

NOVEMBER 12, 1999

WESTERN GULF OF MEXICO, LEASE SALE 174 (AUGUST 25, 1999)

PHASE 2 DECISION INFORMATION MATRIX

Attached is a tabulation of selected information from the Minerals Management Service's Phase 2 evaluation process for Sale 174. Abbreviations and codes are defined as follows:

Tract Type

- DD** - Drainage or Development Tract
- CW** - Confirmed or Wildcat Tract

ADJ Royalty Rate

- 16 2/3% ROY** - 1/6 th royalty, 5 yr lease term, not eligible for royalty suspension (0 - 200 meters)
- 16 2/3% RS** - 1/6 th royalty, 5 yr lease term, eligible for royalty suspension (200 - 400 meters)
- 12 1/2% RS1** - 1/8 th royalty, 8 yr lease term, eligible for royalty suspension (400 - 800 meters)
- 12 1/2% RS2** - 1/8 th royalty, 10 yr lease term, eligible for royalty suspension (> 800 meters)

- MROV** - Mean of the Range-of-Value
- ADV** - Adjusted Delay Value
- RAM** - Revised Arithmetic - average Measure

Tract Decision Rule

- C** - Accept tract's High Bid in Phase 2: High Bid \geq ADV.
- E** - Accept tract's High Bid in Phase 2: tract is CW and is Non-Viable.
- F** - Accept tract's High Bid in Phase 2: tract is CW with \geq 3 bids where 3rd highest bid at least 50% of the highest qualified bid.
- V** - Accept tract's High Bid in Phase 2: tract is CW and passes a categorial fair market value (FMV) threshold measure test.
- M** - Accept tract's High Bid in Phase 2: ADV \geq High Bid \geq RAM
- R** - Reject tract's High Bid in Phase 2: High Bid is below tract's fair market value.

PHASE 2 DECISION INFORMATION MATRIX

Sale Number: 174

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Region Name: Gulf of Mexico OCS Region

Sale Identifier: WESTERN GULF OF MEXICO

Sale Date: AUGUST 25, 1999

OCS NUMBER	AREA CODE/ PROT NO	BLOCK NO.	ACRES/ HECTARES	TRACT TYPE	HIGH BID	MROV	ADV	RAM	ADJ #BIDS	ROYALTY RATE	TRACT DEC. RULE
G21300	MU	743	5760.00	A CW	\$152,500	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
G21303	MU	736	5760.00	A CW	\$337,989	\$144,000	\$144,000	NA	1	16 2/3% ROY	C
G21305	MI	639	5760.00	A CW	\$325,830	\$144,000	\$144,000	NA	2	16 2/3% ROY	E
G21306	MI	640	5760.00	A CW	\$275,840	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
G21310	BA	543	5760.00	A CW	\$301,000	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
R G21311	BA	584	5760.00	A CW	\$157,000	\$940,000	\$940,000	NA	1	16 2/3% ROY	R
G21312	BA A	1	5760.00	A CW	\$1,321,920	\$144,000	\$144,000	NA	3	16 2/3% ROY	E
G21313	BA A	3	5760.00	A CW	\$752,889	\$144,000	\$144,000	NA	1	16 2/3% ROY	C
G21314	BA A	10	5760.00	A CW	\$728,338	\$144,000	\$144,000	NA	4	16 2/3% ROY	C
G21315	BA A	24	5760.00	A CW	\$1,691,115	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
G21316	BA A	25	5760.00	A CW	\$709,137	\$144,000	\$144,000	NA	1	16 2/3% ROY	C
G21317	BA A	38	5760.00	A CW	\$410,572	\$144,000	\$144,000	NA	1	16 2/3% ROY	C
R G21321	GA	189	3187.19	A CW	\$110,700	\$940,000	\$940,000	NA	1	16 2/3% ROY	R
G21322	GA	227	5760.00	A CW	\$508,227	\$144,000	\$144,000	NA	1	16 2/3% ROY	C
G21323	GA	237	5760.00	A CW	\$356,250	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
G21324	GA	297	5760.00	A CW	\$225,123	\$144,000	\$144,000	NA	1	16 2/3% ROY	C
G21325	GA	347	5760.00	A CW	\$337,989	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
G21328	GA A	105	5760.00	A CW	\$175,230	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
G21329	GA A	106	5760.00	A CW	\$175,240	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
G21330	GA A	141	5760.00	A CW	\$180,880	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
G21335	GA A	212	5760.00	A CW	\$256,320	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
G21336	GA A	230	5760.00	A CW	\$157,824	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
G21337	GA A	231	5760.00	A CW	\$158,400	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
G21338	GA A	249	5760.00	A CW	\$159,552	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
R G21339	HI	20	3438.38	A CW	\$275,123	\$920,000	\$920,000	NA	1	16 2/3% ROY	R

