



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

NEWS RELEASE

FOR RELEASE:

September 26, 2002

CONTACT: Nicolette Humphries
(202) 208-3985

Tropical Storm Isidore takes a bite out of U.S. Offshore Oil and Natural Gas Production

As much as 4.5 million barrels of oil and 25 billion cubic feet of natural gas are unavailable for U.S. consumption because of a three-day shutdown of oil and gas operations on the Gulf of Mexico outer continental shelf (OCS) due to the effects of Tropical Storm Isidore.

The latest reports to the Minerals Management Service (MMS) from the oil and gas industry in the Gulf indicate that about 95 percent of crude oil and 60 percent of natural gas production from offshore Federal lands has been shutdown since Wednesday, September 25, 2002. This shutdown will likely continue through Friday September 27, 2002, at which time workers will begin returning to facilities for damage assessment and to restore production.

“The amount affected is so large because production from the Gulf of Mexico OCS currently accounts for more than 25 percent of domestic oil and natural gas production” said Walter Cruickshank, MMS Deputy Director. “This demonstrates the extraordinary importance of Federal OCS production in the Gulf of Mexico to the U.S. economy.”

With over 4,000 oil and gas platforms in the Gulf of Mexico operating on a 24-hour basis, storm events, such as Isidore, have the potential for disrupting energy supply, creating safety hazards for offshore workers, and environmental hazards from potential oil spills. To ensure safe operations, operators of OCS energy facilities maintain detailed hurricane operations plans that provide guidelines for evacuation of facilities, production curtailment and leak detection. These plans serve as the basis for the orderly evacuation of personnel and shutdown of production from platforms in the case of severe weather events such as Tropical Storm Isidore.

Some platforms equipped with Supervisory Control and Data Acquisition (SCADA) systems, stay online and continue operations during less severe storms while data such as pressure, status of safety devices, flow rates and other essential operating conditions are monitored remotely. MMS reviews and approves the use of SCADA systems to ensure all vital data needed to determine whether a leak occurs is available to operators allowing them to quickly shutdown all systems and activate response teams.

Hurricane operations plans also provide guidance to operators on how to ensure the integrity of all systems, from visible production equipment on the platform to the thousands of miles of pipeline that rest on the seafloor. Any damage to facilities is identified and necessary repairs completed before systems resume production to prevent oil and natural gas from being released into the environment.

Thorough planning by operators on the OCS and effective regulatory guidance from MMS ensure the safety of personnel and protection of the environment during the passage of hurricanes and storms. Once the threat of Tropical Storm Isidore subsides, the energy production so important to our country will resume.

Tropical Storm Isidore Evacuation and Production Statistics						
September 26, 2002 – 3:00 PM EST						
Facilities evacuated and production shut in	Lake Jackson	Lake Charles	Lafayette	Houma	New Orleans	Total evacuated and shut in

Platforms	59	109	121	86	131	506
Rigs	12	20	16	17	25	90
Oil, BOPD	11,864	40,714	228,992	454,471	705,292	1,441,334
Gas, MMCF/D	375.89	1,046.55	1,467.57	2,450.22	3,135.27	8,475.50

Reporting Companies: Agip, Amerada Hess, Anadarko/RME, Apache, BP, Burlington Resources, Calpine, Chevron Texaco-Chevron USA, Devon Energy, Dominion E&P, El Paso, Energy Partners, Energy Resource Technology, EOG Resources, Forest Oil, GOM Shell, Gryphon Exploration, Hunt Petroleum (AEC), J.M. Huber, LLOG Exploration Offshore, Magnum Hunter Prod., McMoRan Exploration, Millennium Offshore, Newfield Exploration, Nippon Oil Expl., Ocean Energy, Petro Ventures, Pioneer Natural Resources, Pogo Producing, PRS Offshore, Remington Oil & Gas, Ridgelake Energy, Seneca Resources, Shell E&P, St. Mary Energy, Stone Energy, Tracon Operating & Development, Taylor Energy, The William G. Helis Co., Transworld E&P, Union Oil Co of CA, Westport, William

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 last year 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.

--MMS-20 Years of Service to America--

-MMS-

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