

Outer Continental Shelf Lands Act

43 U.S.C. §§1331-1356

Jurisdiction

Exclusive **federal jurisdiction** extends to the subsoil and seabed of the **Outer Continental Shelf (OCS)**. [43 U.S.C. §1332(1)] (In general, the OCS lies beyond the seaward boundaries of states. *See* Submerged Lands Act §2(b), 4, above.) [43 U.S.C. §1331(a)]

Where not inconsistent with federal law, state laws are declared to be the law of the United States for the adjacent areas of the OCS. [43 U.S.C. §1333(a)(2)]

Administration of leasing

The Secretary of the Interior shall promulgate regulations relating to the **leasing** of the OCS. [43 U.S.C. §1334(a)]

The regulations shall include provisions for the suspension of activities where there is a threat of harm to life (including aquatic life) or to the environment. [43 U.S.C. §1334(a)(1)]

The regulations shall also include provisions for the **cancellation of leases** or permits where continued activity would probably cause serious harm or damage to life (including aquatic life) or to the environment for an unreasonable period of time, and where the advantages of cancellation outweigh the advantages of continuing the lease or permit in force. Such cancellation shall not occur until a suspension of operations has been in effect for five years, and shall entitle the lessee to compensation. [43 U.S.C. §1334(a)(2)]

The issuance and continuance of any lease shall be conditioned on compliance with the regulations, and leases may be canceled because of noncompliance. [43 U.S.C. §1334(b)-(d)]

Pipeline rights-of-way through the submerged lands of the OCS may be **forfeited** by failure to comply with regulations requiring the best available and safest technologies. [43 U.S.C. §1334(e)]

The Secretary shall prevent, through the **cooperative development** of an area, the harmful effects of unrestrained competitive production of hydrocarbons from a common hydrocarbon-bearing area underlying a federal and state boundary. [43 U.S.C. §1334(j)(2)]

Grants of leases

When soliciting nominations for the **leasing of lands wholly or partially within three nautical miles of the seaward boundary** of any coastal state, the Secretary shall provide information concerning the proposed leasing to the governor of the state. [43 U.S.C. §1337(g)(1)] The Secretary shall also transmit a portion of the revenues from any such leases to the state. [43 U.S.C. §1337(g)(2)]

Leases may be granted for **“hardrock” minerals**, in addition to oil, gas, and sulfur. [43 U.S.C. §1337(k)(1)]

Geological and geophysical exploration

Any person authorized by the Secretary may conduct **geological and geophysical explorations** in the OCS that are not unduly harmful to aquatic life in the area. (This provision does not apply to exploration pursuant to an approved exploration plan in an area subject to a lease.) [43 U.S.C. §1340(a)]

In order to commence exploration pursuant to a federal oil and gas lease, the holder must first submit an **exploration plan** to the Secretary for approval. The Secretary shall approve such a plan if it is consistent with the Act and its regulations. [43 U.S.C. §1340(c)(1)]

The Secretary shall not approve any activity described in such a plan that will affect the coastal zone of a state with a management program approved under the **Coastal Zone Management Act**, unless the state concurs with the **consistency certification**. [43 U.S.C. §1340(c)(2)]

No permit for exploration shall be issued if the exploration will be unduly harmful to aquatic life, result in pollution, create hazardous conditions, unreasonably interfere with other uses of the area, or disturb any area of historical or architectural significance. [43 U.S.C. §1340(g)]

OCS Leasing Program

The Secretary shall prepare and periodically revise an **oil and gas leasing program** consisting of a schedule of proposed lease sales that will best meet national energy needs for the five-year period following its approval. [43 U.S.C. §1344(a)]

The oil and gas leasing program shall consider environmental values of the resources of the OCS, and the potential impact of oil and gas exploration on other resource values of the OCS and the environment. [43 U.S.C. §1344(a)(1)] In addition, the **timing and location** of exploration and development shall take into account, among other factors, the laws and policies of affected states that have been identified as relevant by state governors, the environmental sensitivity and marine productivity of different areas of the OCS, and other relevant environmental information. [43 U.S.C. §1344(a)(2)]

The Secretary shall select the timing and location of leasing, to the maximum extent practicable, so as to obtain a proper balance between the potential for environmental damage, the potential for the discovery of oil and gas, and the potential for adverse impact on the coastal zone. [43 U.S.C. §1344(a)(3)]

The Act establishes the **procedures** that the Secretary shall follow in developing and managing an oil and gas leasing program, including procedures for public comment by affected state and local governments. [43 U.S.C. §1344(c)-(h)]

The governor of any affected state or the executive of any affected local government may submit recommendations to the Secretary regarding proposed lease sales or development and production plans. [43 U.S.C. §1345(a)] The Secretary shall accept **recommendations from a governor**, and may accept **recommendations from a local government**, if they provide for a reasonable balance between the national interest (including the desirability of obtaining oil and gas supplies in a balanced manner) and the well-being of the citizens of the affected state. [43 U.S.C. §1345(c)]

Environmental studies

The Secretary shall conduct a study of areas included in oil and gas leases in order to obtain information for the assessment and management of environmental impacts on the human, marine, and coastal environments of the OCS and other coastal areas. [43 U.S.C. §1346(a)(1)]

Enforcement and citizen suits

Holders of leases and permits must maintain their

operations in compliance with regulations intended to protect the environment of the OCS and allow access to inspectors. [43 U.S.C. §1348(b)(2), (3)]

Any person with an adversely affected legal interest may commence a **citizen suit** against alleged violators or the Secretary. [43 U.S.C. §1349(a)(1)]

Civil and criminal penalties are available for various violations. [43 U.S.C. §1350]

Oil and gas development and production

Leases issued for the OCS (other than the Gulf of Mexico) must require that **development and production activities** conform to a plan that specifies the work to be performed, all facilities and operations directly related to the proposed development, and the environmental safeguards to be implemented. [43 U.S.C. §1351(a)-(c)]

The Secretary shall not grant any license or permit for any activity described in a plan unless any affected state with an approved management program under the **Coastal Zone Management Act** concurs with the **consistency certification**. [43 U.S.C. §1351(d)]

The Act establishes the procedures (including those under the National Environmental Policy Act) that the Secretary must follow in reviewing and approving or disapproving such plans. [43 U.S.C. §1351(h)]