

Decommissioning Offshore Oil and Gas Infrastructure: Issues for Congress

October 29, 2026

Congressional Research Service

<https://crsreports.congress.gov>

R49495



Decommissioning Offshore Oil and Gas Infrastructure: Issues for Congress

R49495

October 29, 2026

Laura B. Comay,
Coordinator
Specialist in Natural
Resources Policy

Caitlin Keating-Bitonti
Specialist in Natural
Resources Policy

Anthony R. Marshak
Analyst in Natural
Resources Policy

Decommissioning offshore oil and gas platforms and related infrastructure generally means removing these facilities from the seafloor, permanently plugging all wells, plugging or removing pipelines, clearing the seafloor of obstructions, and taking related actions associated with the end of oil and gas production from an offshore lease. Pursuant to the Outer Continental Shelf Lands Act (OCSLA; 43 U.S.C. §§1331-1356c), the Department of the Interior (DOI) has issued decommissioning regulations for oil and gas operators on the U.S. outer continental shelf (OCS). Regulating OCS decommissioning has posed challenges for DOI's ocean energy management agencies—the Bureau of Ocean Energy Management (BOEM) and the Bureau of Safety and Environmental Enforcement (BSEE), which are being merged into a new DOI agency called the Marine Minerals Administration.

Although DOI's regulations and lease provisions make offshore oil and gas lessees responsible for infrastructure decommissioning, lessees have not always fulfilled their decommissioning responsibilities. In 2024, the Government Accountability Office (GAO) reported that, of roughly 1,600 platforms and 8,000 wells existing in the Gulf of Mexico (now Gulf of America) at that time, more than 500 platforms and 2,700 wells were overdue for decommissioning under DOI regulations. In some cases, offshore operators have been unable to meet their decommissioning responsibilities—for instance, due to bankruptcy—leaving the federal government responsible for decommissioning such so-called *orphaned* infrastructure. Financial bonds required by DOI from offshore operators to cover decommissioning costs have not been sufficient to cover all liability in such cases.

Congress and successive presidential Administrations have considered how to address offshore decommissioning needs and how to reduce federal financial liability for decommissioning. Some approaches have involved changes to DOI's financial assurance and supplemental bonding regulations. Other approaches have considered ways to reduce lessees' decommissioning costs, especially through options for *decommissioning in place*. Under these approaches, lessees do not need to fully remove all infrastructure, but can leave some structures on the seafloor to serve various purposes. A prominent existing framework for decommissioning in place is the Rigs-to-Reefs program, under which some structures may remain in the ocean to serve as artificial reefs for marine life. Some Members of Congress and other stakeholders seek to grow this program, citing potential enhancements to fisheries and some marine industries, while others question whether the structures could pose environmental or navigational hazards. Other potential uses for legacy offshore infrastructure, such as repurposing for other offshore energy development, offshore aquaculture, or sea-based space launches, also have been proposed. In a regulatory agenda published in August 2026, DOI announced a proposal to make *toppling in place* (one method of decommissioning in place) the default standard for OCS infrastructure, under specified circumstances. Also, in September 2026, President Trump issued an executive order, "Restoring American Saltwater Angling and Recreation," which among other provisions directed DOI to establish a program to facilitate conversion of decommissioned offshore oil and gas and other-use structures into permanent artificial reefs through a variety of reefing methods.

Congress may continue to consider how to address economic and environmental issues related to offshore decommissioning and whether to promote alternatives to full infrastructure removal. Bills under consideration in the 119th Congress would address decommissioning enforcement (H.R. 8099, S. 4239), offshore lessees' financial strength and bonding requirements (H.R. 9034, H.R. 9035, S. 4715), federal appropriations for decommissioning activities (H.R. 9171), and artificial reefing and the Rigs-to-Reefs program (H.R. 5745).

Contents

Introduction	1
What Is Offshore Decommissioning?.....	2
Decommissioning Needs by Region	5
Financial Responsibility for Decommissioning	6
Financial Assurance	6
Changes to Financial Assurance Regulations.....	7
Other Potential Decommissioning Enforcement Mechanisms.....	9
Decommissioning in Place	10
Rigs-to-Reefs Program.....	11
Other Alternatives for Offshore Infrastructure Reuse	16
Issues and Legislation in the 119 th Congress.....	18
Decommissioning Enforcement	19
Lessees' Financial Strength and Bonding Requirements	19
Federal Appropriations for Decommissioning	20
Artificial Reefing	20

Figures

Figure 1. Simplified Illustration of Offshore Oil and Gas Fixed Platform.....	3
Figure 2. Artificial Reef Areas with Decommissioned Platforms on the Gulf of America Outer Continental Shelf.....	14

Contacts

Author Information.....	23
-------------------------	----

Introduction

Hundreds of offshore oil and natural gas platforms and associated facilities lie on the U.S. outer continental shelf (OCS), primarily in the Gulf of America.¹ These include platforms and other facilities that are actively used for oil and gas exploration and production, as well as some that are no longer in active use. Oil and gas developers have installed such infrastructure under leases issued by the Department of the Interior (DOI) for offshore oil and gas exploration and development, pursuant to the Outer Continental Shelf Lands Act (OCSLA; 43 U.S.C. §§1331-1356c).² Under DOI's regulations, when platforms, wells, and related facilities in offshore lease areas are "no longer useful for operations," lessees must remove the platforms from the OCS, permanently plug all wells, clear the seafloor of obstructions, and take related actions that are collectively known as *decommissioning*.³

Although the regulations make offshore oil and gas lessees responsible for infrastructure decommissioning, lessees have not always fulfilled their decommissioning responsibilities.⁴ In 2024, the Government Accountability Office (GAO) reported that, of roughly 1,600 platforms and 8,000 wells existing in the Gulf of Mexico (now Gulf of America) at that time, more than 500 platforms and 2,700 wells were overdue for decommissioning under DOI regulations.⁵ Offshore oil and gas infrastructure that is no longer used for operations but has not been decommissioned is sometimes referred to as *idle infrastructure* or *idle iron*. In some cases, offshore lessees are unable to meet their decommissioning responsibilities—for instance, due to bankruptcy—which could leave the federal government responsible for decommissioning such so-called *orphaned* infrastructure. As part of its leasing terms, DOI requires lessees to provide bonds that may be used to cover decommissioning costs if an operator fails to perform its decommissioning

¹ The U.S. outer continental shelf (OCS) is the federally managed ocean area extending from the outer boundaries of state-controlled waters (for most states, 3 nautical miles [nmi] from shore) to 200 nmi from shore, with some exceptions. For more information, see CRS Report RL33404, *Offshore Oil and Gas Development: Legal Framework*, by Adam Vann. Executive Order 14172, "Restoring Names That Honor American Greatness," issued on January 31, 2025, directed the renaming of the Gulf of Mexico to the Gulf of America for U.S. federal use; other countries may continue to refer to the water body as the Gulf of Mexico.

² Within the Department of the Interior (DOI), the Bureau of Ocean Energy Management (BOEM) has issued OCS oil and gas leases. A sister agency, DOI's Bureau of Safety and Environmental Enforcement (BSEE), has overseen the safety and operations of OCS oil and gas infrastructure. Pursuant to a DOI secretarial order of July 10, 2026, these two agencies are being merged into a new DOI agency called the Marine Minerals Administration. DOI Secretary's Order 3451, "Establishment of the Marine Minerals Administration," July 10, 2026, <https://www.doi.gov/document-library/secretary-order/so-3451-establishment-marine-minerals-administration>. Prior to their establishment as separate agencies in 2011, BOEM and BSEE, along with a third entity, DOI's Office of Natural Resources Revenue, had been unified as DOI's Minerals Management Service (MMS).

³ 30 C.F.R. Part 250, Subpart Q. Individual federal oil and gas lease agreements also contain decommissioning requirements that typically accord with those in the regulations.

⁴ The regulations (30 C.F.R. §250.1701) address decommissioning responsibilities for offshore *lessees* (i.e., entities holding a lease) and for holders of some other types of rights on the OCS, including operating rights, right-of-way grants for pipelines, and right-of-use and easement grants for activities on areas of the seabed outside of a lease. For simplicity, this report primarily discusses decommissioning responsibilities of offshore oil and gas *lessees*; the responsibilities are often similar for holders of other types of OCS rights. In some cases, the report refers to offshore *operators*, which may include holders of other types of OCS rights. Also, this report does not address decommissioning for holders of non-oil and gas leases (e.g., renewable energy leases) on the OCS. Regulations addressing decommissioning of renewable energy infrastructure on the OCS are at 30 C.F.R. Part 285, Subpart I.

⁵ Government Accountability Office (GAO), *Offshore Oil and Gas: Interior Needs to Improve Decommissioning Enforcement and Mitigate Related Risks*, GAO-24-106229, January 2024, p. 12, <https://www.gao.gov/products/gao-24-106229> (hereinafter GAO, *Interior Needs to Improve Decommissioning Enforcement*, GAO-24-106229). An offshore oil and gas platform typically contains multiple wells.

responsibilities.⁶ However, the bonds have sometimes been insufficient to account for the full costs of decommissioning. GAO estimated that, collectively, the bonds held by DOI for all oil and gas structures on the OCS are billions of dollars short of the total estimated decommissioning cost of all such structures.⁷ In recent years, Congress has provided some discretionary appropriations to DOI's Bureau of Safety and Environmental Enforcement (BSEE) for decommissioning existing orphaned infrastructure on the OCS.⁸

Congress and multiple presidential Administrations have considered how to facilitate lessees' compliance with offshore decommissioning requirements and how to reduce potential federal financial liability for decommissioning. Some approaches have involved changes to DOI's financial assurance and supplemental bonding regulations. Other approaches have considered ways to reduce lessees' decommissioning costs, especially through options for *decommissioning in place*.⁹ Under these approaches, lessees do not need to fully remove all infrastructure, but can leave some structures on the seafloor—for instance, as part of the Rigs-to-Reefs program (under which some structures may remain in the ocean to serve as artificial reefs for marine life) or by repurposing for different types of offshore energy development, sea-based space launches, or other purposes.¹⁰ Congress may continue to consider how to address policy concerns related to offshore decommissioning and whether to promote alternatives to full infrastructure removal.

What Is Offshore Decommissioning?

Decommissioning generally occurs when an offshore lease ceases to produce oil and gas in paying quantities, thus terminating the lease (unless a lease suspension has been approved or other specified conditions are met).¹¹ DOI's regulations state that within one year after a lease terminates, all wells must be permanently plugged and all infrastructure and equipment used in the exploration and production of oil and gas (**Figure 1**) must be removed from the marine environment.¹²

Decommissioning an offshore platform generally entails multiple steps:

- permanently plugging all wells supported by the platform (including severing the well casings 15 feet below the *mudline*)¹³ within one year after the lease terminates;

⁶ 30 C.F.R. Part 556, Subpart I.

⁷ GAO, *Interior Needs to Improve Decommissioning Enforcement*, GAO-24-106229, p. 26. For further discussion, see the section below on "Financial Assurance."

⁸ See the sections below on "Financial Assurance" and "Federal Appropriations for Decommissioning." Also see CRS In Focus IF13149, *Offshore Energy Agency Appropriations, FY2026*, by Laura B. Comay; and CRS In Focus IF12782, *Offshore Energy Agency Appropriations, FY2025*, by Laura B. Comay.

⁹ This CRS report uses the term *decommissioning in place* to refer to a broad range of options in which offshore infrastructure remains in the ocean after decommissioning. Such options may include instances where structures are left in their existing locations as well as instances where structures are moved to new ocean locations, such as when a platform is towed to a designated reefing area. In some other contexts, observers may use *in place* differently, for example, to distinguish instances where an offshore structure serves as an artificial reef at its original location from those where the structure is towed to a new ocean location.

¹⁰ For further discussion, see the section below on "Decommissioning in Place."

