

The NewsRoom

Release: #4011

Date: July 10, 2009

Central Gulf of Mexico Sale 208 Nets \$690 Million in High Bids

Summary of Results

NEW ORLEANS — The Minerals Management Service (MMS) has accepted high bids valued at \$690,163,194.40 and awarded 328 leases to the successful high bidders who participated in Central Gulf of Mexico Oil and Gas Lease Sale 208. Funds from the total high bids will be distributed to the general fund of the U. S. Treasury, shared with the affected States, and set aside for special uses that benefit all fifty states.

The leases were awarded following the completion of an extensive, two-phase bid evaluation process to ensure that the Federal government receives a fair monetary return for the public mineral resources it makes available.

Seventy companies submitted 476 bids on 348 tracts in the sale, held March 18, 2009. The total for high bids submitted on all tracts was \$703,048,523. Using the bid evaluation process, MMS rejected high bids totaling \$12,673,983 on 19 tracts as insufficient for fair market value.

In addition, a successful high bidder forfeited the lease and the 1/5th bonus which was submitted with the bid. As a result, \$52,836.40 of the \$264,182 bid on the forfeited tract has been collected.

Companies have 11 business days from the date they are notified by MMS that a bid is officially accepted to make full payment of the bonus. MMS holds the 1/5th bonus paid in advance if full payment is not made or if a company declines the lease.

The highest bid accepted on a tract was \$ 65,611,235 submitted by Shell Gulf of Mexico

Inc. for Mississippi Canyon, Block 721. This tract is in deep water (2,620 - 5,240 feet or 800 - 1,600 meters) and received 2 bids.

Top five companies with the highest number of accepted high bids for Sale 208:

<u>Company</u>	<u>Number of High Bids Accepted</u>	<u>Sum of High Bids Accepted</u>
Shell Gulf of Mexico Inc.	39	\$153,631,475
BHP Billiton Petroleum (Deepwater) Inc.	28	\$50,393,232
BP Exploration & Production Inc.	25	\$77,057,925
Ecopetrol America Inc.	22	\$18,668,097
Noble Energy, Inc.	22	\$54,112,878

Top five companies with the highest bonus amount accepted for Sale 208:

<u>Company</u>	<u>Number of High Bids Accepted</u>	<u>Sum of High Bids Accepted</u>
Shell Gulf of Mexico Inc.	39	\$153,631,475
BP Exploration & Production Inc.	25	\$77,057,925
Marathon Oil Company	16	\$62,441,178
Noble Energy, Inc.	22	\$54,112,878
BHP Billiton Petroleum (Deepwater) Inc.	28	\$50,393,232

Contact:

[Caryl Fagot](#) (504) 736-2590

[Bill Lee](#) (504) 736-2597

[MMS: Securing Ocean Energy & Economic Value for America](#)
[U.S. Department of the Interior](#)
