



## NEWS RELEASE

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### **Advances in Oil and Gas Leasing, Drilling and Production Continue in Deepwater Gulf of Mexico**

*Latest Deepwater Gulf of Mexico Report Presents 2007 Industry Highlights*

**HOUSTON** – With approximately 72 percent of the Gulf of Mexico’s oil production coming from wells drilled in 1,000 feet (305 meters) of water or greater, advancement into deepwater Gulf of Mexico (GOM) continues as offshore operators meet the challenges presented in exploring and developing this energy frontier. The continued expansion is detailed in the latest deepwater report released today by Randall Luthi, Director of the Minerals Management Service (MMS), at the Offshore Technology Conference in Houston. The report, [\*Deepwater Gulf of Mexico 2008: America’s Offshore Energy Frontier\*](#), chronicles the activities of the oil and gas industry in the deepwater (1,000 feet of water or more) Gulf over the past sixteen years.

“Continued advancement into this deepwater frontier is important to our Nation’s energy security,” said Director Randall Luthi. “The Gulf of Mexico is a key energy producer and the safe and environmentally responsible development of our resources is vital to the economy and our way of life.”

In 2007, 54 percent of all GOM leases were located in water depths greater than 1,000 feet. In the two 2007 lease sales, Western Gulf Lease Sale 204 and Central Gulf Lease Sale 205, almost 70 percent of the tracts receiving bids were in water depths of 1,312 feet or greater (400 meters).

“As we look at the data, it’s clear that deepwater advancement is occurring in all areas – leasing, drilling and production,” said Luthi. “At the end of 2007, there were 130 producing projects in deepwater; that’s double the amount from five years ago.”

Additionally, 94 exploratory wells and 48 development wells were drilled in 2007. Of the 48 development wells drilled, 60 percent were in ultra-deepwater, water depths greater than 5,000 feet. Eight new deepwater discoveries were announced by oil and gas operators in 2007 with the deepest in 7,400 feet of water.

(MORE)

Copies of this new report can be obtained from MMS, free of charge, either in paper or on a single compact disc, by visiting the MMS Public Information Office, 1201 Elmwood Park Blvd., New Orleans, Louisiana.

You can telephone 1-800-200-GULF or 504-736-2519 local. Ask for *OCS Report MMS 2008-013, Deepwater Gulf of Mexico 2008: America's Offshore Energy Future*. The entire report, in Adobe's PDF format, can be found at [www.mms.gov](http://www.mms.gov).

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