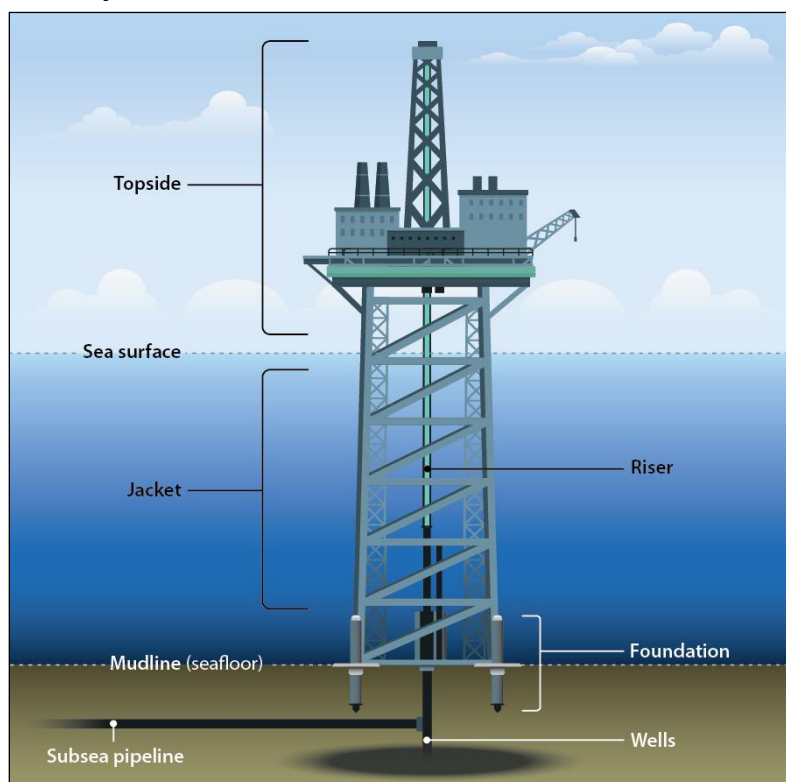
¹¹ 30 C.F.R. §556.601; and 30 C.F.R. Part 250, Subpart Q.

¹² 30 C.F.R. Part 250, Subpart Q, §§250.1710 and 250.1725.

¹³ In DOI regulations, the term *mudline* refers to the seafloor.

- removing all platforms and other facilities to at least 15 feet below the mudline within one year after the lease terminates, unless the platforms and other facilities are to be used for other approved activities;
- decommissioning all pipelines and removing any pipelines the BSEE regional supervisor determines are an obstruction or pose adverse environmental effects;¹⁴ and
- clearing the seafloor of all obstructions associated with oil and gas operations within 60 days after well plugging and platform removal.¹⁵

Figure 1. Simplified Illustration of Offshore Oil and Gas Fixed Platform



Source: Congressional Research Service.

Notes: Illustration shows selected parts of an offshore oil and gas platform that may be removed or in some cases reused for another purpose in the decommissioning process. The illustration shows subsea (buried) pipelines, but some pipelines may rest on top of the seafloor.

¹⁴ Under the regulations (30 C.F.R. §§250.1750-250.1751), if the BSEE regional supervisor determines that a pipeline does not constitute a hazard to navigation or commercial fishing, does not interfere with other OCS uses, and does not have adverse environmental effects, it can be decommissioned in place. Decommissioning in place involves flushing the pipeline, filling it with seawater, and cutting and plugging the ends, among other potential actions (30 C.F.R. §250.1751). In 2021, GAO estimated that under the regulations, more than 97% of end-of-life offshore pipelines had been approved for decommissioning in place (GAO, *Offshore Oil and Gas: Updated Regulations Needed to Improve Pipeline Oversight and Decommissioning*, March 2021, p. 12, <https://www.gao.gov/assets/gao-21-293.pdf>).

¹⁵ 30 C.F.R. Part 250, Subpart Q, §§250.1700-250.1754.

The removal of the platform and its associated equipment also includes its transportation to an area onshore for recycling or disposal.¹⁶ According to BSEE, “over the past decade, the offshore energy industry has averaged 127 platform removals per year.”¹⁷ In 2023, a study estimated the average costs to decommission a shallow-water or a deep-water *well* located on the OCS (i.e., federal waters) in the Gulf of America to be \$660,000 and \$24 million, respectively.¹⁸ The estimated cost does not include the cost for decommissioning the *platform* or associated infrastructure. In its 2024 report, GAO stated that decommissioning all infrastructure on a lease could cost tens of millions of dollars per lease in shallow water and hundreds of millions per lease in deep water.¹⁹

Although DOI’s regulations generally require lessees to “remove all platforms and other facilities” and to “clear the seafloor of all obstructions” created by the facilities,²⁰ the regulations provide for certain alternatives to full removal of the platform from the marine environment. One option is to allow all or part of a platform to remain on the OCS as part of a Rigs-to-Reefs program (i.e., as an artificial reef site).²¹ This generally involves one of three decommissioning methods that allow the structure to serve as an artificial reef for marine life:²²

1. *partial removal*—severing the platform at a permitted depth (typically at least 85 feet below the surface of the water) that allows a vessel to navigate in the area unobstructed, and placing the severed portion on the seafloor beside the base of the structure;
2. *toppling-in-place*—severing the entire structure from the seafloor and toppling it onto its side; or
3. *tow-and-place*—severing the structure from the seafloor and towing it to a selected reef.

Another option is to reuse or repurpose the offshore oil and gas facility for uses other than an artificial reef. For example, an offshore operator may apply to reuse a facility for activities that “support OCS oil and gas production and transportation” or for other energy-related and marine-related uses (e.g., offshore wind; subseafloor storage of natural gas or other substances).²³ An operator would need DOI approval to reuse or relocate an offshore oil and gas facility. Options for repurposing offshore oil and gas structures are discussed further below (section on “Decommissioning in Place”).

¹⁶ Mark J. Kaiser et al., *Assessment of Opportunities for Alternative Uses of Hydrocarbon Infrastructure in the Gulf of Mexico*, OCS Study BOEM, Regulation and Enforcement (BOEMRE) 2011-028, July 2011, p. 1 (hereinafter BOEMRE, *Assessment of Opportunities for Alternative Uses of Hydrocarbon Infrastructure*).

¹⁷ BSEE, “Decommissioning,” <https://www.bsee.gov/decommissioning>.

¹⁸ Mark Agerton et al., “Implications and Environmental Implications of Unplugged Wells for the Gulf of Mexico and Coastal Waters,” *Nature Energy*, vol. 8 (2023), pp. 536-547. The authors of this study “set the shallow-to-deep water cut-off at 1,000 feet.”

¹⁹ GAO, *Interior Needs to Improve Decommissioning Enforcement*, GAO-24-106229, p. 2. GAO defined deep water as any depth greater than 1,000 feet.

²⁰ 30 C.F.R. §250.1703.

²¹ 30 C.F.R. §250.1730. Also see BSEE, “Rigs-to-Reefs,” <https://www.bsee.gov/what-we-do/environmental-compliance/environmental-programs/rigs-to-reefs> (hereinafter BSEE, “Rigs to Reefs”).

²² BSEE, “Rigs-to-Reefs Program: Fact Sheet,” March 2022, <https://www.bsee.gov/sites/bsee.gov/files/rigs-to-reefs-program-fact-sheet.pdf>.

²³ 30 C.F.R. §250.1725.

Decommissioning Needs by Region

DOI divides the OCS into four regions: the Gulf of America, Pacific, Atlantic, and Alaska regions.²⁴ Almost all the OCS oil and gas infrastructure is located in the Gulf of America region, which accounts for 99% of U.S. offshore oil and gas production.²⁵ DOI data as of October 2026 show 1,306 oil and gas platforms in the Gulf of America region.²⁶ Many of these platforms are currently producing oil and gas, or are not due for decommissioning for other reasons.²⁷ However, some platforms are on leases that have terminated, meaning that decommissioning would typically be required. According to BSEE data updated in 2026, of 1,260 Gulf platform structures of selected types, 492 were located on leases that had terminated.²⁸ Of these, BSEE had received a decommissioning application for 240 structures.²⁹

The Pacific OCS region hosts 23 oil and gas platforms, all lying off the coast of Southern California. These platforms were installed in the 1960s to 1980s, and some have ceased to produce oil and gas in paying quantities. As of January 2026, BSEE listed 8 of the 23 platforms as being “in various stages of decommissioning.”³⁰

Infrastructure decommissioning issues are less immediately relevant in the Atlantic and Alaska OCS regions than in the Gulf of America and Pacific regions. There are no extant oil and gas platforms in the Atlantic OCS region. The Beaufort Sea planning area of the Alaska region has one project, a joint unit in federal and state waters, that continues to produce oil and gas.³¹ The other Alaska planning areas where federal leasing has taken place—Cook Inlet and Chukchi Sea—have no existing infrastructure in federal waters. (Alaska’s Cook Inlet has oil and gas platforms in state waters.)

For facilities in the Gulf and Pacific regions, some observers have identified risks associated with delays in decommissioning idle infrastructure. In its 2024 report, GAO identified “potentially

²⁴ For regional maps, see BOEM, “Maps and GIS Data,” <https://www.boem.gov/oil-gas-energy/mapping-and-data>.

²⁵ BOEM, *11th National Outer Continental Shelf Oil and Gas Leasing Draft Proposed Program: 1st Analysis and Proposal*, November 2025, p. 3-18, https://www.boem.gov/sites/default/files/documents/oil-gas-energy/national-program/11th_National_OCS_Program_1stAnalysis_and_Proposal.pdf.

²⁶ BOEM, “Data Center: Leasing Information, Offshore Statistics by Water Depth,” “Platforms” tab, <https://www.data.boem.gov/Main/Default.aspx>, accessed on October 19, 2026.

²⁷ For instance, a platform may be operated under a lease that is part of an approved unit agreement. Under a unit agreement, multiple lease interests are consolidated for joint exploration and development. Lessees may maintain unitized leases as long as any part of the unit continues to produce oil and gas, even if some parts of the unit have ended production (30 C.F.R. §556.601(e)). For more information, see BSEE, “Unitization,” <https://www.bsee.gov/guidance-and-regulations/guidance/unitization>.

²⁸ BSEE, Gulf of America Region Office, “OCS Facility Infrastructure,” <https://bobson.maps.arcgis.com/apps/dashboards/400bba386d3d4ec58396dbaa559c422c> (hereinafter BSEE OCS Facility Infrastructure map), accessed on October 19, 2026 (information is periodically updated). This map of Gulf facilities includes structures classified as fixed-leg platforms, caissons, and well protectors. For discussion of these platform types, see ICF International (prepared for BSEE), *Decommissioning Methodology and Cost Evaluation* (2023), Chapter 3, <https://www.bsee.gov/sites/bsee.gov/files/2023-03/738aa1%5B1%5D.pdf>.

²⁹ Under DOI regulations at 30 C.F.R. §250.1704, before beginning decommissioning activities, lessees must submit applications to BSEE and receive agency approval of their decommissioning plans. The applications include detailed descriptions of the infrastructure being decommissioned and the proposed removal work (30 C.F.R. §§250.1712 and 250.1726-1727). As of October 19, 2026, the BSEE OCS Facility Infrastructure map showed that 296 decommissioning applications had been submitted in total for the set of platforms shown on the map, and that 240 of these were for platforms on terminated leases.

³⁰ BSEE, “Pacific Region Federal OCS Decommissioning,” <https://www.bsee.gov/stats-facts/ocs-regions/pacific/pacific-region-federal-ocs-decommissioning>.

³¹ BSEE, “Northstar Unit,” <https://www.bsee.gov/stats-facts/offshore-information/northstar>.

serious” safety and environmental risks (in addition to financial risks to the federal government from decommissioning liability).³² GAO stated that safety concerns on idled platforms could stem from platform deterioration, such as degraded walkways that could endanger personnel accessing platforms. Environmental risks could include increased risk of oil spills due to a loss of tank or pipeline integrity. Some recent offshore incidents, such as an April 2025 oil spill in state waters off Plaquemines Parish in Louisiana, have been associated with aging idle infrastructure.³³

Financial Responsibility for Decommissioning

DOI regulations, as well as individual oil and gas leases, generally assign financial and operational responsibility for decommissioning to oil and gas lessees (subject to agency approval of decommissioning applications and plans).³⁴ Under the regulations, some of these responsibilities extend not only to the entity that holds the lease at the time it is terminated, but also to *predecessor* lessees that previously held the lease.³⁵

Financial Assurance

To help ensure that lessees fulfill their decommissioning responsibilities, DOI requires lessees to provide *financial assurance*, typically in the form of bonds, as part of their lease obligations. DOI regulations require lessees to provide financial assurance in specified amounts at several stages of the oil and gas leasing and development process, including before receiving a lease, before commencing lease exploration, and before engaging in development and production activities.³⁶ Beyond the base amounts required at each stage, DOI officials may determine that *supplemental* financial assurance is necessary to ensure compliance with lease obligations, including decommissioning obligations.³⁷ (If the lessee satisfactorily performs the lease obligations, including decommissioning, then DOI cancels the bond.)³⁸

The base and supplemental financial assurance that DOI requires from lessees has sometimes proven insufficient to cover all decommissioning costs when leases terminate. This has left the federal government with responsibility for decommissioning orphaned infrastructure when

³² GAO, *Interior Needs to Improve Decommissioning Enforcement*, GAO-24-106229, pp. 8-11.

