

**U.S. Department of the Interior
Minerals Management Service
Office of Communications**

FOR RELEASE:

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NEWS RELEASE

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MMS Issues Final Notice of Sale for Western Gulf of Mexico Sale 174

The U.S. Department of the Interior's Minerals Management Service (MMS) published the Final Notice of Sale for Western Gulf of Mexico (GOM) Sale 174 in today's *Federal Register*. The sale will be held August 25, 1999, at the Hyatt Regency Conference Center (Cabildo Rooms), 500 Poydras Plaza, New Orleans, Louisiana.

This is the fourth sale in the Western GOM, and the eight sale overall, in which blocks receiving bids in water depths of 200 meters or more are eligible for consideration under provisions of the Deep Water Royalty Relief Act. The Final Notice of Sale offers all blocks in water depths of less than 800 meters for a minimum bid of \$25.00 per acre. The minimum bid on blocks in water depths of 800 meters or deeper has been changed to \$37.50 per acre.

The final Notice of Sale covers 3,651 available blocks encompassing about 19.86 million acres, in the Western GOM Outer Continental Shelf (OCS) Planning Area offshore Texas and in deeper waters offshore Louisiana. Blocks in this sale are located from 9 to 200 miles offshore in water depths ranging from 8 meters to more than 3,000 meters. There are 2,122 blocks in water depths greater than 200 meters.

Sale 174 will be the 39th OCS lease sale involving the Western Gulf. Copies of the final Notice of Sale are available from the Gulf Region's Public Information Office, 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123-2394, telephone (504) 736-2519 or 1-800-200-GULF. Supplemental documents may also be obtained from that office.

Statistical Information (Sale 174)

Size:

3,651 Unleased blocks; 19.86 million acres

Primary Lease Terms:

5 Year - Water depths less than 400 meters - 1,701 Blocks

8 Year - Water depths between 400 and 800 meters - 307 Blocks

10 Year - Water depths 800 meters or deeper - 1,643 Blocks

Minimum Bids:

\$25.00 per acre or fraction thereof - Water depths less than 200 meters - 1,529 Blocks

\$37.50 per acre or fraction thereof - Water depths 200 meters or deeper - 2,122 Blocks

Annual Rental Rates:

\$5.00 per acre or fraction thereof - Water depths less than 200 meters - 1,529 Blocks

\$7.50 per acre or fraction thereof - Water depths 200 meters or deeper - 2,122 Blocks

Royalty Rates:

16 2/3% Royalty - Water depths less than 400 meters - 1,701 Blocks

12 1/2% Royalty - Water depths 400 meters or deeper - 1,950 Blocks

Royalty Suspension Rates:

200 - 400 Meter Royalty Suspension Area - 172 Blocks

400 - 800 Meter Royalty Suspension Area - 307 Blocks

800 Meter and Greater Royalty Suspension Area - 1,643 Blocks

MMS is the Federal Agency that manages the Nation's oil and gas and other mineral resources on the OCS and collects, accounts for, and last year disbursed about \$6 billion in revenues from Federal offshore mineral leases and from onshore mineral leases on Federal and Indian lands.

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