
Leasing Activities Information



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

FINAL NOTICE OF SALE 192 Western Gulf of Mexico

Attached is the Final Notice of Sale 192 Package (FNOS 192 Package), Western Gulf of Mexico (GOM), scheduled to be held on August 18, 2004, in New Orleans, Louisiana.

In addition to the FNOS 192, this Package consists of:

- ◆ Lease Stipulations
- ◆ Royalty Suspension Provisions
- ◆ Information To Lessees
- ◆ List of Blocks Available for Leasing
- ◆ Unleased Split Blocks and Available Unleased Acreage of Blocks with Aliquots and Irregular Portions Under Lease or Deferred
- ◆ Example of Preferred Format - Geophysical Data and Information Statement
- ◆ Bid Form and Envelope
- ◆ Telephone Numbers/Addresses of Bidders Form
- ◆ Instructions for Making EFT Bonus Payments
- ◆ Lease Terms and Economic Conditions Map
- ◆ Stipulations and Deferred Blocks Map

All of these documents may be found on the MMS Homepage Address on the Internet: www.mms.gov.

Please Notice:

Terms and conditions for FNOS 192 are generally the same as the August 2003 Western GOM Lease Sale 187 except for the following noteworthy matters:

Bids Submitted by Mail

The FNOS 192 includes specific instructions regarding bids mailed to the GOM Region. This is needed to minimize the chance of bid receipt delay due to misrouting within the GOMR mail system.

Debarment and Suspension (Nonprocurement)

Bidders should note paragraph (k) of the Information To Lessees document included in this FNOS 192 Package which discusses new debarment requirements. These new requirements will be contained in an Addendum included in each lease resulting from this lease sale.

Military Areas

NTL No. 2004-G02, effective January 27, 2004, provides Internet links to maps and the addresses and telephone numbers of the individual military command headquarters for the military warning and water test areas in the GOM. This NTL is for information and convenience only, and does not change the provisions of Stipulation No. 2 for this sale relative to recent Western lease sales.

Minimum Bonus Bid Amount

The minimum bonus bid amount has been raised from \$25 per acre to \$37.50 per acre for deepwater tracts located in water depths of 400-799 meters.

Mustang Island Blocks 793, 799, and 816

These three blocks, which have been deferred from recent Western GOM sales, are now available for leasing, subject to a recently revised lease stipulation for Operations in the Naval Mine Warfare Area. For these three blocks, the stipulation will require exploration, development, and production activities to be conducted from outside the lease.

Protected Species Stipulation

This recently revised Protected Species Stipulation, designed to minimize or avoid potential adverse impacts to federally protected species, is also included in the FNOS 192 Package. Having completed formal 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).

The 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).

Three NTLs have been issued which implement the requirements of the Protected Species Stipulation. One of the three, NTL No. 2003-G08, has been superseded and replaced by NTL No. 2004-G01, effective March 1, 2004. This revised NTL does not introduce any new types of mitigation measures; however, the previous restrictions adopted in NTL No. 2003-G08 specifically to protect sperm whales now will be applied to all whales (as defined in the revised NTL), some of which may be encountered in water depths less than 200 meters in certain areas of the GOM. Please refer to paragraph (h) of the Information To Lessees document included in the FNOS 192 Package.

Royalty Suspension

Several new provisions regarding royalty suspension are in effect for this lease sale (see the document, Royalty Suspension Provisions, included in the FNOS 192 Package).

New MMS Publication: *Potential Hydrocarbon Prospects for Sale 192*

Minerals Management Service provides public access to a wide variety of geological, geophysical, and reservoir engineering data and information that may be useful for the identification and evaluation of potential hydrocarbon plays and prospects in the Gulf of Mexico. A new publication, *Potential Hydrocarbon Prospects for Sale 192*, offers data and information specific to a number of potential prospects that exist on acreage available for bid in Sale 192. This publication is available by selecting the Potential Hydrocarbon Prospects for Sale 192 hotlink listed on MMS' Western Gulf of Mexico Lease Sale 192 Information webpage, at <http://www.gomr.mms.gov/homepg/lseale/192/wgom192.html>.

Not Offered:

Currently unleased whole blocks and portions of blocks which lie within the boundaries of the Flower Garden Banks National Marine Sanctuary at the East and West Flower Garden Banks and Stetson Bank (the following list includes all blocks affected by the Sanctuary boundaries):

High Island, East Addition, South Extension (Area TX7C)

Whole Blocks: A-375, A-398

Portions of Blocks: A-366, A-367, A-374, A-383, A-384, A-385, A-388, A-389, A-397, A-399, A-401

High Island, South Addition (Area TX7B)

Portions of Blocks: A-502, A-513

Garden Banks (Area NG15-02)

Portions of Blocks: 134, 135

Whole blocks and portions of blocks which lie within the 1.4 nautical mile buffer zone north of the continental shelf boundary between the United States and Mexico:

Keathley Canyon (Area NG15-05)

Portions of Blocks: 978 through 980

Sigsbee Escarpment (Area NG15-08)

Whole Blocks: 11, 57, 103, 148, 149, 194, 239, 284, 331 through 341

Portions of Blocks: 12 through 14, 58 through 60, 104 through 106, 150, 151, 195, 196, 240, 241, 285 through 298, 342 through 349

Whole blocks and portions of blocks deferred from this lease sale are shown on the map "Stipulations and Deferred Blocks, Lease Sale 192, Final."

Statistical Information (Lease Sale 192):

Size: 3,907 unleased blocks; 21.2 million acres

Initial Period:

5 years for blocks in water depths less than 400 meters:	1,823 blocks
8 years for blocks in water depths of 400 to 799 meters:	375 blocks
10 years for blocks in water depths of 800 meters or deeper:	1,709 blocks

Minimum Bonus Bid Amount:

\$25.00 per acre or fraction thereof for water depths less than 400 meters:	1,823 blocks
\$37.50 per acre or fraction thereof for water depths 400 meters or deeper:	2,084 blocks

Rental/Minimum Royalty Rates:

\$5.00 per acre or fraction thereof for water depths less than 200 meters:	1,623 blocks
\$7.50 per acre or fraction thereof for water depths 200 meters or deeper:	2,284 blocks

Royalty Rates:

16-2/3% royalty rate in water depths less than 400 meters:	1,823 blocks
12-1/2% royalty rate in water depths 400 meters or deeper:	2,084 blocks

Royalty Suspension Areas:

0 to 199 meters:	1,623 blocks
400 to 799 meters:	375 blocks
800 to 1599 meters:	968 blocks
1600 meters and deeper:	741 blocks

For more information on the FNOS 192 Package, potential bidders are advised to contact Ms. Jane Burrell Johnson at (504) 736-2811 of the MMS GOM OCS Region Sales and Support Unit.

-MMS-
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