³³ For more information on the April 2025 spill, which involved a blowout from an 83-year-old well that had ended production but had not been permanently plugged, see, for example, Eva Tesfaye, “An 83-Year-Old Oil Well Is Leaking off the Coast of Plaquemines Parish,” *WWNO New Orleans Public Radio*, May 2, 2025, <https://www.wwno.org/coastal-desk/2025-05-02/an-83-year-old-oil-well-is-leaking-off-the-coast-of-plaquemines-parish>.

³⁴ 30 C.F.R. §§250.1700-250.1702. Regarding decommissioning applications and plans, see 30 C.F.R. §250.1704. Other offshore parties that may have decommissioning responsibilities under the regulations include right-of-way grant holders, right-of-use and easement grant holders, and owners of operating rights (see footnote 4).

³⁵ BSEE regulations define a *predecessor* as “a prior lessee or owner of operating rights, or a prior holder of a right-of-use and easement grant or a pipeline right-of-way grant, that is liable for accrued obligations on that lease or grant” (30 C.F.R. §250.1700(d)). The regulations state (30 C.F.R. §250.1701(a)) that current lessees and their predecessors “are jointly and severally liable for meeting decommissioning obligations for facilities on leases ... as the obligations accrue and until each obligation is met.” A predecessor lessee typically is not responsible for decommissioning infrastructure installed after that predecessor’s lease interest was transferred, but would be jointly and severally liable for infrastructure that the predecessor installed or that existed on the lease during the predecessor’s tenure (30 C.F.R. §556.710).

³⁶ 30 C.F.R. §§556.900-556.901. There also are bonding requirements for holders of rights of use and easement (30 C.F.R. §550.166) and pipeline rights-of-way (30 C.F.R. §550.1011(a)) on the OCS.

³⁷ 30 C.F.R. §556.901(d).

³⁸ 30 C.F.R. §556.906.

operators have suffered bankruptcies and predecessor lessees are not available to decommission. As of October 2026, DOI reported that the government was carrying \$129.9 million in uncovered liability for existing orphaned facilities, after applying the base and supplemental financial assurance provided by lessees for these facilities.³⁹ In recent years, BSEE has received about \$3.0 million in annual appropriations for an offshore decommissioning fund to cover some of its costs for decommissioning such orphaned infrastructure (see the section on “Federal Appropriations for Decommissioning” for further discussion). In terms of potential future exposure, the 2024 GAO report found that, as of June 2023, DOI held about \$3.5 billion in total supplemental bonds to cover \$40 billion–\$70 billion in total estimated decommissioning costs for all wells and platforms on the OCS, meaning that the government would face at least \$36.5 billion in total uncovered liabilities if all operators failed to meet their decommissioning responsibilities.⁴⁰ (Not all of this potential future exposure would be realized, as the liability would only fall to the federal government if the current and predecessor lessees did not perform their decommissioning responsibilities.)

Changes to Financial Assurance Regulations

Partly in response to shortfalls between collected financial assurance and actual decommissioning liability, DOI has evolved its regulatory framework for financial assurance over the years. Most recently, both the Biden Administration and the second Trump Administration have taken regulatory actions related to financial assurance.⁴¹

In 2024, under the Biden Administration, DOI’s Bureau of Ocean Energy Management (BOEM) revised multiple aspects of its financial assurance regulations.⁴² The revised regulations aimed to “protect taxpayers from covering costs that should be borne by the oil and gas industry when offshore platforms require decommissioning.”⁴³ The revision altered BOEM’s criteria for determining whether supplemental financial assurance is needed from a lessee and, if so, how much is needed. The revised rule established that BOEM would determine a lessee’s

³⁹ BOEM, “Orphaned Liability,” <https://www.boem.gov/oil-gas-energy/risk-management/property-list-and-orphaned-liability>.

⁴⁰ GAO, *Interior Needs to Improve Decommissioning Enforcement*, GAO-24-106229, p. 26.

⁴¹ The Obama and first Trump Administrations also made changes to the offshore oil and gas financial assurance framework. For example, a regulatory change by BSEE in 2015, under the Obama Administration, required lessees to submit summaries of their actual decommissioning expenditures after completion of certain activities, in order to inform estimates of supplemental financial assurance needed for future leases (80 *Federal Register* 75806, December 4, 2015). In 2016, also under the Obama Administration, DOI’s Bureau of Ocean Energy Management (BOEM) issued a notice to lessees and operators (NTL) changing the criteria used to evaluate lessees’ financial strength and to determine when their supplemental bonding could be waived. Under the first Trump Administration, in 2020, this NTL was rescinded (BOEM NTL No. 2016-N01, issued September 12, 2016, rescinded February 2020, <https://www.boem.gov/renewable-energy/boem-ntl-2016-n01>), and a proposed rule addressing similar issues was published (85 *Federal Register* 65904, October 16, 2020) but not finalized.

⁴² BOEM, “Risk Management and Financial Assurance for OCS Lease and Grant Obligations: Final Rule,” 89 *Federal Register* 31544, April 24, 2024 (hereinafter BOEM, “Risk Management and Financial Assurance for OCS Lease and Grant Obligations: Final Rule,” 89 *Federal Register* 31544). Separate from BOEM’s revisions, BSEE also revised its decommissioning regulations during the Biden Administration (88 *Federal Register* 23569, April 18, 2023). BSEE’s revisions related primarily to decommissioning responsibility for holders of rights-of-use and easement grants, as well as certain time frames for predecessor lessees in cases when subsequent lessees fail to perform their obligations.

⁴³ DOI, “Interior Department Takes Action to Protect Taxpayers from Offshore Oil and Gas Decommissioning Costs,” press release, April 15, 2024, <https://www.doi.gov/pressreleases/interior-department-takes-action-protect-taxpayers-offshore-oil-and-gas>. BOEM’s revised rule (“Risk Management and Financial Assurance for OCS Lease and Grant Obligations: Final Rule,” 89 *Federal Register* 31544) stated that since 2009, more than 30 corporate bankruptcies have occurred involving offshore oil and gas lessees that did not have sufficient financial assurance to cover their decommissioning liabilities.

supplemental financial assurance obligations based on the lessee's credit rating (using an investment-grade credit rating threshold or a proxy credit rating equivalent) and the lease's reserve value (the ratio of the value of proved oil and gas reserves on the lease to the decommissioning liability associated with those reserves).⁴⁴ DOI stated that the latter factor was important because if a lease still had significant reserves available, a new operator would be likely to acquire the lease in the event of a lessee's bankruptcy.⁴⁵ The rule also finalized the use of new methods to estimate decommissioning costs when setting supplemental financial assurance amounts. BOEM projected that a total of \$6.9 billion in new supplemental financial assurance (2023 dollars) would be required from existing lessees and grant holders on the basis of the changes in the 2024 regulations.⁴⁶

The 2024 regulatory changes drew mixed reactions from stakeholders. Some oil and gas lessees, particularly smaller companies and those whose business models involve acquiring offshore leases near the end of their productivity, expressed concern that the changes would be prohibitively costly. For example, in comments on BOEM's proposed rule, one industry group stated that the rule would constitute "a de facto moratorium on continued development in the Gulf of Mexico by all but the major oil and gas companies," given that "non-integrated developers, or smaller companies, who collectively contribute more than one-third of GOM [Gulf of Mexico] oil and gas production, would bear the majority of this increased burden."⁴⁷ In contrast, some other industry groups and some major oil and gas companies largely supported the regulations, noting among other things that stronger bonding requirements could reduce the likelihood that predecessor lessees would be called on to decommission if current lessees failed to perform their responsibilities.⁴⁸

In 2026, under the Trump Administration, BOEM proposed further revisions to its supplemental financial assurance regulations, including actions to reverse some changes made in 2024. In a proposed rule published on March 9, 2026, BOEM stated that "new market conditions" warranted changes to the 2024 regulations.⁴⁹ Among other changes, BOEM proposed to revise its credit rating threshold for requiring supplemental assurance (allowing some lessees with lower credit

⁴⁴ BOEM, "Risk Management and Financial Assurance for OCS Lease and Grant Obligations: Final Rule," 89 *Federal Register* 31544. The prior regulations considered a lessee's financial capacity, projected financial strength, business stability, reliability in meeting obligations based on credit rating or trade references, and record of compliance with laws, regulations, and lease terms. BOEM stated that the revision would streamline and simplify the criteria by eliminating the "business stability" and "record of compliance" criteria, replacing the "financial capability" and "reliability" criteria with the credit rating, and replacing the "projected financial strength" criterion with the ratio of proved reserves to decommissioning liability.

⁴⁵ DOI, "Interior Department Takes Action to Protect Taxpayers from Offshore Oil and Gas Decommissioning Costs," press release, April 15, 2024, <https://www.doi.gov/pressreleases/interior-department-takes-action-protect-taxpayers-offshore-oil-and-gas>.

⁴⁶ BOEM, "Risk Management and Financial Assurance for OCS Lease and Grant Obligations: Final Rule," 89 *Federal Register* 31544. Also see BOEM, "Risk Management and Financial Assurance for OCS Lease and Grant Obligations: Regulatory Impact Analysis," April 2024, p. 50, <https://www.regulations.gov/document/BOEM-2023-0027-2172>.

⁴⁷ Gulf Energy Alliance, "GEA Comments on the Proposed Financial Assurance Rule," June 28, 2023, <https://gulfenergyalliance.com/gea-comments-on-the-proposed-financial-assurance-rule/>.

⁴⁸ For example, see comment on BOEM's proposed rule by the American Petroleum Institute and the Louisiana Mid-Continent Oil & Gas Association, September 7, 2023, <https://www.regulations.gov/comment/BOEM-2023-0027-2006>; and comment by Shell Offshore Inc., September 7, 2023, <https://www.regulations.gov/comment/BOEM-2023-0027-2012>.

⁴⁹ BOEM, "Risk Management and Financial Assurance for OCS Lease and Grant Obligations: Notice of Proposed Rulemaking and Request for Comment," 91 *Federal Register* 11212, March 9, 2026 (hereinafter BOEM, "Risk Management and Financial Assurance" proposed rule, 91 *Federal Register* 11212). BOEM also stated in the proposed rule that it had "not yet required" lessees and operators to actually pay the financial assurance amounts that were required under the 2024 rule.

ratings than the 2024 rule permits to be exempted from supplemental assurance obligations), to revise the decommissioning cost estimates it uses to determine supplemental financial assurance amounts, and to consider the financial strength of predecessor lessees when assessing supplemental financial assurance requirements for current lessees.⁵⁰ BOEM estimated that its proposed changes would reduce the financial obligations to existing lessees under the 2024 rule by about \$6.2 billion (2025 dollars), thus “increas[ing] the amount of capital available for oil and gas exploration and production on the OCS.”⁵¹ In comments on the proposed rule, some stakeholders supported the changes, stating, for instance, that taking into account the financial strength of predecessor lessees more appropriately measures actual risk to taxpayers from operator bankruptcies, since predecessor lessees—often major oil and gas companies—would be called on to perform decommissioning before a facility would be considered orphaned infrastructure.⁵² Other oil and gas industry groups, as well as some stakeholders in the surety and fidelity bonding sector, opposed the changes, expressing particular concern about BOEM’s proposed reliance on the financial strength of predecessor lessees when assessing bonding requirements.⁵³ As of this report’s publication date, DOI had not issued a final rule.

