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NEWS RELEASE

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CONTACT: A.B. Wade
(202) 208-3985

Barney Congdon
(504) 736-2595

CENTRAL GULF OF MEXICO SALE 178, PART 1 ATTRACTS \$505.4 MILLION IN HIGH BIDS

The U. S. Department of the Interior's Minerals Management Service (MMS) in New Orleans held a sale of offshore oil and natural gas leases in the Gulf of Mexico, attracting \$505,468,501 in high bids from 90 companies.

Of 4,390 tracts comprising approximately 23.19 million acres offshore Alabama, Louisiana, and Mississippi that were offered, the MMS received 780 bids on 547 tracts. The total of all bids was \$663,406,963. The number of tracts bid on was about 60 percent higher than the Central Gulf Sale held in 2000.

Bidding activity was very heavy in the shallow water; 338 tracts in less than 200 meters of water received 502 bids. This amounts to 64 percent of the sale. The highest bid received on a block was \$26,115,000, submitted by Exxon Asset Management Company for Mississippi Canyon (NH16-10) Block 912. Approximately 9 percent of the tracts receiving bids are in ultra-deep water (more than 800 meters). The deepest tract bid on was Walker Ridge (NG15-06) Block 146 in 2,365 meters of water.

"We are very pleased with this sale," said Acting MMS Director Tom Kitsos. "Strong bidding by the independent oil and gas companies was a major part of the sale, and we are particularly pleased with the high interest shown in the shallow water area where deep gas deposits may be present." Kitsos noted that there were 11 companies who were first-time bidders.

The high bid on a block (each approximately nine square miles) will go through an evaluation process to ensure the public receives fair market value before a lease is awarded.

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.

This press release and in-depth information about MMS programs may be found on the [MMS home page](#). To receive the latest MMS news releases automatically by email, send a request to [Monica Contee](#).

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MMS Internet website address: <http://www.mms.gov>