



**U.S. Department of the Interior
Minerals Management Service
Office of Public Affairs**

SPECIAL INFORMATION

FOR RELEASE:

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MMS Sets Date for Public Workshops for Lease Sale 178 and the Proposed Rule Regarding Discretionary Royalty Relief

The Department of the Interior's Minerals Management Service (MMS) Gulf of Mexico Outer Continental Shelf Region (GOMR) announces workshops to be held in New Orleans on December 12 and in Houston on December 14 to discuss a number of provisions being considered for proposed Lease Sale 178 in the Central Gulf of Mexico.

The new provisions being considered are deepwater royalty relief for leases in 800 meters water depth and greater; shallow-water, deep-gas royalty relief for leases in water depths less than 200 meters (where natural gas wells have been drilled 15,000 feet or greater and commence production during the primary term of the lease); subsalt lease term extension for leases in water depths less than 400 meters (with a primary term of five years), providing for a 2-year extension beyond the 5-year primary term if a subsalt well has been drilled during the primary term; and other proposed terms and conditions.

In addition, provisions of the proposed rule regarding discretionary royalty relief for leases in 200 meters water depth and greater will be discussed at each workshop. This proposed rule was recently published in the *Federal Register* at 65 FR 69259 on November 16, 2000.

New Orleans will be the site of workshops on December 12 at the MMS GOMR Region, 1201 Elmwood Park Boulevard, Room 111. Provisions of the Sale 178 Proposed Notice of Sale will be discussed from 9 a.m. until Noon. Provisions of discretionary royalty relief proposed rule will be discussed from 1 p.m. to 4 p.m. The format of both the morning and afternoon workshops will be, first, a 30- to 40-minute presentation by MMS outlining the changes, followed by about two hours of questions and answers. The purpose of the workshops is to clarify the proposals and answer questions. The morning workshop will be strictly fact oriented and will not involve a discussion of the merits or alternatives to the proposals.

The second day of workshops will be held in Houston, December 14, at the Sheraton North Houston Hotel (at George Bush Intercontinental Airport), 15700 John F. Kennedy Boulevard. Provisions of the Sale 178 Proposed Notice of Sale will be discussed from 9 a.m. until Noon. Provisions of discretionary royalty relief proposed rule will be discussed from 1 to 4 p.m.

There is no fee or advance registration associated with these workshops. For more information, please call Mr. Charles Hill

at (504) 736-2795 or visit the MMS website at <http://www.gomr.mms.gov>.

MMS is the federal agency that manages the nation's natural gas, oil and other mineral resources on the Outer Continental Shelf. The agency also collects, accounts for and disburses over \$5 billion per year in revenues from federal offshore mineral leases and from onshore mineral leases on federal and Indian lands.

Agenda

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MMS GOMR Region

1201 Elmwood Park Boulevard

Room 111

New Orleans, Louisiana

Tuesday Morning, December 12, 9 a.m. until Noon

New Proposed Provisions of Sale 178 Proposed Notice of Sale

Tuesday Afternoon, December 12, 1 p.m. until 4 p.m.

Proposed Rule Regarding Discretionary Royalty Relief

Sheraton North Houston Hotel

(at George Bush Intercontinental Airport)

15700 John F. Kennedy Boulevard

Houston, Texas

Thursday Morning, December 14, 9 a.m. until Noon

New Proposed Provisions of Sale 178 Proposed Notice of Sale

Thursday Afternoon, December 14, 1 p.m. until 4 p.m.

Proposed Rule Regarding Discretionary Royalty Relief

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