Other Potential Decommissioning Enforcement Mechanisms

DOI’s regulations include other steps, beyond using lessees’ financial assurance, that DOI could take to enforce decommissioning obligations against lessees and their predecessors. For instance, BSEE officials could issue a *notice of incident of noncompliance* to offshore lessees and/or predecessor lessees who fail to decommission, could apply civil penalties to lessees and/or their predecessors, or could disqualify them as OCS operators.⁵⁴ In its 2024 report, GAO found that such enforcement tools “have not effectively compelled operator compliance.”⁵⁵ GAO stated that DOI’s process for issuing citations can extend for years and that the citations and notices were “unlikely to motivate operators.”⁵⁶ GAO also found that DOI rarely takes further punitive action, such as assessing penalties or disqualifying operators.⁵⁷ Additionally, BSEE’s data systems do not “readily track” information about predecessor lessees, which can complicate the agency’s ability to enforce obligations against these parties.⁵⁸

⁵⁰ BOEM, “Risk Management and Financial Assurance” proposed rule, 91 *Federal Register* 11212.

⁵¹ BOEM, “Risk Management and Financial Assurance” proposed rule, 91 *Federal Register* 11212. Also see BOEM, *Risk Management and Financial Assurance for OCS Lease and Grant Obligations: Regulatory Impact Analysis*, March 2026, <https://www.regulations.gov/document/BOEM-2025-0042-0003>.

⁵² See, e.g., comment from W&T Offshore, May 15, 2026, <https://www.regulations.gov/comment/BOEM-2025-0042-0091>, stating that BOEM’s 2024 calculations had “overstate[d] total decommissioning liability” and that, counting only those leases with a high default risk in which a major or large independent oil and gas company is not a predecessor lessee, the United States faces “a modest ~\$1.2 billion in decommissioning liabilities, for which \$761 million in bonding has already been posted.”

⁵³ See, e.g., comment from American Petroleum Association and Louisiana Mid-Continent Oil & Gas Association, May 15, 2026, <https://www.regulations.gov/comment/BOEM-2025-0042-0088>, stating that “BOEM should not adopt this Proposed Rule, particularly its proposed novel, retroactive, and unlawful conversion of predecessor interest owners into involuntary sureties to excuse many current interest holders from their obligation to financially assure compliance with their lease and grant obligations.” Also see comments from Surety & Fidelity Association of America, May 6, 2026, <https://www.regulations.gov/comment/BOEM-2025-0042-0020>, stating that “the Proposed Regulations go too far in potentially exposing U.S. taxpayers unnecessarily, as an increasing number of oil and gas lease operators will be undersecured for their decommissioning liabilities.”

⁵⁴ 30 C.F.R. Part 250, Subpart N; §§250.135; and §250.1708.

⁵⁵ GAO, *Interior Needs to Improve Decommissioning Enforcement*, GAO-24-106229, p. 12.

⁵⁶ GAO, *Interior Needs to Improve Decommissioning Enforcement*, GAO-24-106229, p. 16.

⁵⁷ GAO, *Interior Needs to Improve Decommissioning Enforcement*, GAO-24-106229, pp. 17-18.

⁵⁸ GAO, *Interior Needs to Improve Decommissioning Enforcement*, GAO-24-106229, p. 16.

Decommissioning in Place

Separately from issues related to financial assurance, Congress and DOI have considered the type and extent of decommissioning that lessees must perform. In particular, some DOI authorities allow lessees to leave certain end-of-life oil and gas infrastructure on the seafloor to be used for other purposes, sometimes known as *decommissioning in place*. Under its regulations, DOI may approve partial platform removal or toppling in place so that infrastructure can be used in a state artificial reefing program, known as a Rigs-to-Reefs program.⁵⁹ Offshore oil and gas infrastructure also could potentially be reused in other ways, such as for offshore wind energy development, offshore aquaculture, or military or space launches, among other uses.⁶⁰ Such alternative uses may depend on the location, water depth, condition of the structure, local environmental (including meteorological) conditions, and economic considerations. DOI generally would administer such alternative uses under an Alternate Use right-of-use and easement (RUE).⁶¹ Under DOI regulations, the holder of an Alternate Use RUE is responsible for decommissioning obligations related to the RUE, once that use terminates.⁶²

Repurposing an offshore oil and gas platform could reduce decommissioning costs, and could potentially reduce the impacts of a platform's complete removal and the installation of new structures for other uses.⁶³ According to a 2018 article specific to the decommissioning of offshore oil and gas platforms in the North Sea, nearly 95% of stakeholders (36 out of 38) spanning academia, government, and industry supported a "case-by-case approach to decommission."⁶⁴ The coauthors of the study, including a BOEM marine ecologist,⁶⁵ recommended allowing for partial removal of platforms based on environmental considerations and broadening those considerations to include the ecosystem services provided by the offshore structures, among other recommendations.⁶⁶ For example, partial removal of a platform could protect the seafloor from bottom trawling,⁶⁷ an industrial fishing practice that physically disturbs seafloor habitat.⁶⁸ Some observers have asserted that "if an alternative use were not pursued, the complete ecosystem associated with the structure would be destroyed if the structure were taken onshore and dismantled."⁶⁹ Others have observed mixed effects on natural ecosystems following the partial removal of a decommissioned oil and gas facility, including postremoval differences in fish community composition, some of which entailed removals of exotic species.⁷⁰ Some other

⁵⁹ 30 C.F.R. §250.1730.

⁶⁰ BOEMRE, *Assessment of Opportunities for Alternative Uses of Hydrocarbon Infrastructure*, p.1.

⁶¹ 30 C.F.R. Part 586.

⁶² 30 C.F.R. §250.1731.

⁶³ MMS, "Chapter 6: Alternative Uses of Existing Oil and Natural Gas Platforms on the OCS," in *Final Programmatic Environmental Impact Statement for Alternative Energy Development and Production and Alternate Use of Facilities on the Outer Continental Shelf*, OCS EIS/EA MMS 2007-046, 2007 (hereinafter MMS, "Chapter 6: Alternative Uses of Existing Oil and Natural Gas Platforms on the OCS").

⁶⁴ Ashley M. Fowler et al., "Environmental Benefits of Leaving Offshore Infrastructure in the Ocean," *Frontiers in Ecology and the Environment*, vol. 16, no. 10 (2018), pp. 571-578 (hereinafter Fowler et al., "Environmental Benefits of Leaving Offshore Infrastructure in the Ocean").

⁶⁵ BOEM, "International Experts Recommend Flexibility in Offshore Platform Removal Policies," <https://www.boem.gov/oil-gas-energy/leasing/international-experts-recommend-flexibility-offshore-platform-removal>.

⁶⁶ Fowler et al., "Environmental Benefits of Leaving Offshore Infrastructure in the Ocean," p. 577.

⁶⁷ Fowler et al., "Environmental Benefits of Leaving Offshore Infrastructure in the Ocean," p. 575.

⁶⁸ Michel J. Kaiser, "Recent Advances in Understanding the Environmental Footprint of Trawling on the Seabed," *Canadian Journal of Zoology*, vol. 97, no. 9 (2019), pp. 755-762.

⁶⁹ MMS, "Chapter 6: Alternative Uses of Existing Oil and Natural Gas Platforms on the OCS," p. 6-6.

⁷⁰ Michelle A. Johnston et al., "Characterizing the Biological Community Before and After Partial Removal of an (continued...)"

studies identify risks of pollution, habitat damage, food web alterations, and invasive species proliferations, among others, associated with leaving certain oil and gas infrastructure in place.⁷¹

Currently, DOI's regulations require lessees to fully remove offshore infrastructure, unless DOI officials approve decommissioning in place under specified conditions.⁷² In a regulatory agenda published in August 2026, DOI discussed a potential change to this framework.⁷³ DOI announced it would explore revising the regulations to "set 'topple in place' as the default decommissioning standard" provided lessees comply with U.S. Coast Guard navigational requirements.⁷⁴ DOI anticipates issuing a notice of proposed rulemaking regarding this change in July 2027.⁷⁵

Rigs-to-Reefs Program

A common approach for repurposing decommissioned offshore oil and gas facilities has been their conversion to *artificial reefs*.⁷⁶ Given their size and composition, submerged oil and gas facilities (e.g., platforms) can attract both sessile (attached in place) and mobile organisms to components of these facilities at varying depths.⁷⁷ Some stakeholders note that since the first offshore leases for oil and gas infrastructure were issued in the late 1940s, petroleum platforms have essentially functioned as artificial reefs, with those in place presently serving as hard substrate for a variety of marine organisms.⁷⁸ Some scientists also identify platforms and associated infrastructure as a source of additional habitat for these species, potentially providing a substitute for or enhancing degraded or limited natural habitats.⁷⁹ The development of these

Offshore Gas Platform in the Northwestern Gulf of Mexico," *Environmental Management*, vol. 70, no. 6 (2022), pp. 1078-1092 (hereinafter Johnston et al., "Characterizing the Biological Community").

⁷¹ As examples, Anja Schulze et al., "Artificial Reefs in the Northern Gulf of Mexico: Community Ecology Amid the 'Ocean Sprawl'," *Frontiers in Marine Science*, vol. 7 (2020), 447, pp. 1-15; Peter I. Macreadie et al., "Rigs-to-Reefs: Will the Deep Sea Benefit from Artificial Habitat?," *Frontiers in Ecology and the Environment*, vol. 9, no. 8 (2011), pp. 455-461 (hereinafter Macreadie et al., "Rigs-to-Reefs: Will the Deep Sea Benefit?"); and Sylvia Jagerroos and Paul R. Krause, "Rigs to Reef: Impact or Enhancement on Marine Biodiversity," *Journal of Ecosystem and Ecography*, vol. 6, no. 2 (2016), 1000187, pp. 1-9 (hereinafter Jagerroos and Krause, "Rigs to Reef: Impact or Enhancement").

⁷² For example, if the structure becomes part of a state artificial reef program in accordance with requirements of the U.S. Army Corps of Engineers and U.S. Coast Guard and other legal requirements. 30 C.F.R. §250, Subpart Q; see especially §250.1730.

⁷³ DOI, "Regulatory Agenda," 91 *Federal Register* 53010, August 14, 2026.

⁷⁴ DOI, "Regulatory Agenda," 91 *Federal Register* 53010, August 14, 2026.

⁷⁵ DOI, "Regulatory Agenda," 91 *Federal Register* 53010, August 14, 2026. DOI also proposes to address several other issues in the upcoming regulation, as described in the *Federal Register* notice.

⁷⁶ The National Fishing Enhancement Act of 1984 (P.L. 98-623, Title II), under 33 U.S.C. §2105(1), defines an *artificial reef* as "a structure which is constructed or placed in waters covered under [33 U.S.C. §§2101-2106] for the purpose of enhancing fishery resources and commercial and recreational fishing opportunities." Traditionally, artificial reefs are human-made structures deliberately placed in the sea to mimic characteristics of natural reefs to increase local biodiversity. Structures such as oil and gas platforms, coastal defense constructions, shipwrecks, and offshore wind farms also have become artificial reefs, although they were not initially built for this purpose. Lachlan A. W. Ramm et al., "Artificial Reefs in the Anthropocene: A Review of Geographical and Historical Trends in Their Design, Purpose, and Monitoring," *Bulletin of Marine Science*, vol. 97, no. 4 (2021), pp. 699-728.

⁷⁷ As examples, Ajemian et al., "An Analysis of Artificial Reef Community Structure," 2015; and Gregory W. Stunz et al., *A Review of the Ecological Performance and Habitat Value of Standing Versus Reefed Oil and Gas Platform Habitats in the Gulf of Mexico*, Harte Research Institute for Gulf of Mexico Studies, prepared for Gulf Offshore Research Institute (GORI), Corpus Christi, TX, August 14, 2020, pp. 1-40 (hereinafter Stunz et al., *A Review of the Ecological Performance*).

⁷⁸ For example, testimony of J. Dale Shively, Artificial Reef Program Leader, Texas Parks and Wildlife Department, on "Texas Rigs-to-Reefs Program in the Gulf of Mexico—Overview," before the House Committee on Natural Resources, Subcommittee on Energy and Mineral Resources, May 17, 2017, pp. 1-12.

