

JANUARY 24, 2002

EASTERN GULF OF MEXICO, LEASE SALE 181 (DECEMBER 5, 2001)

PHASE 2 DECISION INFORMATION MATRIX

Attached is a tabulation of selected information from the Minerals Management Service's Phase 2 evaluation process for Sale 181. Abbreviations and codes are defined as follows:

Tract Types

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

Royalty Rates

- 16 2/3% RS** - 1/6 th royalty, 5 yr lease term, with possible royalty suspension volume of 20 bcf of deep gas production \geq 15,000 feet (0 - 199 meters)
- 16 2/3% ROY** - 1/6 th royalty, 5 yr lease term, not eligible for royalty suspension (200 - 399 meters)
- 12 1/2% ROY** - 1/8 th royalty, 8 yr lease term, not eligible for royalty suspension (400 - 799 meters)
- 12 1/2% RS3** - 1/8 th royalty, 10 yr lease term, with possible royalty suspension volume of 9 million barrels of oil equivalent - BOE (800 - 1599 meters)
- 12 1/2% RS4** - 1/8 th royalty, 10 yr lease term, with possible royalty suspension volume of 12 million barrels of oil equivalent - BOE ($>$ 1600 meters)

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

Tract Decision Rules

- 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: 181

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Region Name: Gulf of Mexico OCS Region

Sale Identifier: EASTERN GULF OF MEXICO

Sale Date: DECEMBER 5, 2001

OCS NUMBER	AREA CODE/ PROT NO	BLOCK NO.	ACRES/ HECTARES	TRACT TYPE	HIGH BID	MROV	ADV	RAM	ADJ #BIDS	ROYALTY RATE	TRACT DEC. RULE
G23450	LL	5	5760.00	A CW	\$2,017,440	\$216,000	\$216,000	NA	3	12 1/2% RS4	C
G23451	LL	6	5760.00	A CW	\$882,240	\$216,000	\$216,000	NA	1	12 1/2% RS4	C
G23455	LL	47	5760.00	A CW	\$5,041,440	\$540,000	\$540,000	NA	4	12 1/2% RS4	C
G23457	LL	49	5760.00	A CW	\$1,527,840	\$216,000	\$216,000	NA	1	12 1/2% RS4	C
G23458	LL	50	5760.00	A CW	\$15,058,080	\$1,100,000	\$1,100,000	NA	4	12 1/2% RS4	C
G23461	LL	91	5760.00	A CW	\$26,015,040	\$1,800,000	\$1,800,000	NA	4	12 1/2% RS4	C
G23462	LL	94	5760.00	A CW	\$1,015,488	\$216,000	\$216,000	NA	2	12 1/2% RS4	C
G23463	LL	95	5760.00	A CW	\$2,017,440	\$216,000	\$216,000	NA	2	12 1/2% RS4	C
G23465	LL	135	5760.00	A CW	\$5,041,440	\$216,000	\$216,000	NA	3	12 1/2% RS4	E
G23469	LL	177	5760.00	A CW	\$489,600	\$216,000	\$216,000	NA	1	12 1/2% RS4	E
G23471	LL	221	5760.00	A CW	\$489,600	\$216,000	\$216,000	NA	1	12 1/2% RS4	E
G23472	LL	265	5760.00	A CW	\$6,321,600	\$216,000	\$216,000	NA	3	12 1/2% RS4	E
G23473	LL	309	5760.00	A CW	\$13,024,800	\$216,000	\$216,000	NA	2	12 1/2% RS4	E
G23474	LL	315	5760.00	A CW	\$5,041,440	\$216,000	\$216,000	NA	3	12 1/2% RS4	C
G23475	LL	316	5760.00	A CW	\$18,025,440	\$1,300,000	\$1,300,000	NA	3	12 1/2% RS4	C
G23478	LL	359	5760.00	A CW	\$1,015,488	\$216,000	\$216,000	NA	1	12 1/2% RS4	E
G23479	LL	360	5760.00	A CW	\$5,041,440	\$216,000	\$216,000	NA	2	12 1/2% RS4	C
G23480	LL	399	5760.00	A CW	\$22,135,759	\$4,400,000	\$4,400,000	NA	5	12 1/2% RS4	C
G23481	LL	400	5760.00	A CW	\$11,117,500	\$2,000,000	\$2,000,000	NA	4	12 1/2% RS4	C
G23482	LL	401	5760.00	A CW	\$705,700	\$216,000	\$216,000	NA	1	12 1/2% RS4	C
G23483	LL	402	5760.00	A CW	\$705,700	\$216,000	\$216,000	NA	1	12 1/2% RS4	C
G23484	LL	443	5760.00	A CW	\$1,305,000	\$216,000	\$216,000	NA	1	12 1/2% RS4	C
G23485	LL	444	5760.00	A CW	\$306,000	\$216,000	\$216,000	NA	1	12 1/2% RS4	C
G23486	LL	445	5760.00	A CW	\$7,111,000	\$2,000,000	\$2,000,000	NA	1	12 1/2% RS4	C
G23487	LL	446	5760.00	A CW	\$21,111,888	\$3,500,000	\$3,500,000	NA	1	12 1/2% RS4	C