R DENOTES TRACT WITH REJECTED HIGH BID

PHASE 2 DECISION INFORMATION MATRIX

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Region Name: Gulf of Mexico OCS Region

Sale Identifier: WESTERN GULF OF MEXICO

Sale Date: AUGUST 25, 1999

OCS NUMBER	AREA CODE/ PROT NO	BLOCK NO.	ACRES/ HECTARES	TRACT TYPE	HIGH BID	MROV	ADV	RAM	ADJ #BIDS	ROYALTY RATE	TRACT DEC. RULE
R G21341	HI	51	5760.00	A DD	\$341,950	\$800,000	\$800,000	NA	1	16 2/3% ROY	R
G21343	HI	162	5760.00	A CW	\$1,241,000	\$144,000	\$144,000	NA	5	16 2/3% ROY	C
G21344	HI A	2	5760.00	A CW	\$555,600	\$220,000	\$220,000	NA	1	16 2/3% ROY	C
G21345	HI A	3	5760.00	A CW	\$3,230,300	\$1,900,000	\$1,900,000	NA	2	16 2/3% ROY	C
G21346	HI A	18	5760.00	A CW	\$420,000	\$144,000	\$144,000	NA	2	16 2/3% ROY	C
G21347	HI A	19	5760.00	A CW	\$205,344	\$144,000	\$144,000	NA	1	16 2/3% ROY	C
G21350	HI A	169	5760.00	A CW	\$597,989	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
G21351	HI A	170	5760.00	A CW	\$337,989	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
G21352	HI A	172	5760.00	A CW	\$221,000	\$180,000	\$180,000	NA	1	16 2/3% ROY	C
G21356	HI A	554	5760.00	A CW	\$172,800	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
G21357	HI A	589	5760.00	A CW	\$1,100,800	\$144,000	\$144,000	NA	2	16 2/3% ROY	E
G21358	HI A	316	5760.00	A CW	\$455,810	\$400,000	\$400,000	NA	1	16 2/3% ROY	C
R G21360	HI A	352	5760.00	A CW	\$225,820	\$640,000	\$640,000	NA	1	16 2/3% ROY	R
G21361	HI A	391	5760.00	A CW	\$194,500	\$144,000	\$144,000	NA	1	16 2/3% ROY	E
G21364	EB	144	1823.70	A CW	\$102,260	\$45,600	\$45,600	NA	1	16 2/3% ROY	E
G21365	EB	145	2276.31	A CW	\$122,270	\$56,925	\$56,925	NA	1	16 2/3% RS	E
G21366	EB	146	4688.81	A CW	\$282,280	\$117,225	\$117,225	NA	1	16 2/3% RS	E
G21367	EB	147	5760.00	A CW	\$352,290	\$144,000	\$144,000	NA	1	16 2/3% RS	E
G21368	EB	279	5760.00	A CW	\$438,000	\$144,000	\$144,000	NA	2	12 1/2% RS1	C
G21369	EB	322	5760.00	A CW	\$149,700	\$144,000	\$144,000	NA	1	12 1/2% RS1	E
G21370	EB	323	5760.00	A CW	\$330,800	\$144,000	\$144,000	NA	1	12 1/2% RS1	E
G21371	EB	510	5760.00	A CW	\$754,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21374	EB	641	5760.00	A CW	\$368,640	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21376	EB	1005	5760.00	A CW	\$423,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
R G21377	GB	26	1298.25	A DD	\$325,891	\$1,600,000	\$1,600,000	NA	1	16 2/3% ROY	R