⁷⁹ Rachel A. Brewton et al., "Trophic Ecology of Red Snapper *Lutjanus campechanus* on Natural and Artificial Reefs: (continued...)"

biological communities and *ecological succession* of a variety of fish and invertebrate species also has led to use of these reefs by commercial and recreational fishers, among other interested parties (e.g., SCUBA divers).⁸⁰ In light of these and other factors, Congress passed the National Fishing Enhancement Act of 1984 (P.L. 98-623, Title II; 33 U.S.C. §§2101-2106), which included provisions governing the use of artificial reefs composed of various materials, including decommissioned oil and gas infrastructure, primarily for commercial and recreational fishing interests in U.S. waters. Consequently, associated Rigs-to-Reefs programs have been developed in addition to other artificial-reef-related programs in U.S. waters.⁸¹ Collectively, these programs have built on earlier efforts by multiple coastal states focused on the development and use of artificial reefs.⁸²

In accordance with the act, the Secretary of Commerce, in consultation with other parties, developed the National Artificial Reef Plan in 1985. The plan guides artificial reef managers and policymakers regarding artificial reef development and use.⁸³ This plan was most recently amended by the National Oceanic and Atmospheric Administration in 2007.⁸⁴ Since publication of the National Artificial Reef Plan, several coastal states, particularly those in the Gulf of America region, have joined with partners to implement the plan's recommendations, including in administering Rigs-to-Reefs programs.⁸⁵ Among its contents, the plan implements congressional directives regarding artificial reefs, which stipulate that their siting, construction, monitoring, and management are to be based on the "best scientific information available"; enhance fishery resources to the "maximum extent practicable"; facilitate their access and use by recreational and commercial fishers; minimize conflicts with competing uses as well as environmental and health risks; and avoid obstruction of navigation pathways, among other requirements.⁸⁶ The act also authorizes the Secretary of the Army to issue permits for the construction and management of

Interactions Between Annual Variability, Habitat, and Ontogeny," *Marine Ecology Progress Series*, vol. 635 (2020), pp. 105-122 (hereinafter Brewton et al., "Trophic Ecology of Red Snapper"); Emily Callahan and Amber Jackson, "Rigs to Reefs: Exploring the Future of California's Offshore Oil and Gas Platforms" (Capstone Project, University of California-San Diego, 2014), pp. 1-19; and Shahriar Shams et al., "An Assessment of Environmental Impact on Offshore Decommissioning of Oil and Gas Pipelines," *Environments*, vol. 10, no. 6 (2023), 104, pp. 1-16.

⁸⁰ Continental Shelf Associates (CSA) Ocean Sciences Inc. and Steven W. Carothers and Associates (SWCA), *Understanding the Recreational Uses of Offshore Oil and Gas Platforms on the Outer Continental Shelf of the Gulf of America: Synthesis Report*, OCS Study BOEM 2025-012, March 2025, p. 41, https://espis.boem.gov/Final%20Reports/BOEM_2025-012.pdf. Some experts define *ecological succession* as "an ordered progression of structural and compositional changes in communities toward an eventual unchanging condition, the climax community." Herman H. Shugart, "Ecological Succession and Community Dynamics," in *Ecological Systems: Selected Entries from the Encyclopedia of Sustainability Science and Technology*, ed. Rik Leemans (Springer, 2013), pp. 31-57.

⁸¹ Mark J. Kaiser et al., "An Update on the Louisiana and Texas Rigs-to-Reefs Programs in the Gulf of Mexico," *Ocean Development and International Law*, vol. 51, no. 1 (2020), pp. 73-93 (hereinafter Kaiser et al., "An Update on the Louisiana and Texas Rigs-to-Reefs Programs"); and BSEE, "Rigs-to-Reefs," <https://www.bsee.gov/what-we-do/environmental-compliance/environmental-programs/rigs-to-reefs> (hereinafter BSEE, "Rigs to Reefs").

⁸² U.S. Department of Commerce, National Oceanic and Atmospheric Administration (NOAA), *National Artificial Reef Plan (as Amended): Guidelines for Siting, Construction, Development, and Assessment of Artificial Reefs*, February 2007, pp. 1-54, https://media.fisheries.noaa.gov/dam-migration/noaa_artificial_reef_guidelines.pdf (hereinafter NOAA, *National Artificial Reef Plan (as Amended)*).

⁸³ NOAA, *National Artificial Reef Plan (as Amended)*. As stipulated under 33 U.S.C. §2103, the Secretary of Commerce was required to consult with the Secretary of the Interior, the Secretary of Defense, the Administrator of the Environmental Protection Agency (EPA), the Secretary of the department in which the Coast Guard is operating, Regional Fishery Management Councils, interested states, interstate marine fisheries commissions, and representatives of the private sector in developing and publishing the National Artificial Reef Plan.

⁸⁴ NOAA, *National Artificial Reef Plan (as Amended)*.

⁸⁵ BSEE, "Rigs to Reefs"; Kaiser et al., "An Update on the Louisiana and Texas Rigs-to-Reefs Programs"; and NOAA, *National Artificial Reef Plan (as Amended)*.

⁸⁶ 33 U.S.C. §2102.

artificial reefs and requires the Secretary to ensure permittees' compliance with environmental, human safety, and property-related protections.⁸⁷ It further stipulates that permittees and their insurers are liable for certain associated damages (i.e., those not in compliance with the terms and conditions of a given permit) as determined under applicable law.⁸⁸

Federal decommissioning and reefing efforts are administered by DOI and the U.S. Army Corps of Engineers in accordance with implementing regulations.⁸⁹ The decommissioning process for Rigs-to-Reefs involves both federal and state authorities, with the federal government responsible for approving a structure's use in a state reefing program as a method of decommissioning, and the state responsible for accepting the structure into its reefing program and managing it thereafter. On September 17, 2026, President Trump issued an executive order (EO), "Restoring American Saltwater Angling and Recreation."⁹⁰ Section 6 of the EO directs the Secretary of the Interior, acting through the Marine Minerals Administration,⁹¹ to establish a federal OCS reef-in-place program to facilitate the conversion of decommissioned offshore oil and gas and other-use structures into permanent artificial reefs through a variety of reefing methods. The EO requires this program to be established within 60 days after the date of the order and requires interagency coordination to "streamline" review and permitting of qualifying reef projects.⁹² Potential actions to implement the EO were unclear as of the publication of this CRS report.

In the Gulf of America, the majority of decommissioned infrastructure converted to artificial reefs is off Louisiana and Texas (**Figure 2**), which each supported reef conversion decommissioning programs prior to the passage of the National Fishing Enhancement Act and initial publication of the National Artificial Reef Plan.⁹³ In the time since, all five Gulf coast states have approved artificial reef plans, accepted donations of decommissioned oil and gas rig components, and incorporated decommissioned platforms into their artificial reef programs.⁹⁴ California, while having authorized the conversion of oil and gas structures to artificial reefs under certain requirements (e.g., agreement by the California Department of Fish and Wildlife [CDFW] to

⁸⁷ 33 U.S.C. §2104. Further, the Secretary of the Army is to consult with the EPA Administrator to ensure consistency of any issued artificial reef permit with permits pertaining to the National Pollutant Discharge Elimination System (33 U.S.C. §1342). EPA, "National Pollutant Discharge Elimination System (NPDES)," <https://www.epa.gov/npdes>.

⁸⁸ 33 U.S.C. §2104(b)-(e).

⁸⁹ As examples, 30 C.F.R. Part 250 Subpart Q; 30 C.F.R. Part 285; 33 C.F.R. Parts 322 and 325. Other federal regulations pertaining to artificial reefs and their management also may apply (e.g., those under NOAA's National Marine Fisheries Service).

⁹⁰ White House, "Presidential Actions – Restoring American Saltwater Angling and Recreation," September 17, 2026, <https://www.whitehouse.gov/presidential-actions/2026/09/restoring-american-saltwater-angling-and-recreation/>. Hereinafter White House, "Presidential Actions – Restoring American Saltwater Angling and Recreation," 2026.

⁹¹ In July 2026, the Secretary of the Interior ordered the merger of BOEM and BSEE into a new entity, the Marine Minerals Administration. See footnote 2 for more information.

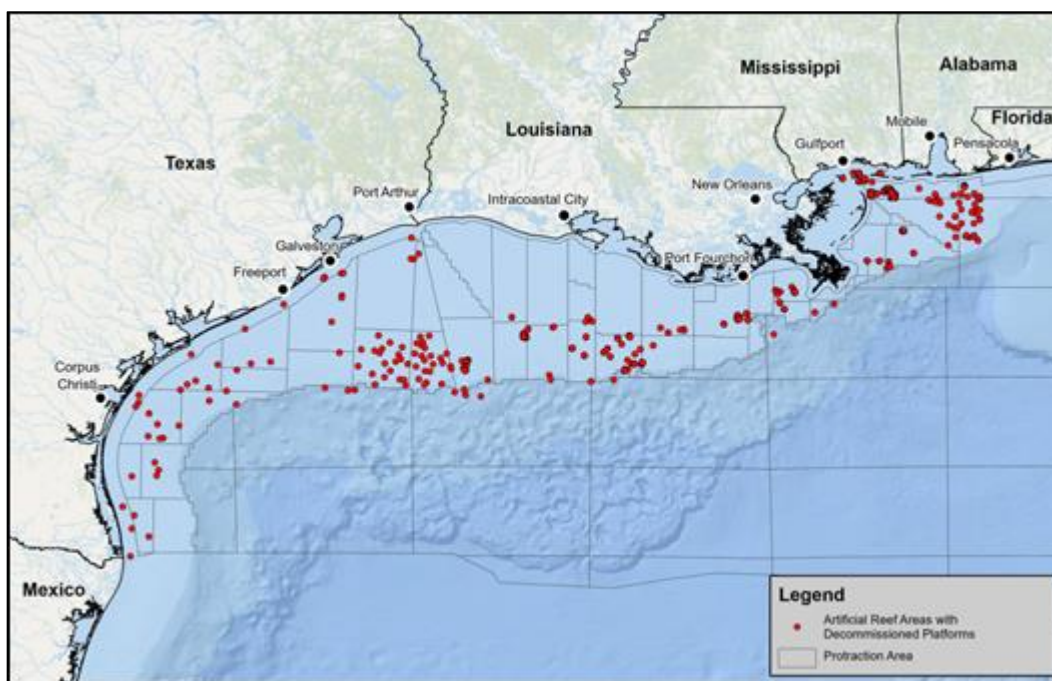
⁹² Section 6(b) of the executive order (EO) directs that this program is to be available to "qualifying offshore structures and leaseholders that satisfy all applicable statutory, regulatory, environmental, navigational, and safety requirements." Section 6(c) of the EO states that the Secretary of the Interior is to coordinate with the Secretary of Commerce, the Secretary of Defense—who is using "Secretary of War" as a "secondary title" under Executive Order 14347 of September 5, 2025—the Commandant of the U.S. Coast Guard, and the "heads of other appropriate agencies." White House, "Presidential Actions – Restoring American Saltwater Angling and Recreation," 2026.

⁹³ BSEE, "Rigs to Reefs"; Kaiser et al., "An Update on the Louisiana and Texas Rigs-to-Reefs Programs"; and NOAA, *National Artificial Reef Plan (as Amended)*.

⁹⁴ BSEE, "Rigs-to-Reefs"; and Ann Scarborough Bull and Milton S. Love, "Worldwide Oil and Gas Platform Decommissioning: A Review of Practices and Reefing Options," *Ocean and Coastal Management*, vol. 168 (2019), pp. 274-306. The five Gulf Coast states are Alabama, Florida, Louisiana, Mississippi, and Texas.

manage the reef), had not decommissioned any platforms for these purposes as of October 2026.⁹⁵ According to CDFW, oil and gas infrastructure is not included in the definition of artificial reefs in the California Fish and Game Code and will not be included in the California Artificial Reef Plan.⁹⁶ As of October 2026, BSEE did not identify additional Rigs-to-Reefs programs or reef conversation programs for oil and gas infrastructure in other U.S. states.⁹⁷

Figure 2. Artificial Reef Areas with Decommissioned Platforms on the Gulf of America Outer Continental Shelf



Source: CRS, as modified from Continental Shelf Associates (CSA) Ocean Sciences Inc. and Steven W. Carothers and Associates (SWCA), *Understanding the Recreational Uses of Offshore Oil and Gas Platforms on the Outer Continental Shelf of the Gulf of America: Synthesis Report*, U.S. Department of the Interior, Bureau of Ocean Energy Management (BOEM), OCS Study BOEM 2025-012, March 2025, p. 41, https://espis.boem.gov/Final%20Reports/BOEM_2025-012.pdf.

