shelf Leasing Act* (OCSLA) supports a leasing program that is broad in scope, encompassing multiple OCS planning areas. Through royalties and bonus bids, the American taxpayer benefits from a thriving and active offshore leasing program. America's independent oil and natural gas producers, like the ones IPAA represents, need to see predictability and certainty in the federal leasing process before they are willing to invest hundreds of millions of dollars in capital to develop new projects offshore. A robust offshore leasing program is vital to ensuring our nation's long-term, uninterrupted energy needs. Never has it been more important for U.S. energy policy decisions to be driven by the free market, not by imposing punitive regulations from Washington, D.C.

IPAA appreciates the opportunity to provide BOEM with these comments on the Draft Proposed Five-Year Program for 2019-2024.

Sincerely,



Daniel T. Naatz
Senior Vice President
Government Relations
Independent Petroleum Association of America