R DENOTES TRACT WITH REJECTED HIGH BID

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G21378	GB	142	3669.18	A CW	\$150,123	\$91,750	\$91,750	NA	1	16 2/3% ROY	C
G21379	GB	171	5760.00	A CW	\$1,077,000	\$144,000	\$144,000	NA	1	12 1/2% RS1	E
G21380	GB	177	5424.68	A CW	\$214,430	\$135,625	\$135,625	NA	1	16 2/3% RS	C
G21381	GB	186	5760.00	A CW	\$225,123	\$144,000	\$144,000	NA	1	16 2/3% RS	C
R G21383	GB	213	5760.00	A CW	\$386,000	\$3,200,000	\$3,200,000	NA	1	12 1/2% RS1	R
G21384	GB	279	5760.00	A CW	\$165,123	\$144,000	\$144,000	NA	1	16 2/3% RS	C
G21385	GB	319	5760.00	A CW	\$454,000	\$144,000	\$144,000	NA	1	16 2/3% RS	E
G21386	GB	323	5760.00	A CW	\$225,123	\$144,000	\$144,000	NA	1	16 2/3% RS	C
G21387	GB	340	5760.00	A CW	\$162,500	\$144,000	\$144,000	NA	1	12 1/2% RS1	E
G21388	GB	362	5760.00	A CW	\$226,000	\$144,000	\$144,000	NA	1	16 2/3% RS	E
G21389	GB	363	5760.00	A CW	\$454,000	\$144,000	\$144,000	NA	1	12 1/2% RS1	E
G21390	GB	379	5760.00	A CW	\$233,280	\$144,000	\$144,000	NA	1	12 1/2% RS1	E
G21391	GB	404	5760.00	A CW	\$331,000	\$144,000	\$144,000	NA	1	12 1/2% RS1	E
G21392	GB	405	5760.00	A CW	\$226,000	\$144,000	\$144,000	NA	1	12 1/2% RS1	E
G21393	GB	406	5760.00	A CW	\$226,000	\$144,000	\$144,000	NA	1	12 1/2% RS1	E
G21394	GB	423	5760.00	A CW	\$233,280	\$144,000	\$144,000	NA	1	12 1/2% RS1	E
G21395	GB	434	5760.00	A CW	\$4,710,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21396	GB	477	5760.00	A CW	\$267,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
R G21397	GB	511	5760.00	A CW	\$246,000	\$1,400,000	\$1,400,000	NA	1	12 1/2% RS2	R
G21398	GB	512	5760.00	A CW	\$293,760	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21399	GB	552	5760.00	A CW	\$331,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21400	GB	553	5760.00	A CW	\$331,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21402	GB	697	5760.00	A CW	\$767,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21403	GB	785	5760.00	A CW	\$2,398,989	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
R G21404	GB	806	5760.00	A CW	\$1,223,467	\$2,300,000	\$2,300,000	NA	2	12 1/2% RS2	R

