

Interior offshore safety agency resisted Gulf office relocation plan

Some key offices in Louisiana were on a list of possible lease terminations, though moves are not expected now.

BY: **CARLOS ANCHONDO, IAN M. STEVENSON** | 05/19/2025 07:19 AM EDT



A worker arrives at the Interior Department headquarters in Washington. | Mark Wilson/Getty Images

ENERGYWIRE | The Interior Department's offshore safety agency expressed concerns earlier this year about the prospect of moving offices in the New Orleans area — changes that now appear to be off the table.

Offices occupied by the Bureau of Safety and Environmental Enforcement, or BSEE, appeared on a “lease termination list” in February, according to records obtained by POLITICO’s E&E News through a Freedom of Information Act request.

Advertisement



The “planned termination” date for leases at four addresses in the New Orleans area was Aug. 31 for two sites and Dec. 31 for the others, [the spreadsheet showed](#). The document listed the Bureau of Minerals Management Service — a precursor to BSEE and its sister agency, the Bureau of Ocean Energy Management — as the entity tied to those leases.

Experts cautioned that office changes could slow President Donald Trump’s push to expand domestic oil and gas production in the Gulf of Mexico, which he renamed the Gulf of America. But while Interior did not comment last week on whether the building leases in southeast Louisiana were still being targeted for termination, a local business official is not expecting closures or moves in the area.

“I have had numerous calls with our federal delegation, who have been in direct contact with the Interior Department,” said Michael Hecht, CEO of the Greater New Orleans Inc. economic development group, in an email Friday. “Interior has clarified that these offices are not [going to] be closed or terminated.”

The leases slated for termination as of February ranged from a warehouse space to [district offices](#) to a longstanding regional office with hundreds of workers who in the past accounted for around a third of the headcount at both bureaus. Though BOEM

and BSEE are now two separate agencies, they still share office space at several locations around the country, with BSEE as the property manager.

Moving BSEE's Gulf of America regional office "away from its current geographic location may cause significant delays in performing their mission essential function of approving permits, performing inspections, and incident investigations in support of District Field Operations," [one internal document said](#).

It was emailed as an attachment by Bryan Domangue, director of the BSEE Gulf of America Outer Continental Shelf Region, in late February.

Similarly, moving the agency's Houma District and New Orleans District offices away from their geographic locations "will" or "may" cause "significant delays" in those offices "performing their mission essential" functions, the same document said.

Keeping those offices where they are "is of significant relevance to national security and public safety," the four-page document said, given their role in overseeing offshore oil production.

Last week, Interior said it was focused on cutting waste and enhancing "operational effectiveness" across its facilities.

"We are actively working with [the General Services Administration] to ensure that every facility and asset is utilized effectively, and where necessary, identifying alternative solutions that strengthen our mission," Elizabeth Peace, an Interior spokesperson, said in an email.

"These efforts reflect our broader commitment to streamlining government operations while ensuring that conservation efforts remain strong, effective, and impactful," Peace said.

However, another document obtained by E&E News via FOIA indicated that Interior officials weren't on board with lease terminations.

Robert Rushing, associate director of asset management at Interior, asked for "understanding" in an email exchange to other Interior officials on Feb. 26, one day after the Public Buildings Service at the General Services Administration (GSA) [sent out a letter](#) about addressing "inefficiencies" and terminating all "soft-term" leases that

were not “public-facing.”

“This is not the Department's position and the Department is collecting information to determine a path forward,” Rushing [said in an email](#), later adding, “We have your collective justification for the leases that we wanted to be retained, so there is no need to send additional justification.”

GSA did not reply to requests for comment.

'Same level of service'

The slated lease cancellations appeared as part of a broader effort by the Trump administration to chop off swaths of the federal bureaucracy, led largely by the efforts of the Department of Government Efficiency (DOGE).

As part of DOGE's swift cost-cutting, POLITICO reported, GSA was [instructed to terminate](#) easy-to-cancel leases with little consideration for how many people were working there. In some cases, the lease cancellations were [later walked back](#).

Last month, Interior began to [carry out a plan](#) to consolidate operations, closing information technology, human resources and financial management offices at disparate agencies and centralizing them within Interior.

The announced lease terminations have perplexed former officials at BSEE and BOEM, who didn't see a discernible strategy in the plans.

Former officials acknowledged that there may be some efficiency gains that could theoretically be made to some of the BSEE leases. One warehouse for dive equipment, for instance, is located around the corner from a large regional office for BOEM and BSEE employees near New Orleans. But that regional office was listed for closure, too.

Elizabeth Klein, who directed BOEM under the Biden administration, told E&E News last week that — considering the actions of DOGE in recent months — it appeared to her as though leases were selected for cancellation based on how quickly the leases were up and not based on an organized consolidation plan.

“It appears that there's been no assessment, and if there has been, it's not been shared

with anybody,” Klein said.

And she said moves to cut office space — which come as the Trump administration has also [demanded employees work in person](#) — could jeopardize the agencies’ safety and enforcement functions at a time when Interior is pushing to expand oil and gas drilling offshore.

BSEE, for instance, has employees detailed to inspect oil rigs. If Interior were to close two district offices in the Gulf — of which [there are five](#) — and workers were relocated, that could mean federal inspectors are further from the region where most offshore U.S. oil production occurs.

“You’re not being more efficient just by shutting things down,” Klein said. “You actually have to detail how it is that you’re maintaining the same level of service with your new plan, and that latter part is what’s completely missing from any of this.”

Rebecca Watson, special counsel at the Welborn Sullivan Meck & Tooley law firm, said Interior’s offices in Louisiana are there for a reason — that’s “where the critical energy infrastructure is located.”

“The Interior agencies work closely with the industry to lease oil and gas, manage production and emergencies,” said Watson, a former assistant secretary for lands and minerals management at Interior, in an email last week. “The industry has offices in proximity to Interior’s offices because of that relationship.”

The listed closures also included office space for the agencies at a large federal building in Houston, the Pacific regional office in Camarillo, California, and a national office in Sterling, Virginia.

A former BSEE official, who was granted anonymity to speak candidly, said the plans appeared to focus on reducing the agency’s nationwide footprint to save money.

“There’s probably some efficiency that can be gained [with office space],” the former official said. “But it also needs to be done in a manner that doesn’t disrupt the ability for collaboration and coordination of work supporting offshore energy mineral extraction.”

If a number of offices close and employees are required to move to keep their jobs, that

could accelerate the number of employees leaving the Interior agencies.

“There’s a higher probability of a safety failure offshore with less staff,” the official said.
“How do you address that situation with less competent, highly trained staff?”

UP NEXT IN **THIS EDITION OF ENERGYWIRE**

Occidental taps UAE oil giant for carbon removal money

BY CORBIN HIAR



YOUR ACCOUNT MANAGEMENT TEAM

Nick King

Associate Account Manager, Primary

nking@politico.com