



NEWS RELEASE

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Deepwater Frontier Is Focus of New Gulf of Mexico Report

New Orleans – The MMS Gulf of Mexico Regional Director Chris Oynes today announced that the latest edition of a biennial report [*Deepwater Gulf of Mexico 2006: America's Expanding Frontier \(OCS Report \(MMS 2006-022\)\)*](#) has been released by the Minerals Management Service (MMS). He made the announcement at the Offshore Technology Conference in Houston. The report chronicles the activities of the oil and gas industry in the deepwater (1,000 ft of water or more) Gulf over the past fourteen years.

“Exploration and development within the deepwater Gulf of Mexico continue to expand,” said Oynes, citing as evidence the 118 deepwater projects on production as of March 2006. Production from the deepwater frontier grew to an estimated 953,000 barrels of oil per day and 3.9 billion cubic feet of natural gas per day by the end of 2004. Deepwater oil production accounted for approximately 65 percent of the Gulf’s oil production in 2004.

One of the exploration highlights of 2005 was the drilling of the Knotty Head discovery to a measured depth of 34,189 ft (10,423 m), the deepest well in the Gulf of Mexico. “In recent years, we have seen great strides made by nonmajors in exploring the deepwater Gulf of Mexico,” Oynes noted. “Indeed, seven of the ten industry-announced discoveries of 2005 were made by nonmajors.” Significant activity occurred in several frontier trends in the deepwater in the last two years. Four announced discoveries were made in Paleogene reservoirs in Walker Ridge and Alaminos Canyon, and another four discoveries were made in the Eastern Gulf of Mexico.

Several important milestones occurred in deepwater development within the last two years. The installation of the deepest tension-leg platform (TLP) in the world at Magnolia (Green Canyon Block 783) in 4,674 ft (1,425 m) of water and the installation of the first cell spar at Red Hawk are key highlights.

Copies of this new report can be obtained from MMS, Gulf of Mexico OCS Region, free of charge, either in paper or on a single compact disc, by visiting the Public Information Office at Regional headquarters, 1201 Elmwood Park Blvd., New Orleans, Louisiana 70123, or by

telephoning 1-800-200-GULF or (504) 736-2519 local. Ask for OCS Report MMS 2006-022, Deepwater Gulf of Mexico 2006: America's Expanding Frontier. The entire report, in Adobe's PDF format, can be found on the [MMS website](#).

MMS Main Website: www.mms.gov
Gulf of Mexico Website: www.gomr.mms.gov

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