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Western Gulf of Mexico Sale 184 Attracts \$151,265,255 in High Bids

The U. S. Department of the Interior's Minerals Management Service held a lease sale today in New Orleans of offshore oil and natural gas leases in the Gulf of Mexico, attracting \$151,265,255 in high bids. Forty companies participated. Lease Sale 184 offered 4,102 tracts comprising approximately 22.3 million acres offshore Texas, and Louisiana. The MMS received 391 bids on 323 tracts. The total of all bids was \$181,551,965.

MMS Director Johnnie Burton said, "Sale 184 was clearly a success; the number of tracts bid on rank fourth in the last 10 Western Gulf sales. This sale saw spirited bidding activity by the independent oil and gas companies. The top three companies submitting bids were independents: Kerr-McGee (53 bids), Amerada Hess (52 bids), and Pioneer Natural Resources (42 bids)." Burton went on to note that, "The deeper water area in what is termed Alaminos Canyon experienced a great deal of bidding by several companies. We also saw bidding that was in response to our deep gas initiative in shallow water."

The highest bid received on a block was \$8,353,500 submitted by Dominion Exploration and Production and Nexen Petroleum Offshore USA, Inc. for Garden Banks block 337. Approximately 39 percent of the tracts receiving bids are in ultra-deep water (more than 800 meters). The deepest tract bid on was Alaminos Canyon, Block 902, in 2,996 meters of water.

The high bid on a block will go through an evaluation process to ensure the public receives market value before a lease is awarded.

MMS is the federal agency in the U.S. Department of the Interior that manages the nation's oil, natural gas and other mineral resources on the outer continental shelf in federal offshore waters. The agency also collects, accounts for and disburses mineral revenues from federal and Indian leases. These revenues totaled nearly \$10 billion in 2001 and more than \$120 billion since the agency was created in 1982. Annually, nearly \$1 billion from those revenues go into the Land and Water Conservation Fund for the acquisition and development of state and federal park and recreation lands.

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MMS Internet website address: <http://www.mms.gov>