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Sale Identifier: EASTERN GULF OF MEXICO

Sale Date: DECEMBER 5, 2001

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G23492	DC	179	5760.00	A CW	\$296,000	\$216,000	\$216,000	NA	2	12 1/2% RS4	E
G23493	DC	180	5760.00	A CW	\$6,685,000	\$1,300,000	\$1,300,000	NA	5	12 1/2% RS4	C
G23494	DC	181	5760.00	A CW	\$2,179,145	\$216,000	\$216,000	NA	1	12 1/2% RS4	C
G23495	DC	182	5760.00	A CW	\$264,700	\$216,000	\$216,000	NA	1	12 1/2% RS4	C
G23496	DC	223	5760.00	A CW	\$292,076	\$216,000	\$216,000	NA	2	12 1/2% RS4	E
G23497	DC	224	5760.00	A CW	\$4,095,000	\$1,200,000	\$1,200,000	NA	5	12 1/2% RS4	C
G23498	DC	225	5760.00	A CW	\$8,088,900	\$216,000	\$216,000	NA	4	12 1/2% RS4	C
G23499	DC	226	5760.00	A CW	\$4,763,520	\$1,200,000	\$1,200,000	NA	3	12 1/2% RS4	C
G23501	DC	268	5760.00	A CW	\$1,116,000	\$216,000	\$216,000	NA	2	12 1/2% RS4	C
G23502	DC	269	5760.00	A CW	\$7,088,900	\$2,300,000	\$2,300,000	NA	5	12 1/2% RS4	C
G23503	DC	270	5760.00	A CW	\$2,943,360	\$216,000	\$216,000	NA	4	12 1/2% RS4	C
G23506	DC	314	5760.00	A CW	\$1,290,240	\$216,000	\$216,000	NA	3	12 1/2% RS4	E
G23507	DC	354	5760.00	A CW	\$487,800	\$216,000	\$216,000	NA	3	12 1/2% RS4	E
G23511	DC	445	5760.00	A CW	\$8,519,040	\$3,200,000	\$3,200,000	NA	5	12 1/2% RS4	C
G23512	DC	485	5760.00	A CW	\$8,112,700	\$770,000	\$770,000	NA	2	12 1/2% RS4	C
G23514	DC	489	5760.00	A CW	\$3,121,920	\$1,800,000	\$1,800,000	NA	3	12 1/2% RS4	C
G23515	DC	490	5760.00	A CW	\$9,924,480	\$1,200,000	\$1,200,000	NA	3	12 1/2% RS4	C
G23516	DC	491	5760.00	A CW	\$10,241,280	\$1,300,000	\$1,300,000	NA	3	12 1/2% RS4	C
G23517	DC	529	5760.00	A CW	\$2,386,000	\$510,000	\$510,000	NA	2	12 1/2% RS4	C
G23519	DC	534	5760.00	A CW	\$1,641,600	\$216,000	\$216,000	NA	1	12 1/2% RS4	E
G23520	DC	535	5760.00	A CW	\$2,482,560	\$1,400,000	\$1,400,000	NA	2	12 1/2% RS4	C
G23521	DC	573	5760.00	A DD	\$2,313,000	\$490,000	\$490,000	NA	1	12 1/2% RS4	C
G23525	DC	617	5760.00	A DD	\$4,587,000	\$1,100,000	\$1,100,000	NA	1	12 1/2% RS4	C
G23526	DC	618	5760.00	A CW	\$5,679,000	\$1,300,000	\$1,300,000	NA	4	12 1/2% RS4	C
G23527	DC	619	5760.00	A CW	\$3,219,000	\$960,000	\$960,000	NA	3	12 1/2% RS4	C

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G23529	DC	621	5760.00	A CW	\$18,017,280	\$2,900,000	\$2,900,000	NA	4	12 1/2% RS4	C
G23530	DC	623	5760.00	A CW	\$343,000	\$216,000	\$216,000	NA	2	12 1/2% RS4	E
G23532	DC	664	5760.00	A CW	\$1,399,680	\$216,000	\$216,000	NA	2	12 1/2% RS4	E
G23533	DC	665	5760.00	A CW	\$1,399,680	\$216,000	\$216,000	NA	3	12 1/2% RS4	E
G23535	DC	709	5760.00	A CW	\$4,031,000	\$216,000	\$216,000	NA	1	12 1/2% RS4	E
G23536	DC	710	5760.00	A CW	\$1,112,000	\$216,000	\$216,000	NA	1	12 1/2% RS4	E
G23538	DC	798	5760.00	A CW	\$1,028,000	\$216,000	\$216,000	NA	3	12 1/2% RS4	E
G23539	DC	842	5760.00	A CW	\$1,028,000	\$216,000	\$216,000	NA	2	12 1/2% RS4	E

