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# Leasing Activities Information



U.S. Department of the Interior  
Minerals Management Service  
Gulf of Mexico OCS Region

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## FINAL NOTICE OF SALE 189 Eastern Gulf of Mexico

Attached is the Final Notice of Sale 189 Package (FNOS 189 Package), Eastern Gulf of Mexico (GOM), scheduled to be held on December 10, 2003, in New Orleans, Louisiana.

In addition to the FNOS 189, this Package consists of:

- Lease Stipulations for Oil and Gas Lease Sale 189
- Royalty Suspension Provisions, Sale 189
- Information To Lessees, Sale 189
- Example of Preferred Format - Geophysical Data and Information Statement
- List of Blocks Available for Leasing, Sale 189
- Debarment Certification Form
- Bid Form and Envelope
- Telephone Numbers/Addresses of Bidders Form
- Instructions for Making EFT Bonus Payments
- Lease Terms, Economic Conditions, and Stipulations Map, Sale 189, Final

All documents listed above are available from the MMS Gulf of Mexico Region Public Information Unit; telephone (800) 200-GULF or (504) 736-2519; or by written request to:

Minerals Management Service  
Gulf of Mexico OCS Region  
Public Information Unit (MS 5034)  
1201 Elmwood Park Boulevard  
New Orleans, Louisiana 70123-2394

All of these documents may be found on the MMS Homepage Address on the Internet: [www.mms.gov](http://www.mms.gov).

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### **Please Notice:**

Terms and conditions for FNOS 189 are generally the same as the December 2001 Eastern GOM Sale 181 except for the following noteworthy matters:

#### **Protected Species Stipulation**

Included in the FNOS 189 Package is a recently revised Protected Species Stipulation that is designed to minimize or avoid potential adverse impacts to federally protected species. Having completed consultations (pursuant to the Endangered Species Act) with the National Oceanic and Atmospheric Administration - Fisheries (NOAA-Fisheries) and the U.S. Fish and Wildlife Service (FWS), the MMS has included terms and conditions as appropriate in the Protected Species Stipulation and in several Notices To Lessees (NTLs).

Please note that NOAA-Fisheries included in its opinion a conservation recommendation that permit holders maintain helicopter traffic over the Gulf at altitudes above 1,000 feet, if practicable, to avoid disturbance to whales and sea turtles. The FWS has recommended in previous opinions that, to minimize impacts to endangered and threatened species, aircraft working on OCS activities should adhere to the Federal Aviation Administration (FAA) recommended 2,000 foot altitude restriction over wildlife refuges (State and Federal) and parks (including national seashores).

Bidders should also note that the three NTLs which implement the requirements of the Protected Species Stipulation have recently

been revised; the revisions became effective in June 2003. See paragraph (g) of the Information To Lessees document included in the FNOS 189 Package.

### **Royalty Relief**

The deepwater royalty relief price thresholds differ from those used in Eastern GOM Sale 181. Please see the document "Royalty Suspension Provisions, Sale 189, Final" for additional information.

### **Information To Lessees**

The Information To Lessees document for this sale has been shortened to include only items that involve information about other agencies or MMS agency requirements not covered by the sale notice, lease stipulations or existing NTLs and regulations.

### **Geophysical Data and Information Statement**

The FNOS 189 Package contains a requirement that every bidder submit, by the bid submission deadline, a Geophysical Data and Information Statement declaring whether they possess or control depth migrated geophysical data and information pertaining to each block upon which they are participating as a bidder. In connection therewith, the MMS has issued NTL No. 2003-G05, effective February 15, 2003, to provide more detail concerning submission of the Geophysical Data and Information Statement, making the data available to the MMS following the lease sale, preferred format, reimbursement for costs, and confidentiality.

### **Electronic Funds Transfer (EFT) Payments**

Bidders are reminded that the 1/5th bonus bid deposits will be due by 1:00 p.m. Eastern Time the day following bid reading. In addition, certain bid submitters (i.e., those that are NOT currently an OCS mineral lease record title holder or designated operator OR those that have ever defaulted on a 1/5th bonus bid payment (EFT or otherwise)) are required to guarantee (secure) their 1/5th bonus bid payment prior to the submission of bids. Also, when paying the 4/5ths bonus and rental payments, it is requested that only one transaction be used. For further details, please see the document "Instructions for Making EFT Bonus Payments."

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### **Not Offered:**

118 blocks currently under lease

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### **Statistical Information (Sale 189):**

**Size:** 138 unleased blocks; 794,880 acres

**Initial Period:** 10 years

**Minimum Bonus Bid Amount:** \$37.50 per acre or fraction thereof

**Rental/Minimum Royalty Rates:** \$7.50 per acre or fraction thereof

**Royalty Rates:** 12-1/2%

**Royalty Suspension Area:** A royalty suspension of 12 million barrels of oil equivalent will apply to all leases in this sale.

For more information on the FNOS 189 Package, potential bidders are advised to contact Mr. Charles Hill at (504) 736-2795 or Ms. Jane Burrell Johnson at (504) 736-2811 of the MMS GOM OCS Region Sales and Support Unit.

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Gulf of Mexico Region Public Information Unit  
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