



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

NEWS RELEASE

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Two Records Are Set for Deepwater Gulf of Mexico

The Minerals Management Service (MMS), Gulf of Mexico Region, announced that the oil and gas industry has set a new world record for water depth in drilling and that the number of rigs drilling in deepwater in the Gulf of Mexico rose to a record high of 45.

According to MMS officials, Union Oil Company (Unocal) has set a new world record for drilling in deepwater. An exploration well for oil and gas is being drilled in 9,743 feet of water in Alaminos Canyon Block 903, less than four miles from the U.S.-Mexico boundary line. Drilling began on May 2nd, officials reported.

With that world record, the Agency also reported that 45 rigs are working in water 1,000 feet deep or greater. "The oil and gas industry has achieved an all-time high level of activity in the Gulf," said Chris Oynes, Regional Director of the MMS Gulf of Mexico OCS Region. "These new developments are an encouraging sign that we are making progress towards meeting America's energy needs in the coming years," he added. Oynes also noted that, "Since January 2000, we have seen an increase of 73 % in the number of rigs drilling in the deeper waters of the Gulf, from 26 to 45. A record 225 wells were drilled in the deepwater Gulf in the year 2000."

Oynes also noted that "the number of wells being drilled in the so called ultra-deep water -- those in 5,000 feet of water or greater -- continues to grow significantly. Currently, there are ten wells being drilled in water depths of 5,000 feet or greater." The companies operating the ten wells and the water depths are

Operator	Water-Depth
Union Oil Co. of California	9,743 feet
Marathon Oil Company	7,742 feet
BP Exploration & Oil Inc.	6,960 feet
BP Exploration & Oil Inc.	6,612 feet
Burlington Resources Offshore	6,308 feet
Murphy Exploration & Production	5,881 feet
Dominion Exploration & Production	5,610 feet
Vastar Resources Inc.	5,422 feet
Amoco Production Company	5,180 feet
Shell Deepwater Production Inc	5,150 feet

For additional information about deepwater activity, visit the MMS Gulf of Mexico regional website at <http://www.gomr.mms.gov/homepg/offshore/deepwtr.html>.

MMS is the federal agency in the U.S. Department of the Interior that manages the nation's oil, natural gas and other mineral resources on the outer continental shelf in federal offshore waters. The agency also collects, accounts for and disburses mineral revenues from federal and Indian leases. These collections totaled nearly \$8

billion last year and more than \$110 billion since the agency was created in 1982. Annually, nearly \$1 billion from those revenues go into the Land and Water Conservation Fund for the acquisition and development of state and federal park and recreation lands.

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