

NEWS RELEASE

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5-YEAR OCS OIL AND GAS LEASING PROGRAM FOR 1997-2002 IS APPROVED

The U.S. Department of the Interior's Minerals Management Service (MMS) today announced that Secretary Bruce Babbitt has approved the 5-Year Program for natural gas and oil lease sales on the Outer Continental Shelf (OCS) for 1997-2002.

"The Secretary's signature on the 5-Year program is the last step in a two-year process that will now guide the development of our nation's offshore energy resources into the next century," said MMS Director Cynthia Quarterman. "This plan embodies the objectives set by the President and the Secretary of Interior when we started this process early in the Administration: consensus-based decision making, science-based decision making, and the use of natural gas as an environmentally preferable fuel. It also promotes the growth of our domestic natural gas and oil industry by ensuring access to our nation's offshore energy resources, and by providing a stimulus to further economic growth and recovery in the Gulf of Mexico along with potential new activity in Alaska."

The program includes 16 sales in 7 areas of the OCS. No leasing is under consideration off the Atlantic or Pacific coasts. Five sales are to be considered in four areas of the Alaska OCS. Annual sales are scheduled for the Central and Western Gulf of Mexico, with one sale being considered in the Eastern Gulf of Mexico 15 miles offshore Alabama and in deep water more than 100 miles off Florida.

"The 5-Year Program is a success because of the many people who contributed to its development, in addition to the scientific and environmental expertise offered by MMS staff. It is the opposite of the old adage that too many cooks spoil the soup," said Quarterman. "Over 3,000 people and organizations sent in comments during the comment periods, and attended the open meetings. The Alaska Stakeholders Task Force brought together the diverse forces in that State, from Native Alaskans to the fishing industry, to make recommendations that are now part of the Program. We have listened, worked with, and balanced the interests of the coastal states, the public at large, the environmental community and the natural gas and oil industry. We have turned the corner from what has historically been a contentious process to a consensus-based approach that works. Our challenge is to continue this dialogue each year at the regional level, and not just when we're working on a 5-Year Plan or on individual sales."

MMS is the federal agency that manages the nation's natural gas, oil and other mineral resources on the OCS, and collects, accounts for, and disburses about \$4 billion yearly in revenues from federal offshore leases and federal and Indian onshore mineral leases.

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