

EASTERN GULF OF MEXICO OCS LEASE SALE 189 (DECEMBER 10, 2003)

PHASE 1 DECISION MATRIX

Attached herewith is the Phase 1 Decision Matrix for the Eastern Gulf of Mexico OCS Lease Sale 189, (December 10, 2003)

The Phase 1 bid evaluation criteria are:

Rule A - Accept the highest qualified bid on confirmed and wildcat tracts determined to be nonviable.

Rule B - Accept the highest qualified bid on viable confirmed and wildcat tracts receiving three or more qualified bids where the third highest such bid on the tract is at least 50 percent of the highest qualified bid and the high bid per acre ranks in the top 75 percent of high bids for all three-or-more-bid tracts that reside within a specified water depth category (i.e., <800 meters or >=800 meters).

Rule I - Invalid high bid - deemed unacceptable during the adjudication process in accordance with notices/regulations available presale.

The tract type indicators cited herein are:

DD - Drainage or Development Tract

CW - Confirmed or Wildcat Tracts

The adjusted number of bids indicators cited herein are:

AL - Anomalous bids include all but the highest bid submitted for a tract by the same company, parent or subsidiary (bidding alone or jointly). Such bids are excluded when applying the number of bids rule or any bid adequacy measure.

IL - Illegal bids are those bids which do not comply with MMS regulations and the Notice of Sale. Any illegal high bid will be returned to the bidder.

The viable code indicators cited herein are:

NV - Nonviable tracts are those geographic or geologic configurations of hydrocarbons whose risk weighted most probable resource size is below the minimum economic field size for the relevant cost regime and anticipated future prices. The risk used is below the lowest level anticipated for any tract or prospect in the same cost regime.

V - Viable Tracts

TEP1MTRX

Sale Identifier: EASTERN GULF OF MEXICO

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Sale Number: 189

Sale Date: 10-DEC-2003

Region Name: Gulf of Mexico OCS Region

Sort Option: Lease Number

OCS NUMBER (1)	(2)	BLOCK NUMBER (3)	\$ HIGH BID	VIABLE CODES (5)	TRACT TYPE (6)	ADJUSTED NUMBER OF BIDS	MANAGER'S DECISION	
							Phase 1 Rule	REFER TO PHASE 2
G25850	DC	178	\$442,700.00	NV	CW	1	Rule A	
G25851	DC	313	\$228,500.00	NV	CW	1	Rule A	
G25852	DC	353	\$793,521.00			3		X
G25853	DC	397	\$616,251.00			1		X
G25854	DC	398	\$2,225,251.00			1		X
G25855	DC	486	\$516,521.00			1		X
G25856	DC	487	\$793,521.00			1		X
G25857	DC	578	\$227,500.00	NV	CW	1	Rule A	
G25858	DC	662	\$222,500.00			1		X
G25859	DC	663	\$1,314,400.00			1		X
G25860	DC	706	\$222,500.00			1		X
G25861	DC	707	\$246,400.00			1		X
G25862	DC	751	\$304,700.00			1		X
G25863	DC	972	\$222,500.00	NV	CW	1	Rule A	

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