
Leasing Activities Information



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

FINAL NOTICE OF SALE 208 Central Planning Area

Please note that on page 3 of the "Coversheet" the statistics have been updated to delete West Delta Block 50.

Attached is the Final Notice of Sale 208 Package (Final NOS 208 Package), for Central Planning Area (CPA) Oil and Gas Lease Sale 208 scheduled to be held on Wednesday, March 18, 2009, in New Orleans, Louisiana.

This Package consists of:

- Final NOS 208
- Lease Stipulations
- 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
- Bid Form and Envelope
- Telephone Numbers/Addresses of Bidders Form
- Example of Preferred Format - Geophysical Data and Information Statement
- Lease Terms and Economic Conditions Map
- Stipulations and Deferred Blocks Map

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 also be found on the MMS GOM Lease Information page on the website at:
www.gomr.mms.gov/homepg/lseale/208/cgom208.html.

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### **Please Notice:**

Terms and conditions for Final NOS 208 are generally the same as for the March 2008 CPA Lease Sale 206 except for the following noteworthy matters:

#### **Updated Geophysical Data and Information Statement (GDIS) Instructions**

Bidders are advised of the revised instructions for submittal of the GDIS. These changes were previously implemented for Western Planning Area Lease Sale 207. Please refer to paragraph (q) in the Information to Lessees document for specific details.

#### **Additional Blocks Deferred Near the Limit of the Exclusive Economic Zone (EEZ) in the Eastern Gap**

Bidders are advised that an additional one block setback is being implemented near the EEZ in the Eastern Gap with this sale. Please refer to paragraph (r) of the Information to Lessees document regarding the list of blocks affected and the "Stipulations and Deferred Blocks" map included in this Final NOS 208 Package.

#### **Central-Eastern Planning Area Boundary Change**

Bidders are advised that the Central-Eastern Planning Area Boundary has been revised to match the Federal OCS Administrative Boundary for the DeSoto Canyon, Lloyd Ridge, and Henderson Areas. The new boundary splits blocks that were formerly "stair-stepped" and can be seen on the "Stipulations and Deferred Blocks" or "Lease Terms and Economic Conditions" maps, included in this Final NOS 208 Package. The boundaries along the Pensacola, Destin Dome, and Florida Plain Areas will remain "stair-stepped" for this lease sale. Please refer to paragraph (s) of the Information to Lessees document for additional information. The administrative boundaries can also be viewed at:  
<http://www.mms.gov/ld/AdminBoundaries.htm>.

**Below Seabed Operations on a Portion of Walker Ridge, Blocks 293 and 294**

A newly developed stipulation regarding Walker Ridge, Blocks 293 and 294, has been adopted. The MMS approved a request for a right-of-use and easement in Walker Ridge, Blocks 293 and 294. Please refer to the Lease Stipulations document and paragraph (t) in the Information to Lessees document included in this FNOS 208 Package.

**Rental Rate Change**

The rental rates are being revised for this lease sale in accordance with the following table. Please pay particular attention to the Lease Terms and Conditions in this Final NOS 208 Package for these updates.

| Sale 208 Rental Rates per Acre or Fraction Thereof |           |                                                                  |            |
|----------------------------------------------------|-----------|------------------------------------------------------------------|------------|
| Water Depth in meters                              | Years 1-5 | Years 6, 7 & 8                                                   | Years 9-10 |
| 0 to <200                                          | \$7.00    | \$14.00, \$21.00 & \$28.00<br>(if a lease extension is approved) | N/A        |
| 200 to <400                                        | \$11.00   | \$22.00, \$33.00 & \$44.00<br>(if a lease extension is approved) | N/A        |
| 400 to <800                                        | \$11.00   | \$16.00<br>(if exploratory well drilled per 30 CFR part 256.37)  | N/A        |
| 800+                                               | \$11.00   | \$16.00                                                          | \$16.00    |

**Minimum Royalty Change**

The minimum royalty has been revised to \$7.00 per acre or fraction thereof per year for blocks in water depths of less than 200 meters and \$11.00 per acre or fraction thereof per year for blocks in water depths of 200 meters or deeper. Please pay particular attention to the Lease Terms and Conditions in this Final NOS Package for these updates.

