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# Interior Proposes Revisions to Streamline Arctic Offshore Drilling

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Yesterday, the U.S. Department of the Interior (DOI) announced proposed targeted revisions to the regulations governing exploratory drilling on the Arctic Outer Continental Shelf (OCS), marking the Trump Administration's latest effort to reduce regulatory requirements for offshore energy development in Alaska. If finalized, the proposal would provide operators with greater flexibility in planning and conducting Arctic exploration while retaining certain aspects of the regulatory framework established by the 2016 Arctic Exploratory Drilling Rule.

For companies with existing Arctic OCS interests—or those evaluating future exploration opportunities—the proposal signals a continued policy shift toward facilitating offshore development in Alaska. Although the rule does not reopen Arctic leasing or alter permitting standards under other federal statutes, it would reduce compliance costs and operational constraints associated with exploratory drilling.

The proposed rule will be formally published in the *Federal Register* tomorrow.

**Why This Matters for Operators**

The proposal focuses on modernizing several requirements that Interior views as unnecessarily prescriptive or no longer reflective of current drilling technology and offshore operating practices. According to the Bureau of Safety and Environmental Enforcement and Bureau of Ocean Energy Management—now collectively known as the Marine Minerals Administration—advances in well-control technology, experience gained since adoption of the 2016 rule, and additional technical studies, including this 2019 National Petroleum Council Report, support a more flexible regulatory approach while continuing to protect workers, the environment, and Alaska Native subsistence resources.

From an operator's perspective, the proposed revisions could provide additional flexibility in several areas that have historically affected project planning, logistics, and cost, including:

- well control and source control requirements for Arctic exploratory wells;
- blowout preventer real-time monitoring requirements;
- relief rig planning and deployment;
- planning and documentation submitted with Exploration Plans and Development and Production Plans;

- elimination of the standalone Integrated Operations Plan requirement; and
- certain operational requirements unique to Alaska, including suspensions of operations and crane requirements for artificial islands.

Collectively, these revisions are intended to streamline compliance while preserving the underlying safety and environmental objectives of the existing regulations.

**Practical Implications for Operators**

Although many of the proposed changes are technical, they could have meaningful commercial implications for companies pursuing Arctic exploration.

*First*, the proposal would provide operators with greater flexibility in satisfying well-control and contingency planning requirements. Interior has indicated that existing regulations were developed before several technologies became more widely accepted and that the proposal is intended to better accommodate current industry practices.

*Second*, the proposal to eliminate the separate Integrated Operations Plan requirement could simplify the early stages of project planning by consolidating planning information into existing exploration plan submissions. While operators would still be required to provide comprehensive operational information, the agencies believe the change would eliminate duplicative reporting without reducing regulatory oversight.

*Third*, the proposal recognizes operational realities unique to Alaska's offshore environment. New provisions addressing suspensions of operations and production acknowledge that seasonal weather, sea ice, and limited operating windows can affect lease development timelines. For Alaska leaseholders, these changes could provide additional regulatory certainty when project schedules are affected by conditions outside an operator's control.

**The Broader Policy Context**

The proposal reflects the Administration's broader effort to encourage domestic energy development on federal lands and waters. Interior states that the rule implements Executive Orders directing federal agencies to review regulations that may unnecessarily burden energy development and follows a similar rulemaking effort first proposed in 2020 and withdrawn in 2021 following the change in administration.

Notably, Interior emphasizes that the proposal is not a wholesale repeal of the 2016 Arctic rule. Rather, it would retain much of the existing regulatory framework while revising selected provisions that the agencies believe impose unnecessary costs or duplicate existing requirements. At the same time, environmental organizations have criticized the proposal, arguing that it would weaken safeguards adopted following earlier Arctic offshore drilling operations. Those competing perspectives are likely to shape the public comment process and any subsequent litigation if the rule is finalized.

**Looking Ahead**

The proposed rule will be subject to a 60-day public comment period following publication in the *Federal Register*. Companies with Arctic lease interests, offshore operators, service providers, and other stakeholders should consider evaluating how the proposal could affect exploration strategies, permitting timelines, and compliance obligations.

Because several of the proposed revisions address operational requirements that directly influence project planning and logistics, interested parties may also wish to consider submitting comments on provisions affecting well-control planning, contingency equipment, exploration plan requirements, and Alaska-specific operational flexibilities before the rule is finalized.

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