Notes: Information is current as of March 2025. BOEM protraction areas delimit areas available for potential offshore mineral leasing, among other uses.

Researchers have carried out investigations regarding the effectiveness of Rigs-to-Reefs programs and how decommissioned oil and gas facilities may function as artificial reefs. Studies find that Rigs-to-Reefs programs can provide additional fishing opportunities for anglers, including a broad diversity of species to target in certain cases.⁹⁸ Researchers also document increased overall

⁹⁵ California Department of Fish and Wildlife (CDFW), “Artificial Reef Resources – Will the California Department of Fish and Wildlife Build More Artificial Reefs?,” <https://wildlife.ca.gov/Conservation/Marine/Artificial-Reefs/Resources#629355132-will-the-california-department-of-fish-and-wildlife-build-more-artificial-reefs> (hereinafter CDFW, “Artificial Reef Resources”); and BOEM, *Decommissioning and Rigs to Reefs in the Pacific Region: Frequently Asked Questions*, as of October 11, 2017, pp. 1-6.

⁹⁶ CDFW, “Artificial Reef Resources.”

⁹⁷ BSEE, “Rigs to Reefs.”

⁹⁸ Ajemian et al., “An Analysis of Artificial Reef Community Structure,” 2015; Masami R. Fujiwara et al., “Association of Reef Fish with Oil and Gas Platforms in the Northern Gulf of Mexico,” *Aquaculture, Fish and Fisheries*, vol. 4, no. 4 (2024), e186, pp. 1-14; and Irene S. Fortune et al., “Haven or Hell? A Perspective on the (continued...) ”

species diversity, differing reef fish community composition, and larger reef fishes on certain oil and gas platforms with increasing depth, suggesting association of a variety of species with these structures.⁹⁹ Some have debated whether artificial reefs, such as decommissioned oil and gas platforms, can enhance fish populations or if they may only attract individuals from these populations (i.e., *attraction vs. production debate*).¹⁰⁰ Some studies suggest that decommissioned platforms may serve as productive fish habitats, given the large sizes of these structures, with potential enhancements to fish populations.¹⁰¹ Other studies find no significant changes in federally managed fish species following removal of certain offshore oil and gas platforms, suggesting that changes to certain fish assemblages or fish populations may be temporary or species or location dependent.¹⁰² Some also caution that the stock-enhancing potential of these structures may vary among reef fish species and may depend on additional factors (e.g., artificial reef age, proximity to natural habitats, maturity of resident fishes, fishing pressure); they argue for continued monitoring to assess any enhancement potential for fishery populations.¹⁰³

Relatedly, some stakeholders and researchers call for increased examination of how fish assemblages in artificial and natural habitats may differ and the implications for fishery populations.¹⁰⁴ Other stakeholders and researchers argue for continued focus on natural and *essential* habitats to ensure the viability of commercially and ecologically important fish species, and assert that artificial habitats should provide comparable ecological value to natural habitats.¹⁰⁵ Some also caution about any contamination or pollution effects that decommissioned platforms may have on marine environments and natural habitats.¹⁰⁶ Such concerns in certain non-U.S.

Ecology of Offshore Oil and Gas Platforms,” *PLoS Sustainability and Transformation*, vol. 3, no. 4 (2024), e0000104, pp. 1-32 (hereinafter Fortune et al., “Haven or Hell?”).

⁹⁹ Stunz et al., *A Review of the Ecological Performance*; Fortune et al., “Haven or Hell?”; Ajemian et al., “An Analysis of Artificial Reef Community Structure,” 2015.

¹⁰⁰ Fortune et al., “Haven or Hell?”; Jagerroos and Krause, “Rigs to Reef: Impact or Enhancement”; Mandy Karnauskas et al., “Red Snapper Distribution on Natural Habitats and Artificial Structures in the Northern Gulf of Mexico,” *Marine and Coastal Fisheries*, vol. 9, no. 1 (2017), pp. 50-67; and James A. Smith et al., “A Designed Artificial Reef is Among the Most Productive Marine Fish Habitats: New Metrics to Address ‘Production Versus Attraction,’” *Marine Biology*, vol. 163, no. 9 (2016), pp. 1-8.

¹⁰¹ Ajemian et al., “An Analysis of Artificial Reef Community Structure,” 2015; Stunz et al., *A Review of the Ecological Performance*; and Jeremy T. Claisse et al., “Oil Platforms off California are Among the Most Productive Marine Fish Habitats Globally,” *Proceedings of the National Academy of Science*, vol. 111, no. 43 (2014), pp. 15462-15467; and Avery B. Paxton et al., “Meta-Analysis Reveals Artificial Reefs Can be Effective Tools for Fish Community Enhancement But Are Not One-Size-Fits-All,” *Frontiers in Marine Science*, vol. 7 (2020), 282, pp. 1-11 (hereinafter Paxton et al., “Meta-Analysis Reveals Artificial Reefs”).

¹⁰² Johnston et al., “Characterizing the Biological Community”; and Paxton et al., “Meta-Analysis Reveals Artificial Reefs,” 2020.

¹⁰³ Ajemian et al., “An Analysis of Artificial Reef Community Structure,” 2015; Stunz et al., *A Review of the Ecological Performance*; and Paxton et al., “Meta-Analysis Reveals Artificial Reefs.”

¹⁰⁴ Carolina Bracho-Villavicencio et al., “Artificial Reefs Around the World: A Review of the State of the Art and a Meta-Analysis of its Effectiveness for the Restoration of Marine Ecosystems,” *Environments*, vol. 10, no. 7 (2023), 121, pp. 1-20; and Avery B. Paxton et al., “Fitting Ecological Principles of Artificial Reefs Into the Ocean Planning Puzzle,” *Ecosphere*, vol. 13, no. 2 (2022), e3924, pp. 1-13.

¹⁰⁵ Hayley R. Lemoine et al., “Selecting the Optimal Artificial Reefs to Achieve Fish Habitat Enhancement Goals,” *Biological Conservation*, vol. 238 (2019), 108200; and testimony of Megan Biven, True Transition, U.S. House of Representatives, House Committee on Natural Resources, Subcommittee on Energy and Mineral Resources, *Marine Fisheries Habitat Protection Act*, hearing on H.R. 5745, 119th Cong., 2nd sess., January 13, 2026, <https://naturalresources.house.gov/calendar/eventsingle.aspx?EventID=418540> (hereinafter Biven testimony, House Subcommittee on Energy and Mineral Resources, hearing on H.R. 5745). The Magnuson-Stevens Fishery Conservation and Management Act, under 16 U.S.C. §1802(10), defines *essential fish habitat* as “those waters and substrate necessary to fish for spawning, breeding, feeding or growth to maturity.”

¹⁰⁶ Fowler et al., “Environmental Benefits of Leaving Offshore Infrastructure in the Ocean”; and Macreadie et al., “Rigs-to-Reefs: Will the Deep Sea Benefit.”

regions (e.g., North Sea) have led to prohibitions on decommissioned platforms' use as artificial reefs,¹⁰⁷ while other non-U.S. regions continue to explore their utility for enhancing biodiversity and fishing opportunities.¹⁰⁸ Further, some suggest that investments in both natural and artificial habitats (including decommissioned oil and gas infrastructure), and concurrent efforts to sustainably manage fishing pressure, may be effective for ameliorating habitat loss and addressing management needs for certain fisheries.¹⁰⁹

Other Alternatives for Offshore Infrastructure Reuse

Congress provided the Secretary of the Interior authority to regulate the use of offshore oil and gas structures for alternative marine and energy applications (Section 388 of the Energy Policy Act of 2005; P.L. 109-58).¹¹⁰ Some stakeholders assert that repurposing decommissioned offshore oil and gas platforms has the potential to turn an uneconomic platform into an asset for a new industry rather than a liability to the marine environment and other marine industries.¹¹¹

Decommissioned offshore oil and gas platforms have been or could be reused for various purposes. For instance, in addition to fishing and diving uses discussed above (section on “Rigs-to-Reefs Program”), decommissioned platforms also could be used for offshore aquaculture for aquatic plants, shellfish, or finfish.¹¹² Under this scenario, high-value marine species would be raised in net cages or other contained structures close to or directly off a platform. Potential drawbacks could include escape of non-native species; introduction of diseases and parasites to wild populations; and impacts associated with the application of drugs and antibiotics.¹¹³

Stakeholders also have proposed reusing decommissioned platforms for emerging offshore energy uses, including carbon capture and storage (CCS).¹¹⁴ CCS involves technologies that capture human-made carbon dioxide from point sources, such as power plants, with the aim of permanently storing the carbon underground.¹¹⁵ In 2021, Congress amended the OCSLA to allow DOI to issue leases, easements, and rights-of-way for CCS on the outer continental shelf (P.L.

¹⁰⁷ Dolly Jørgensen, “OSPAR’s Exclusion of Rigs-to-Reefs in the North Sea,” *Ocean and Coastal Management*, vol. 58 (2012), pp. 57-61; and Kristen Ounanian et al., “Midnight at the Oasis: Does Restoration Change the Rigs-to-Reefs Debate in the North Sea?,” *Journal of Environmental Policy and Planning*, vol. 22, no. 2 (2020), pp. 211-225.

¹⁰⁸ As examples, Dianne McLean et al., “Habitat Value of Subsea Wells and Pipelines for Fishery Target Species in Australia,” *Frontiers in Marine Science*, vol. 9 (2022), 960496, pp. 1-23; and Anam Saeed and Bethan Parnum, “Repurposing Oil and Gas Infrastructure as Artificial Reefs - A Global Perspective,” *Australian Energy Producers Journal*, vol. 64, no. 2 (2024), pp. S516-S519.

¹⁰⁹ Kesley Gibson Banks et al., “Designing Cost-Effective Artificial Reefs: Fine-Scale Movement and Habitat Use of Red Snapper Around a Nearshore Artificial Reef Complex,” *North American Journal of Fisheries Management*, vol. 41, no. 6 (2021), pp. 1850-1862; Brewton et al., “Trophic Ecology of Red Snapper”; Paxton et al., “Meta-Analysis Reveals Artificial Reefs”; and Matthew K. Streich et al., “A Comparison of Fish Community Structure at Mesophotic Artificial Reefs and Natural Banks in the Western Gulf of Mexico,” *Marine and Coastal Fisheries*, vol. 9, no. 1 (2017), pp. 170-189.

¹¹⁰ 43 U.S.C. §1337(p). The Secretary is to exercise this responsibility in consultation with the Secretary of the department in which the Coast Guard is operating and other relevant federal departments and agencies.

¹¹¹ BOEMRE, *Assessment of Opportunities for Alternative Uses of Hydrocarbon Infrastructure*, p. 1.

¹¹² NOAA, NMFS, “Marine Aquaculture,” <https://www.fisheries.noaa.gov/insight/marine-aquaculture>. For more information about offshore aquaculture, see CRS Report R45952, *U.S. Offshore Aquaculture Regulation and Development*, by Anthony R. Marshak.

¹¹³ DOI, MMS, “Chapter 6: Alternative Uses of Existing Oil and Natural Gas Platforms on the OCS,” p. 6-9.

¹¹⁴ For example, United Kingdom (UK), Oil & Gas Authority, *UKCS Energy Integration: Interim Findings*, 2019, p. 18 (hereinafter UK, Oil & Gas Authority, *UKCS Energy Integration: Interim Findings*).

¹¹⁵ Department of Energy, “Carbon Capture, Utilization & Storage,” <https://www.energy.gov/carbon-capture-utilization-storage>. For more information about carbon capture and storage, see CRS Report R44902, *Carbon Capture and Sequestration (CCS) in the United States*, by Angela C. Jones and Ashley J. Lawson.

