



## NEWS RELEASE

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### MMS Issues Final Notice of Central Gulf Lease Sale 198

NEW ORLEANS – The Minerals Management Service (MMS) announced today in the [Federal Register](#) the Final Notice of Lease Sale 198 for offshore oil and gas in the Central Gulf of Mexico (GOM). The lease sale is scheduled for March 15, 2006, in New Orleans.

The lease sale encompasses 4,040 unleased blocks of approximately 21.3 million acres in the Outer Continental Shelf (OCS) Planning Area offshore Louisiana, Mississippi, and Alabama. The blocks are located from three to about 210 miles offshore in water depths of four to more than 3,400 meters. MMS estimates the lease sale could result in the production of between 276 to 654 million barrels of oil and 1.59 to 3.30 trillion cubic feet of natural gas.

Certain provisions are new for lease sales in this region, including an increase in base rental rates that reflects inflationary adjustments, among others.

In addition, new provisions are in place for this lease sale, including a modification to shallow-water deep gas royalty relief, as provided for in the Energy Policy Act of 2005, a lease stipulation resulting from an ongoing federally funded University of Mississippi study of gas hydrates, an earlier time deadline for Electronic Fund Transfer (EFT) of rental payments, and a continuation of other terms and conditions that were adopted in other recent lease sales.

The Final Notice of Lease Sale 198 will be posted on the MMS website at <http://www.gomr.mms.gov>. In addition, copies of the document are available from the MMS Gulf of Mexico Regional Office, Public Information Unit, 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123. Telephone (504) 736-2519, toll free 1-800-200-GULF.

MMS, an agency of the U.S. Department of the Interior, manages offshore oil and gas exploration as well as renewable and alternative energy sources such as wind, wave, and solar on 1.76 billion acres of the Outer Continental Shelf while protecting the human, marine, and coastal environments. The OCS provides 30 percent of oil and 21 percent of natural gas produced domestically, and sand used for coastal restoration. MMS collects, accounts for, and disburses mineral revenues from Federal and American Indian lands, and contributes to the Land and Water Conservation Fund and other special use funds, with Fiscal Year 2005 disbursements of approximately \$9.9 billion and more than \$153 billion since 1982.

MMS Main Website: [www.mms.gov](http://www.mms.gov)

Gulf of Mexico Website: [www.gomr.mms.gov](http://www.gomr.mms.gov)

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