

The NewsRoom

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Central Gulf of Mexico Sale 194 Nets \$342,027,467 in High Bids

NEW ORLEANS— The Minerals Management Service has accepted high bids valued at \$342,027,467 for 403 tracts offered in Oil and Gas Lease Sale 194 and awarded leases to the successful high bidders. Funds from the total high bids will be distributed to the general fund of the U. S. Treasury, shared with the affected States, and set aside for special uses that benefit all fifty states.

The leases were awarded following the completion of an extensive two-phase bid evaluation process to ensure that the Federal government receives a fair monetary return for the public mineral resources it makes available.

Lease Sale 194, held March 16, 2005, attracted 80 companies submitting 651 bids on 428 tracts totaling \$540,254,193. Of the 428 tracts receiving \$353,961,798 in high bids, MMS rejected 19 high bids totaling \$11,931,635 as insufficient for fair market value. MMS accepted the high bids on 409 tracts for an amount of \$342,030,163. One company declined its six awarded leases. This action resulted in the forfeiture of the 1/5th bonus bid deposit for each lease for a total of \$674.00. The remaining 4/5th bonus, not collected, resulted in a total net amount to the MMS of \$342,027,467 for 403 tracts in Lease Sale 194.

The highest bid accepted on a tract was \$21,157,755 by Dominion Exploration & Production, Inc. and Stone Energy Corporation for West Cameron 132. This tract is in shallow water and received eight bids. Gulf of Mexico Regional Director Chris Oynes said of the sale, "Sale 194 indicates the continued strong interest of major and independent oil and gas companies in the Gulf." "The results of the sale also indicate a continuing interest in shallow-water areas, with fifty-seven percent of the tracts receiving bids in less than 200 meters of water."

The top five companies with the highest number of accepted high bids for Sale 194 are the following:

Company	Number of Accepted High Bids	Sum of Accepted High Bids
1. Dominion Exploration & Production, Inc.	25	\$52,300,892
2. Focus Exploration, LLC	25	\$10,176,565
3. Murphy Exploration & Production Company – USA	22	\$27,685,175
4. LLOG Exploration Offshore, Inc.	22	\$34,859,680
5. Energy Partners, Ltd.	21	\$14,817,037

The top five companies with the highest total bonus accepted are the following:

Company	Number of Accepted High Bids	Sum of Accepted High Bids
1. Dominion Exploration & Production, Inc.	25	\$52,300,892
2. LLOG Exploration Offshore, Inc.	22	\$34,859,680
3. Murphy Exploration & Production Company – USA	22	\$27,685,175
4. Spinnaker Exploration Company, LLC	18	\$16,145,075
5. Energy Partners, Ltd.	21	\$14,817,037

MMS, part of the U.S. Department of the Interior, oversees 1.76 billion acres of the Outer Continental Shelf, managing offshore energy and minerals while protecting the human, marine, and coastal environments through advanced science and technology research. The OCS provides 30 percent of oil and 21 percent of natural gas produced domestically, and sand used for coastal restoration. MMS collects, accounts for, and disburses mineral revenues from Federal and American Indian lands, with Fiscal Year 2004 disbursements of approximately \$8 billion and more than \$143 billion since 1982. The Land and Water Conservation Fund, which pays for cooperative conservation, grants to states, and Federal land acquisition, gets nearly \$1 billion a year.

Relevant Web Sites:

[MMS Main Website](#)

[Gulf of Mexico Website](#)

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[MMS: Securing Ocean Energy & Economic Value for America](#)
U.S. Department of the Interior