117-58, §§40307 and 40343).¹¹⁶ Stakeholders have noted that some of the infrastructure associated with decommissioned oil and gas sites could be used or adapted to store carbon dioxide underground.¹¹⁷ In addition, some pipelines previously used to move petroleum products from the seabed to onshore could potentially be reversed to move carbon dioxide from onshore industrial sites to depleted oil and gas reservoirs in the seabed.¹¹⁸ Some stakeholders assert that adapting CCS to the offshore environment could accelerate and scale a proven method for reducing net greenhouse gas emissions.¹¹⁹ Others contend that offshore CCS is insufficiently tested and would create risks of leakage, compromise reservoir pressure, and pose other environmental challenges.¹²⁰

Some governments and companies have launched space missions from the ocean as a means to avoid congested schedules at major land-based launch sites and to be closer to the equator (the Earth moves faster around its axis the further the distance from the poles, giving rockets a speed boost).¹²¹ Sea-based launches could take place from barges, modified vessels, or decommissioned offshore oil and gas platforms, among other structures. In July 2026, DOI sought public input regarding the potential use of existing offshore facilities on the OCS for space launch-related activities.¹²² SpaceX has explored using decommissioned oil and gas platforms for its sea-based launches. In 2020, SpaceX acquired two offshore platforms, but it ultimately sold them because they were not the “right platform.”¹²³ Launches from decommissioned oil and gas platforms would typically be limited to small rockets.¹²⁴ Separate from proposals for space launches, in 2024, a report indicated that the U.S. Navy was supporting research into a concept that would repurpose decommissioned offshore oil and gas platforms into mobile missile defense and

¹¹⁶ As of the date of this CRS report, DOI had not issued implementing regulations for CCS leasing. During the Biden Administration, DOI began an assessment of carbon storage capacity on the OCS (BOEM, “Carbon Storage,” <https://www.boem.gov/oil-gas-energy/resource-evaluation/carbon-storage>). Reportedly, some lessees have sought to convert existing oil and gas leases to carbon storage leases, but DOI has not permitted such a conversion. See, e.g., Carlos Anchondo and Heather Richards, “What to Look for in Interior’s Offshore Carbon Storage Rule,” *EnergyWire*, October 4, 2024, <https://www.eenews.net/articles/what-to-look-for-in-interiors-offshore-carbon-storage-rule/>.

¹¹⁷ Scarlett Evans, “Seven Surprising Ways to Repurpose Offshore Oil and Gas Infrastructure,” *Offshore Technology*, August 19, 2025, <https://www.offshore-technology.com/features/seven-surprising-ways-to-repurposing-offshore-oil-and-gas-infrastructure> (hereinafter Evans, “Seven Surprising Ways to Repurpose Offshore Oil and Gas Infrastructure”).

¹¹⁸ Evans, “Seven Surprising Ways to Repurpose Offshore Oil and Gas Infrastructure.”

¹¹⁹ See, e.g., Shell Global, “Shell Offshore Carbon Storage,” <https://www.shell.com/what-we-do/carbon-capture-and-storage/shell-offshore-carbon-storage-nl/our-process.html>.

¹²⁰ See, e.g., Center for International Environmental Law, *Deep Trouble: The Risks of Offshore Carbon Capture and Storage*, July 2024, <https://www.ciel.org/wp-content/uploads/2023/11/Deep-Trouble-The-Risks-of-Offshore-Carbon-Capture-and-Storage.pdf>.

¹²¹ Jeff Foust, “Start Developing Sea-Based Launch Pads,” *SpaceNews*, February 26, 2023, <https://spacenews.com/startup-developing-sea-based-launch-pads/>; Becky Ferreira, “The Dream of Offshore Rocket Launches Is Finally Blasting Off,” *MIT Technology Review*, February 11, 2025, <https://www.technologyreview.com/2025/02/11/1111467/the-dream-of-offshore-rocket-launches-is-finally-blasting-off> (hereinafter Ferreira, “The Dream of Offshore Rocket Launches”).

¹²² BOEM, “Notice of Request for Information: Potential Use of the Outer Continental Shelf for Offshore Space Launch and Re-Entry Activities,” 91 *Federal Register* 42246, July 8, 2026. According to BOEM, the request for information supports the implementation of Executive Order 14369 of December 18, 2025, “Ensuring American Space Superiority,” which “calls on federal agencies to identify and advance policies that enable the growth of the U.S. commercial space sector” (BOEM, “BOEM Initiates First Step to Explore Potential for Outer Continental Shelf Space Launch & Recovery,” July 7, 2026, <https://www.boem.gov/newsroom/press-releases/boem-initiates-first-step-explore-potential-outer-continental-shelf-space>). See Executive Order 14369 of December 18, 2025, “Ensuring American Space Superiority,” 90 *Federal Register* 60537, December 23, 2025.

¹²³ Jeff Foust, “SpaceX Drops Plans to Convert Oil Rigs into Launch Platforms,” *SpaceNews*, February 14, 2023, <https://spacenews.com/spacex-drops-plans-to-covert-oil-rigs-into-launch-platforms/>.

¹²⁴ Ferreira, “The Dream of Offshore Rocket Launches.”

resupply bases.¹²⁵ Repurposing, and potentially relocating, a standing platform for space missions or missile defense purposes would likely require some decommissioning steps, such as permanently plugging wells and severing well casings. Some note that launches from the ocean can reduce the potential for impacts and accidents near human population centers.¹²⁶ Others contend that rocket emissions and chemical pollution associated with launches may pose threats to the marine environment.¹²⁷

Decommissioned platforms and their associated equipment (e.g., foundations, cables) could potentially be used for offshore wind development.¹²⁸ Offshore wind farms generally are composed of multiple wind turbines that require specific site and operational conditions. To repurpose offshore oil and gas jacket foundations for this purpose, offshore wind developers might have to store jacket foundations onshore to install at approved sites at a later date (**Figure 1**).¹²⁹ In addition, the topsides would have to be repurposed to support turbines. Retrofitting platforms and their associated equipment (e.g., making structural modifications and operational adjustments) for offshore wind applications might come at an additional unknown cost.¹³⁰

Stakeholders also have proposed repurposing offshore oil and gas platforms and pipelines to transport energy products generated offshore, notably *green hydrogen* (i.e., hydrogen produced via an *electrolyzer* using electricity from renewable energy sources).¹³¹ Under this concept, produced hydrogen would be transported to shore using pipelines that were previously used for transporting petroleum products and have been converted to accommodate hydrogen.¹³² Such repurposed platforms might be collocated with renewable energy generation or have electricity delivered via undersea cable. Other proposed uses for decommissioned offshore oil and gas platforms have included desalination infrastructure, marine and weather research and monitoring, and electrical hubs for wind-, wave-, and current-generated energy.¹³³

Issues and Legislation in the 119th Congress

Congress has debated issues and potential actions related to offshore oil and gas infrastructure decommissioning. Topics of interest have included decommissioning enforcement, offshore

¹²⁵ Aaron-Matthew Lariosa, “Concept Turns Oil Rigs Into Mobile Missile Defense and Supply Bases,” *Naval News*, April 13, 2024, <https://www.navalnews.com/event-news/sea-air-space-2024/2024/04/leidos-concept-turns-oil-rigs-into-mobile-missile-defense-and-supply-bases/>.

¹²⁶ Ferreira, “The Dream of Offshore Rocket Launches.”

¹²⁷ Ferreira, “The Dream of Offshore Rocket Launches.”

¹²⁸ Jime Braga et al., “Converting Offshore Oil and Gas Infrastructures into Renewable Energy Generation Plants: An Economic and Technical Analysis of the Decommissioning Delay in the Brazilian Case,” *Sustainability*, vol. 14, no. 21 (2022); Melisa Cavcic, “Repurposing Oil & Gas Infrastructure to Harness Offshore Wind Power,” *Offshore Energy*, May 29, 2023, <https://www.offshore-energy.biz/repurposing-oil-gas-infrastructure-to-harness-offshore-wind-power/>.

¹²⁹ BOEMRE, *Assessment of Opportunities for Alternative Uses of Hydrocarbon Infrastructure*, p. 2.

¹³⁰ Mohammadsaeid Bagheri Nia and Pedram Edalat, “Strategic Decision-Making in Offshore Oil and Gas Platform-to-Wind Turbine Conversion: An Integrated Analysis of Structural Integrity Into Retrofit Lifecycle Costs and Climate Change Impacts,” *Applied Energy*, vol. 389 (2025).

¹³¹ An *electrolyzer* is a technology that uses electricity to split water into hydrogen and oxygen (Department of Energy, “Hydrogen Production: Electrolysis,” <https://www.energy.gov/eere/fuelcells/hydrogen-production-electrolysis>). UK, Oil & Gas Authority, UKCS Energy Integration: Interim Findings, p. 20. For more information about green hydrogen, see CRS Report R48196, *Hydrogen Production: Overview and Issues for Congress*, by Lexie Ryan.

¹³² Scarlett Evans, “Seven Surprising Ways to Repurpose Offshore Oil and Gas Infrastructure.” The feasibility and economics of converting oil and gas pipelines to accommodate hydrogen remain unclear (Claire Jenns, “Is It Feasible to Repurpose Oil and Gas Pipelines for Hydrogen?,” *Offshore Technology*, May 12, 2025, <https://www.offshore-technology.com/features/is-it-feasible-to-repurpose-oil-and-gas-pipelines-for-hydrogen/>).

¹³³ DOI, MMS, “Chapter 6: Alternative Uses of Existing Oil and Natural Gas Platforms on the OCS,” p. 6-8.

lessees' financial strength and bonding requirements, federal appropriations for decommissioning activities, and artificial reefing and the Rigs-to-Reefs program. Congress may continue to consider legislation regarding these topics and to conduct oversight of DOI's offshore decommissioning activities and policies.

Decommissioning Enforcement

Both GAO and the DOI Office of Inspector General have identified DOI's enforcement of offshore decommissioning regulations and deadlines as a management challenge for the federal government.¹³⁴ As noted above (section on "Other Potential Decommissioning Enforcement Mechanisms"), GAO found in 2024 that DOI's tools for compelling operator compliance with decommissioning regulations and deadlines have generally not been effective. GAO recommended that Congress consider enacting oversight mechanisms "such as requiring annual reporting [by DOI] on the status of decommissioning enforcement efforts and associated liabilities."¹³⁵ As of February 2026, GAO stated on its website that this recommendation to Congress remains "Open," as do related recommendations to DOI regarding steps the agencies could take to more proactively enforce regulations.¹³⁶ However, GAO noted on its website steps taken by BSEE in 2024 and 2025 to review its regulations and policies with the aim of ensuring more consistent decommissioning enforcement.¹³⁷

Bills in the 119th Congress (H.R. 8099, S. 4239) would require the Secretary of the Interior to submit to Congress, and make public, an annual report on the numbers of offshore oil and gas wells, platforms, and pipelines for which decommissioning is overdue, the numbers of decommissioning applications received and approved by DOI, and the status of enforcement actions, including notices of incidents of noncompliance, civil penalties, and operator disqualifications, among other related data. In the past, legislators also have proposed other actions, such as imposing fees on idled wells as an incentive to operators to engage in timely decommissioning.¹³⁸ In considering such proposals, legislators may weigh federal liabilities from delayed decommissioning, potential burdens to industry from proposed enforcement actions, agency staff capacity to administer and report on decommissioning compliance, and other factors.

Lessees' Financial Strength and Bonding Requirements

Several bills in the 119th Congress address lessees' financial strength and DOI's financial assurance requirements. As discussed above (sections on "Financial Assurance" and "Changes to Financial Assurance Regulations"), under the Biden Administration DOI promulgated new criteria for determining the financial assurance offshore operators must provide. The department

¹³⁴ Among recent documents, see GAO, *Interior Needs to Improve Decommissioning Enforcement*, GAO-24-106229; and DOI Office of Inspector General, *Inspector General's Statement Summarizing the Major Management and Performance Challenges Facing the U.S. Department of the Interior, FY 2025*, January 23, 2026, pp. 9-10, <https://www.doi.oig.gov/sites/default/files/2021-migration/Inspector-Generals-Statement-Summarizing-the-Major-Management-and-Performance-Challenges-FY-2025.pdf>. Both entities have also discussed decommissioning enforcement as a management challenge in previous documents.

¹³⁵ "Recommendations," in GAO, *Interior Needs to Improve Decommissioning Enforcement*, GAO-24-106229, https://www.gao.gov/products/gao-24-106229#summary_recommend.

¹³⁶ "Recommendations," in GAO, *Interior Needs to Improve Decommissioning Enforcement*, GAO-24-106229, https://www.gao.gov/products/gao-24-106229#summary_recommend.

¹³⁷ "Recommendations," in GAO, *Interior Needs to Improve Decommissioning Enforcement*, GAO-24-106229, https://www.gao.gov/products/gao-24-106229#summary_recommend.

