



U.S. Department of the Interior
Minerals Management Service
Gulf of Mexico OCS Region

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MMS Updates Estimates for Oil and Gas Resources on the OCS

The Minerals Management Service has updated its [resource assessment](#) for undiscovered oil and natural gas on the outer continental shelf. The 2000 assessment shows an increase of about 65 percent for the conventionally recoverable oil resources and a 35 percent increase for natural gas. The agency uses the petroleum resource assessment in its management of the offshore program.

According to MMS Director Walt Rosenbusch, "The estimated increases calculated for the OCS petroleum resources are primarily due to recent successes in [deepwater exploration in the Gulf of Mexico](#). The previous assessment was completed in 1995 and since that time there has been remarkable activity in deepwater areas."

The agency determines oil and natural gas resource estimates for two categories: undiscovered conventionally recoverable resources and undiscovered economically recoverable resources. Factors such as recent geophysical, geological, technological and economic conditions are considered in the assessment.

Undiscovered conventionally recoverable resources represent the potential hydrocarbons of an area that can be produced using current technology, without any consideration to economic feasibility.

Undiscovered economically recoverable resources represent the portion of the undiscovered conventionally recoverable hydrocarbons that can be explored, developed and commercially produced at given costs and price considerations using present or reasonably foreseeable technology.

The new estimates for conventionally recoverable resources, in billion barrels of oil (BBO) and trillion cubic feet of gas (TCFG) are:

Alaska:	24.9 BBO	122.6 TCFG
Atlantic:	2.3 BBO	28.0 TCFG
Gulf of Mexico:	37.1 BBO	192.7 TCFG
Pacific:	10.7 BBO	18.9 TCFG
TOTAL OCS:	75.0 BBO	362.2 TCFG

The new estimates for economically recoverable resources, estimated at \$18 per barrel of oil and \$2.11 mcf of natural gas are:

Alaska:	3.3 BBO	1.6 TCFG
Atlantic:	0.5 BBO	6.6 TCFG
Gulf of Mexico:	17.5 BBO	100.3 TCFG
Pacific:	5.3 BBO	8.3 TCFG
TOTAL OCS:	26.6 BBO	116.8 TCFG

The updated OCS resource assessment was prepared in conjunction with the Department's efforts toward developing the next 5-Year Oil and Natural Gas Leasing Program for 2002-2007 and other programmatic initiatives, such as deep water royalty relief and the overall management of the Federal Offshore oil and gas resources.

The MMS, a bureau in the U.S. Department of the Interior, is the federal agency that manages the nation's natural gas, oil and other mineral resources on the outer continental shelf. The agency also collects, accounts for and [disburses more than \\$5 billion per year in revenues](#) from federal offshore mineral leases and from onshore mineral leases on federal and Indian lands.

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MMS's Website Address: <http://www.mms.gov>