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G21405	GB	808	5760.00	A CW	\$336,960	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21406	GB	833	5760.00	A CW	\$3,483,000	\$1,300,000	\$1,300,000	NA	1	12 1/2% RS2	C
G21407	GB	852	5760.00	A CW	\$275,904	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21408	GB	877	5760.00	A CW	\$11,283,000	\$3,800,000	\$3,800,000	NA	1	12 1/2% RS2	C
G21409	GB	921	5760.00	A CW	\$511,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	C
G21410	GB	975	5760.00	A CW	\$577,000	\$750,000	\$750,000	\$534,000	2	12 1/2% RS2	M
G21412	AC	145	5760.00	A CW	\$221,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21413	AC	146	5760.00	A CW	\$221,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21414	AC	194	5760.00	A CW	\$358,560	\$216,000	\$216,000	NA	1	12 1/2% RS2	C
G21415	AC	348	5760.00	A CW	\$777,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21416	AC	349	5760.00	A CW	\$5,211,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21417	AC	537	5760.00	A CW	\$334,080	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21418	AC	628	5760.00	A CW	\$254,880	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21419	AC	671	5760.00	A CW	\$254,880	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21420	AC	715	5760.00	A CW	\$270,720	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21421	KC	7	5760.00	A CW	\$3,041,000	\$3,800,000	\$3,700,000	\$2,643,000	2	12 1/2% RS2	M
R G21422	KC	8	5760.00	A CW	\$697,800	\$4,000,000	\$4,000,000	\$1,672,933	2	12 1/2% RS2	R
G21423	KC	95	5760.00	A CW	\$303,840	\$290,000	\$290,000	NA	1	12 1/2% RS2	C
G21424	KC	191	5760.00	A CW	\$228,250	\$216,000	\$216,000	NA	1	12 1/2% RS2	C
G21425	KC	192	5760.00	A CW	\$242,180	\$216,000	\$216,000	NA	2	12 1/2% RS2	C
G21426	KC	196	5760.00	A CW	\$3,177,000	\$1,800,000	\$1,800,000	NA	1	12 1/2% RS2	C
G21427	KC	236	5760.00	A CW	\$278,300	\$216,000	\$216,000	NA	2	12 1/2% RS2	C
G21430	KC	369	5760.00	A CW	\$331,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21434	KC	504	5760.00	A CW	\$331,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21435	KC	582	5760.00	A CW	\$265,536	\$216,000	\$216,000	NA	1	12 1/2% RS2	C

R DENOTES TRACT WITH REJECTED HIGH BID

PHASE 2 DECISION INFORMATION MATRIX

Sale Number: 174

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Region Name: Gulf of Mexico OCS Region

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OCS NUMBER	AREA CODE/ PROT NO	BLOCK NO.	ACRES/ HECTARES	TRACT TYPE	HIGH BID	MROV	ADV	RAM	ADJ #BIDS	ROYALTY RATE	TRACT DEC. RULE
G21436	KC	623	5760.00	A CW	\$226,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21437	KC	626	5760.00	A CW	\$341,456	\$216,000	\$216,000	NA	1	12 1/2% RS2	C
G21438	KC	628	5760.00	A CW	\$307,777	\$216,000	\$216,000	NA	2	12 1/2% RS2	C
G21439	KC	670	5760.00	A CW	\$219,456	\$216,000	\$216,000	NA	1	12 1/2% RS2	C
R G21440	KC	671	5760.00	A CW	\$511,488	\$2,700,000	\$2,700,000	\$1,211,329	2	12 1/2% RS2	R
G21441	KC	774	5760.00	A CW	\$6,106,076	\$4,800,000	\$4,800,000	NA	1	12 1/2% RS2	C
G21442	KC	832	5760.00	A CW	\$226,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21444	KC	875	5760.00	A CW	\$226,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21445	KC	914	5760.00	A CW	\$253,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	C
G21446	KC	915	5760.00	A CW	\$1,037,000	\$910,000	\$910,000	NA	1	12 1/2% RS2	C
G21447	KC	919	5760.00	A CW	\$221,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21448	KC	920	5760.00	A CW	\$221,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21449	KC	959	5760.00	A CW	\$2,563,000	\$2,400,000	\$2,400,000	NA	1	12 1/2% RS2	C
G21450	KC	963	5760.00	A CW	\$221,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21451	KC	964	5760.00	A CW	\$221,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	E
G21452	KC	1003	5760.00	A CW	\$247,000	\$216,000	\$216,000	NA	1	12 1/2% RS2	C

R DENOTES TRACT WITH REJECTED HIGH BID