**Not Offered:**

Blocks with bid decisions currently under appeal (although currently unleased, the bid decisions on the following blocks are under appeal and bids will not be accepted):

Mississippi Canyon (OPD NH16-10)  
Block 943

West Delta Area (Leasing Map LA8)  
Block 50

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

Amery Terrace (OPD NG 15-09)  
Whole Blocks: 280, 281, 318 through 320, and 355 through 359  
Portions of Blocks: 235 through 238, 273 through 279, and 309 through 317

Sigsbee Escarpment (OPD NG 15-08)  
Whole Blocks: 239, 284, 331 through 341  
Portions of Blocks: 151, 195, 196, 240, 241, 285 through 298, 342 through 349

Whole blocks and portions of blocks, which are adjacent to or beyond the United States Exclusive Economic Zone, in or adjacent to the area known as the Northern portion of the Eastern Gap. Please note that an additional one block setback is being deferred, starting with this Sale:

Lund South (OPD NG 16-07)  
Whole Blocks: 128, 129, 169 through 173, 209 through 217, 248 through 261, 293 through 305, and 349

Henderson (OPD NG 16-05)  
Whole Blocks: 466, 508 through 510, 551 through 554, 594 through 599, 637 through 643, 679 through 687, 722 through 731, 764 through 775, 807 through 819, 849 through 862, 891 through 905, 933 through 949, and 975 through 992  
Portions of Blocks: 467, 511, 555, 556, 600, 644, 688, 732, 776, 777, 820, 821, 863, 864, 906, 907, 950, 993, and 994

Florida Plain (OPD NG 16-08)  
Whole Blocks: 5 through 23, 46 through 66, 89 through 109, 133 through 153, 177 through 196, 221 through 239, 265 through 282, 309 through 326, and 363 through 369  
Portions of Blocks: 24, 25, 67, 68, 110, 111, 154, 197, 198, 240, 241, 283, 284, 327, 370, and 371

Whole blocks and portions of blocks deferred by Gulf of Mexico Energy Security Act:

Pensacola (OPD NH 16-05)

Blocks: 751 through 754, 793 through 798, 837 through 842, 881 through 886, 925 through 930, 969 through 975

Destin Dome (OPD NH 16-08)

Whole Blocks: 1 through 7, 45 through 51, 89 through 96, 133 through 140, 177 through 184, 221 through 228, 265 through 273, 309 through 317, 353 through 361, 397 through 405, 441 through 450, 485 through 494, 529 through 538, 573 through 582, 617 through 627, 661 through 671, 705 through 715, 749 through 759, 793 through 804, 837 through 848, 881 through 892, 925 through 936, and 969 through 981

DeSoto Canyon (OPD NH 16-11)

Whole Blocks: 1 through 15, 45 through 59, and 92 through 102  
Portions of Blocks: 16, 60, 61, 89 through 91, 103 through 105, and 135 through 147

Henderson (OPD NG 16-05)

Portions of Blocks: 114, 158, 202, 246, 290, 334, 335, 378, 379, 422, and 423

Whole blocks and portions of blocks above the Sale 181 area but beyond 100 miles from the Florida coast:

DeSoto Canyon (OPD NH 16-11)

Whole Blocks: 148, and 185 through 192  
Portion of Blocks: 89, 90, 91, 103 through 105, 141 through 147, 149, and 193

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Statistical Information (Lease Sale 208):

Approximate Size: 6,458 unleased blocks; 34.6 million acres

Initial Period:

5 years for blocks in water depths less than 400 meters (with a possible extension to 8 years if drilling requirements are met):	1,637 blocks
8 years for blocks in water depths of 400 to less than 800 meters (pursuant to 30 CFR 256.37, commencement of an exploratory well is required within the first 5 years of the initial 8-year term to avoid lease cancellation):	200 blocks
10 years for blocks in water depths of 800 meters or deeper:	4,621 blocks

Minimum Bonus Bid Amount:

\$25.00 per acre or fraction thereof for water depths less than 400 meters:	1,637 blocks
\$37.50 per acre or fraction thereof for water depths 400 meters or deeper:	4,821 blocks

Rental Rates

\$7.00 per acre or fraction thereof for water depths less than 200 meters (with a possible escalation to as much as \$28.00 per acre if the lease has an approved extension of the initial 5-year period):	1,474 blocks
\$11.00 per acre or fraction thereof for water depths 200 meters or deeper (with a possible escalation to as much as \$44.00 per acre in the 200 to less than 400 meter water depth range if the lease has an approved extension of the initial 5-year period):	4,984 blocks

Minimum Royalty Rates:

\$7.00 per acre or fraction thereof for water depths less than 200 meters	1,474 blocks
\$11.00 per acre or fraction thereof for water depths 200 meters or deeper	4,984 blocks

Royalty Rates:

18-3/4% royalty rate in all water depths:	6,458 blocks
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Royalty Suspension Areas:

0 to less than 400 meters:	1,637 blocks
400 to less than 800 meters:	200 blocks
800 to less than 1600 meters:	392 blocks
1600 to 2000 meters:	297 blocks
Greater than 2000 meters:	3,932 blocks

Please note that the statistics have been updated to delete West Delta Block 50.
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For more information on the Final NOS 208 Package, potential bidders are advised to contact Mr. Carrol Williams at (504) 736-2803, Ms. Nancy Kornrumpf at (504) 736-2726, or Ms. Cindy Thibodeaux at (504) 736-2809 of the MMS GOM OCS Region Sales and Support Unit.

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