



# NEWS

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U.S. DEPARTMENT OF THE INTERIOR

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

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## *NEWS RELEASE*

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**FOR RELEASE:** August 20, 2003

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### **SECRETARY NORTON CELEBRATES 50<sup>TH</sup> ANNIVERSARY OF OUTER CONTINENTAL SH LANDS ACT AT WESTERN GULF OF MEXICO LEASE SALE 187**

Secretary of the Interior Gale Norton celebrated the 50<sup>th</sup> Anniversary of the Outer Continental Shelf Lands Act (OCSLA) and opened the reading of bids at Western Gulf of Mexico Lease Sale 187 today in New Orleans. The lease sale is the 100<sup>th</sup> offshore oil and gas lease sale conducted in the Gulf of Mexico.

“The OCS is a critical source of energy for the U.S., and its contribution is projected to grow significantly over the next few years as more deepwater projects come online and the leasing program continues in the Gulf and in Alaska,” said Secretary of the Interior Gale Norton.

“It is important for Americans to understand how critical the Outer Continental Shelf Lands Act has been for the nation,” Secretary Norton added. “Over the past 50 years, lease sales such as this, have produced about 14 billion barrels of oil and about 150 trillion cubic feet of natural gas. They have also provided oil-in-kind to help fill the Strategic Petroleum Reserve, created thousands of jobs, and generated \$145 billion in revenue from federal offshore collections. As the country faces natural gas shortages and family budgets are squeezed ever tighter, today’s sale will help the long-term natural gas supply.”

Language in the 1953 Act is remarkably similar to President Bush’s energy policy. Both call for the federal government to manage the oil and natural gas resources of the Outer Continental Shelf to assure national security, reduce dependence on foreign sources, protect the nation’s environmental health, and conserve precious resources.

Estimates indicate that the U.S. has a 50-year supply of natural gas, mostly under moratoria. Natural gas prices have risen by as much as 75 percent in one year with demand far outpacing supply. About 56 million Americans heat their homes with natural gas.

Lease 187 includes almost 4,000 leases. It is estimated this sale may result in the production of up to 260 million barrels of oil and around 1 trillion cubic feet of natural gas. That amount of gas could supply the equivalent of 1 year worth of natural gas for about 18 million homes.

Lease Sale 187 offered 3,996 tracts comprising about 21.7 million acres offshore Texas and Louisiana and attracted \$148,715,127 in high bids today. The MMS received 407 bids on 335 tracts. The total of all bids was \$258,716,307.

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 American Indian leases. These revenues totaled over \$6 billion in 2002 and nearly \$127 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.boem.gov>