

CONTENTS

	Page
List of tables	Ix
List of figures--	IX
Introduction	1
Definition of terms	2
Chapter I. Summary of findings	5
A. Introduction	
B. Information requested	6
C. Preliminary findings	6
1. Feasibility of separation of exploration from production	
2. Pilot project	6
3. Program cost	7
4. Program management	
5. Comparison of alternatives --	7
6. Other feasible modifications of present methods-	8
Chapter II. Background and issues	10
A. Role of the OCS in the future U.S. energy supply	10
B. Current and proposed OCS leasing	11
C. Proposals for change in the present system	15
D. OCS issues	
1. Public availability of resource information---	15
2. Public control of resource development	16
3. Return to the public	17
4. Efficiency of exploration	17
Chapter III. Exploration alternatives and underlying assumptions	19
A. Identification of exploration alternatives	19
B. Identification of representative OCS frontier areas--	20
C. Underlying assumptions	22
1. Potential resources-----+	
2. Geophysical and drilling procedures	22
3. Time requirements	24
4. Estimated costs	27
D. Description of exploration alternatives---!	28
1. Limited Government exploration	
2. Limited industry exploration	30
3. Intermediate Government exploration	32
4. Intermediate industry exploration	33
5. Full Government exploration and full industry exploration	
Chapter IV. Evaluation and comparison of exploration alternatives---	34
A. Introduction	34
B. Consideration of limited, intermediate, and full ex- ploration programs	34
C. Comparison of new exploration systems Government or industry) to present leasing practices	36
D. Comparison of Government v. industry alternatives.	
E. Factors affecting return to the public	41
Appendix 1-OCS leasing procedures and OCS safety and environmental protection activities of the Department of the Interior	46
Appendix 2-Comparison of bills amending the Outer Continental Shelf Lands Act: S. 426, S. 521, and related bills	57
Appendix 3-An economic analysis of alternative Outer Continental Shelf petroleum leasing policies	73

	Page
Appendix 4-The OCS petroleum pie-----	
Attachment A—OCS Lands Act of 1953 and Code of Federal Regulations__	96
Attachment B—Department of the Interior OCS orders 1 through 12_____	116
Attachment C—Comparison and analysis of S. 521 and S. 426_____	182
Attachment D—Analysis of S. 740, "The National Energy Production Board Act of 1975'-----	227
Attachment E—Oil and gas from the Outer Continental Shelf: Analysis of the "Energy Supply Act" and summary of Senate debate on S. 3221.____	236
Attachment F—An analysis of the Department of the Interior's proposed acceleration of development of oil and gas on the Outer Continental Shelf_____	250
Attachment G—Letters requesting OTA study_____	287

LIST OF TABLES

	Page
I-1. Comparison of the existing system with two alternatives for separating exploration from production	9
II-1. Status of leasing schedule (as of March 5, 1975)	
III-1. Data assumptions related to potential resources of regions	22
111-2. Summary of estimated seismics and exploratory drilling required--	23
111-3. OCS exploration programs—summary of time estimates	25
1114. OCS exploration programs—estimated dates for earliest discovery and production based on most realistic assumptions and starting programs in all regions in 1975	25
111-5. OCS exploration programs—summary of cost estimates	27
III-6. OCS exploration programs—exploration costs related to most optimistic data assumptions	28
III-7. A summary of the limited government exploration alternative---	
111-8. A summary of the limited industry exploration alternative	31
111-9. A summary of the intermediate government exploration alternative	
111-10. A summary of the intermediate industry exploration alternative__	33

LIST OF FIGURES

II-1. Proposed OCS planning schedule	13
II-2. OCS regions of interest for oil/gas exploration	14
III-1. OCS regions of interest for oil/gas exploration	20
III-2. Typical oil and gas exploration on the OCS—principal elements of alternative methods	26