¹³⁸ See Section 71414 of the House-passed version of H.R. 5376, 117th Congress. This provision was not enacted into law.

projected the new criteria would increase the overall amount of financial assurance required from regulated operators. The Trump Administration has proposed revisions to repeal some of these changes and institute other criteria that are anticipated to shrink overall bond amounts required from operators. Bills in the 119th Congress would make additional changes that differ from both the Biden and Trump Administration rules; some of these changes were considered but not implemented by the Biden Administration.

H.R. 9034 and S. 4715 would amend the OCSLA to establish “fitness-to-operate” standards for offshore lessees and holders of easements and rights-of-way. Prior to issuing, extending, or transferring a lease, easement, or right-of-way, DOI would be required to certify that the party seeking the authorization is fit to operate, based on the party’s past compliance record (including with respect to decommissioning), its financial solvency, and other criteria. These bills also would require every offshore leaseholder to make payments to a decommissioning escrow account on a schedule established by DOI, with timing and amounts determined so that within five years the account balance would be sufficient to fully meet the estimated costs of decommissioning the infrastructure on the lease. (After completion of decommissioning, any remaining balances would be returned to the lessee.) Separately, H.R. 9035 would address the issue of infrastructure orphaned through operator bankruptcies by providing that payment of expenses related to “the complete cleanup of fossil fuel operations and retirement of fossil fuel assets” (for both onshore and offshore leases) would have priority in bankruptcy proceedings under specified terms.

Federal Appropriations for Decommissioning

Starting in FY2022, BSEE requested annual appropriations for a new Offshore Decommissioning budget activity to support its decommissioning work on orphaned infrastructure (i.e., cases where operator bankruptcies have left the federal government responsible for decommissioning infrastructure). As discussed above under “Financial Assurance,” as of October 2026, DOI reported that the government was carrying \$129.9 million in uncovered liability for existing orphaned facilities, after applying the base and supplemental financial assurance provided by lessees for these facilities.¹³⁹ BSEE requested \$30.0 million for the Offshore Decommissioning budget activity in each of FY2022-FY2024, \$12.0 million in FY2025, and no funding in each of FY2026 and FY2027. Congress provided \$3.0 million for this activity in each of FY2022 and FY2023 and \$2.9 million in each of FY2024-FY2026. During this time, some appropriations committee reports expressed “strong disagreement that the ultimate responsibility for these activities should fall to the American taxpayer,” and expressed that the appropriated funding is to give the agency a “foundation” for contracting decommissioning work, but “once current identified decommissioning needs are provided for,” this line item would be discontinued.¹⁴⁰ For FY2027, House committee-reported H.R. 9171 would again provide \$2.9 million for this account. (As of October 2026, no full-year FY2027 Interior and Related Agencies appropriations bill had been introduced in the Senate.)

Artificial Reefing

Some Members of Congress have introduced legislation and discussed issues regarding the use of decommissioned oil and gas facilities as artificial reefs (see “Rigs-to-Reefs Program” for further discussion). In the 119th Congress, H.R. 5745 would amend the National Fishing Enhancement Act of 1984 (33 U.S.C. §§2101-2106) to expand on current provisions governing the construction

¹³⁹ BOEM, “Orphaned Liability,” <https://www.boem.gov/oil-gas-energy/risk-management/property-list-and-orphaned-liability>.

¹⁴⁰ H.Rept. 117-400, p. 50; S.Rept. 119-46, p. 59.

and management of artificial reefs and include specific requirements for decommissioned oil and gas infrastructure. Among other provisions, the bill would amend the definition of *artificial reef* and allow an eligible party responsible for decommissioning an inactive structure to *reef in place* that structure following submission to BSEE of a notice of intent to reef and approval by the agency.¹⁴¹ The bill would require BSEE (or a delegated individual such as the eligible party), in consultation with NOAA, to assess the “localized corals, fish species, and other marine life that use the inactive structure,” as well as the economic benefits of reefing in place.¹⁴² The agencies would determine eligibility to reef in place based on whether an *established reef ecosystem* is present or potentially may develop “on, under, or in the immediate vicinity” of that structure, or as appropriate to criteria in the National Artificial Reef Plan.¹⁴³ Following such a determination, the authorized party could reef in place the eligible structure if certain environmental, navigational, and liability transfer criteria also had been met and if the Secretary of the Interior had determined that the structure is “sound and secure.” The bill would amend OCSLA to prohibit removal of an inactive structure while its eligibility for reefing in place is pending or under other specific circumstances.¹⁴⁴

The House Committee on Natural Resources (HNR), Subcommittee on Energy and Mineral Resources (EM), held a hearing on the bill in January 2026 and ordered the bill reported in September 2026.¹⁴⁵ During the hearing, some Members of Congress and witnesses highlighted progress in states’ implementations of Rigs-to-Reefs programs, including scientific findings regarding the use of certain decommissioned platforms by various fishery species and corresponding patterns in recreational fishing activity.¹⁴⁶ Some contended that the bill would assist with supporting state-led Rigs-to-Reefs programs and comparable artificial reef siting

¹⁴¹ The bill would define *reef in place* as “decommissioning of an Approved Structure, in whole or in part, by abandoning in place, Toppling in Place, or Partial Removal of the Approved Structure in a manner that—(A) attempts to maximize reef ecosystem for benthic and pelagic species throughout the entirety of the water column; and (B) is at the appropriate minimum depth from the surface to maintain navigational safety as determined by the Secretary of the Interior in consultation with the Commandment of the Coast Guard.” The bill also would define the terms *decommissioning*, *partial removal*, and *topple in place*.

¹⁴² As part of the assessment of economic benefits of reefing in place, the bill would require a comparison of the cost to replace the inactive structure with an equivalent cubic volume, including interstitial spaces, of appropriate artificial material if the inactive structure were removed.

¹⁴³ The bill defines an *established reef ecosystem* as “an area with identified reef-associated species, including species of corals, crustaceans, fish, or other marine life.” The bill also would require BSEE to initiate the assessment within 180 days of the submission of a notice of intent to reef, and to complete the assessment, to the extent practicable, within one year of its receipt. Further, the bill would require BSEE to make a formal determination regarding the inactive structure’s eligibility for reefing in place no later than 60 days after completion of the assessment.

¹⁴⁴ As included in the bill, such prohibitions for removal would not apply to inactive structures that the Secretary of the Interior finds would threaten navigational safety or the marine environment.

¹⁴⁵ U.S. House of Representatives, House Committee on Natural Resources, Subcommittee on Energy and Mineral Resources, *Marine Fisheries Habitat Protection Act*, hearing on H.R. 5745, 119th Cong., 2nd sess., January 13, 2026, <https://naturalresources.house.gov/calendar/eventsingle.aspx?EventID=418540> (hereinafter House Subcommittee on Energy and Mineral Resources, hearing on H.R. 5745). The committee held a hearing on a similar bill (H.R. 6814) in the 118th Congress that raised many of the same issues. U.S. House of Representatives, House Committee on Natural Resources, Subcommittee on Water, Wildlife, and Fisheries, hearing on H.R. 1395, H.R. 5487, H.R. 6814, and H.R. 7020, 118th Cong., 2nd sess., March 21, 2024, <https://naturalresources.house.gov/calendar/eventsingle.aspx?EventID=415730> (hereinafter House Subcommittee on Water, Wildlife, and Fisheries, hearing on H.R. 1395 et al.).

¹⁴⁶ As examples, testimony of Ryan S. Montegut, Assistant Secretary, Louisiana Department of Wildlife and Fisheries, Office of Fisheries, in House Subcommittee on Energy and Mineral Resources, hearing on H.R. 5745; testimony of Bryan Domangue, BSEE, Gulf of America Regional Director, in House Subcommittee on Energy and Mineral Resources, hearing on H.R. 5745; and Scott Streater, “Rigs-to-Reefs Hearing Sparks Fight Over Trump Energy Plans,” *E&E News*, January 14, 2026, <https://www.eenews.net/articles/rigs-to-reefs-hearing-sparks-fight-over-trump-energy-plans/> (hereinafter Streater, “Rigs-to-Reefs Hearing Sparks Fight”).

efforts.¹⁴⁷ Alternatively, some Members and witnesses expressed concerns about potential environmental impacts from decommissioned infrastructure, as well as broad definitions of terminology regarding marine ecosystems in the bill language, and stated that H.R. 5745 would allow oil and gas companies to receive financial or regulatory benefits, such as avoiding responsibilities of towing old rigs back to shore.¹⁴⁸ Further, some Members and witnesses noted that investments in protecting and restoring natural habitats, such as nearshore nurseries, may more effectively address habitat-related bottlenecks for fishery populations, as suggested by some scientists.¹⁴⁹

In considering these proposals and findings, Congress may evaluate the practicality of codifying specific directives for the conversion of decommissioned oil and gas infrastructure to artificial reefs or leaving such considerations to authorized agencies' discretion in accordance with the National Artificial Reef Plan. Relatedly, Congress may evaluate whether proposed approaches in H.R. 5745 would create additional efficiencies or challenges for carrying out current Rigs-to-Reefs programs, such as resource and staffing challenges identified by NOAA.¹⁵⁰ Further, Congress may examine the utility of artificial and natural habitats in supporting and enhancing fishery populations and whether adjustments to appropriations regarding associated restoration and siting efforts may be necessary. Congress also may examine whether further research regarding the effectiveness of Rigs-to-Reefs and other related programs for fishery populations and marine ecosystem functioning may be warranted and the applicability of current findings for informing conservation and management objectives. Outside the context of H.R. 5745, if DOI proceeds with its announced intention to initiate a regulatory revision to make toppling in place its default decommissioning option (see section on "Decommissioning in Place"), Congress may conduct oversight of any proposed regulatory changes and their implementation. Congress also may conduct oversight of agencies' implementation of the EO, "Restoring American Saltwater Angling and Recreation," including considerations with respect to authorities governing living marine resources, artificial reefs, and recreational fisheries.¹⁵¹

¹⁴⁷ Streater, "Rigs-to-Reefs Hearing Sparks Fight"; also see testimony on the similar 118th Congress bill (H.R. 6814) by Chris Horton, Senior Director, Fisheries Policy, Congressional Sportsmen's Foundation, in House Subcommittee on Water, Wildlife, and Fisheries, hearing on H.R. 1395 et al.

¹⁴⁸ Biven, Testimony in House Subcommittee on Energy and Mineral Resources, hearing on H.R. 5745; also see testimony of Clay Porch, Director of the NOAA Southeast Fisheries Science Center, at hearing on H.R. 1395, H.R. 5487, H.R. 6814, and H.R. 7020, March 21, 2024.

¹⁴⁹ "Marine Fisheries Habitat Protection Act" hearing, including Biven testimony, House Subcommittee on Energy and Mineral Resources, 2026. See also, as examples, Paris J. Goodsell and M. Gee Chapman, "Rehabilitation of Habitat and the Value of Artificial Reefs," in *Marine Hard Bottom Communities*, ed. Martin Wahl (Springer, 2009); Carolina Bracho-Villavicencio et al., "Artificial Reefs Around the World: A Review of the State of the Art and Meta-Analysis of its Effectiveness for the Restoration of Marine Ecosystems," *Environments*, vol. 10, no. 7 (2023), 121, pp. 1-20. These studies, among others, note that factors such as scale, reef type, habitat quality, and management objectives also can influence findings. Congress also has examined some of these issues in previous debates, such as during a May 2017 HNR-EM hearing where one witness communicated that based on certain metrics, Rigs-to-Reefs artificial habitats off Texas appeared to be functioning similarly to natural habitats (testimony of Gregory W. Stunz, Ph.D., at U.S. House of Representatives, House Committee on Natural Resources, Subcommittee on Energy and Minerals, *Reviewing Recent State Success with the Rigs to Reefs Program*, hearing, May 17, 2017, <https://naturalresources.house.gov/calendar/eventsingle.aspx?EventID=401935>).

¹⁵⁰ Porch, Testimony in House Subcommittee on Water, Wildlife, and Fisheries, hearing on H.R. 1395 et al.

¹⁵¹ White House, "Presidential Actions – Restoring American Saltwater Angling and Recreation," 2026.

Author Information

Laura B. Comay, Coordinator
Specialist in Natural Resources Policy

Anthony R. Marshak
Analyst in Natural Resources Policy

Caitlin Keating-Bitonti
Specialist in Natural Resources Policy

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.