

The NewsRoom

Release: #3201

Date: November 18, 2004

Western Gulf of Mexico Sale 192 Nets \$169,928,999 in High Bids

The Minerals Management Service has accepted the high bids on 346 of 351 tracts offered during offshore Oil and Gas Lease Sale 192, held August 18, 2004. Prior to accepting the high bids, which totaled \$169,928,999, MMS completed 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.

Of the 351 tracts receiving bids during the sale, MMS rejected 4 high bids totaling \$1,257,085 as insufficient for fair market value. In addition, one high bid at \$201,201 was deemed unacceptable by MMS because it was below the required minimum bid amount stated in the Final Notice of Sale. MMS accepted the high bids on 346 tracts for a net amount of \$169,928,999.

The monies collected are distributed to the general fund of the U.S. Treasury, shared with the affected States, and set aside for special uses that benefit all 50 states.

The highest bid accepted on a tract was \$6,775,400 by The Houston Exploration Company for High Island, East Addition, South Extension A-270. This tract is located in water depths less than 200 meters and received four bids. The second and third highest bids accepted were \$4,877,331 by Remington Oil and Gas Corporation on Garden Banks 506 and \$4,244,200 by Kerr-McGee Oil & Gas Corporation on East Breaks 424, both of which were in the 800- to 1,599-meter water depth range.

This sale indicates the continued strong interest of major and independent oil and gas companies in the Gulf. The results of the sale also indicate a continuing interest in shallow-water areas.

The top five companies participating in the highest number of accepted high bids for Sale 192 are the following:

Company	Number of Accepted High Bids	Sum of Accepted High Bids
Amerada Hess Corporation	56	\$12,911,509
BP Exploration & Production	47	\$27,890,067
Petrobras America, Inc.	36	\$10,518,174
Devon Energy Production Company L.P.	26	\$11,519,457
Kerr-McGee Oil & Gas Corporation	24	\$14,089,305

The top five companies with the highest total bonus accepted are the following:

Company	Number of Accepted High Bids	Sum of Accepted High Bids
BP Exploration & Production	47	\$27,890,067
Kerr-McGee Oil & Gas Corporation	24	\$14,089,305
Amerada Hess Corporation	56	\$12,911,509
Devon Energy Production Company L.P.	26	\$11,519,457
Petrobras America, Inc.	36	\$10,518,174

The Minerals Management Service 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 lands. MMS disbursed more than \$8 billion in FY 2003 and more than \$143 billion since the agency was created in 1982. Nearly \$1 billion from those revenues go into the Land and Water Conservation Fund annually for the acquisition and development of state and Federal park and recreation lands.

Relevant Web Sites:

[MMS Main Website](#)

[Gulf of Mexico Website](#)

Media Contacts:

Debra Winbush (504) 736-2597

Caryl Fagot (504) 736-2590

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