



NEWS RELEASE

U.S. Department of the Interior
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Minerals Management Service to Start Environmental Review

Additional Acreage Available Will Receive Environmental Analysis

NEW ORLEANS — The Interior Department’s Minerals Management Service (MMS), the federal agency that oversees ocean energy production, announced today that it will conduct all necessary environmental reviews on offshore acreage located more than 125 miles from Florida in the Eastern Gulf of Mexico. The Gulf of Mexico Energy Security Act of 2006, signed by President Bush on December 20, 2006, mandated that approximately 580,000 acres in the Eastern Gulf of Mexico Planning Area be offered for oil and gas leasing.

“We are prepared to ensure that all offshore oil and gas operations are conducted in an environmentally sound manner and that before an area is offered in a lease sale, it will have a very thorough analysis of the effects on the environment,” said Johnnie Burton, Director of Minerals Management Service.

The Gulf of Mexico Energy Security Act of 2006 allows for oil and gas leasing in two areas: the “181 Area,” comprising 2 million acres in the Central Gulf of Mexico Planning Area as well as an area of approximately 580,000 acres in the Eastern Gulf of Mexico Planning Area; and a second area of approximately 5.8 million acres located in the Central Gulf of Mexico Planning Area south of the 181 area and referred to as the “181 South Area.” None of the acreage made available by the Act is located east of the Military Mission Line. The Central Gulf of Mexico portion of the 181 Area was reviewed in a draft Environmental Impact Statement (EIS) published in November 2006, and will be available for lease in Sale 205 scheduled for early fall 2007.

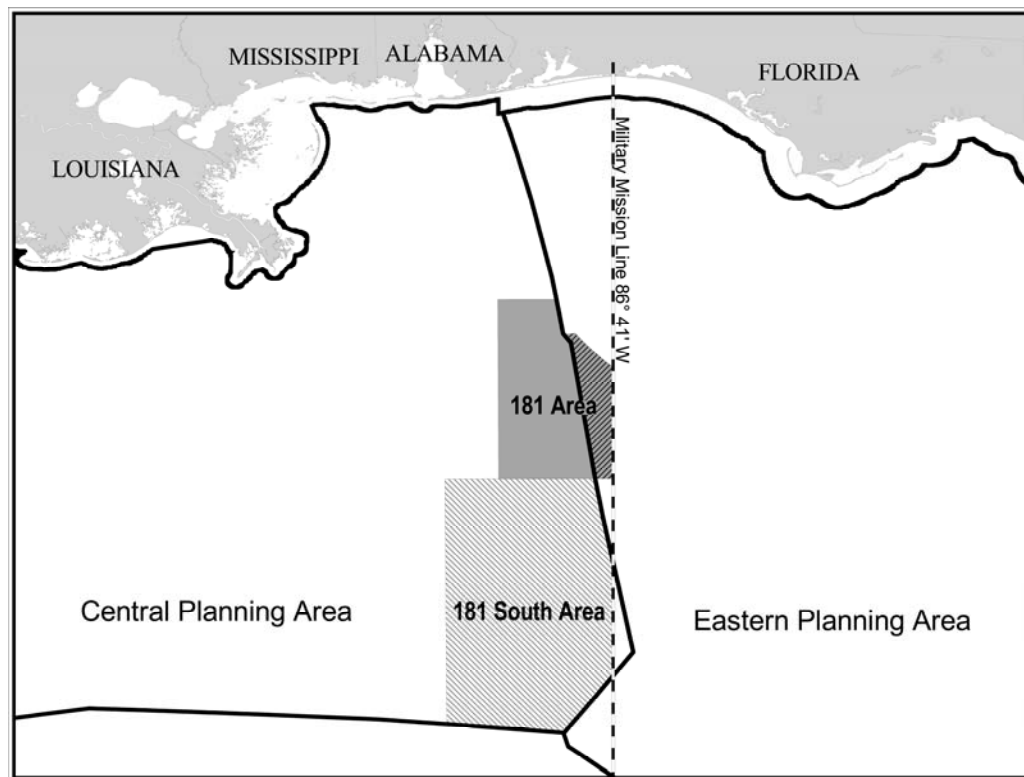
MMS is immediately beginning the process of environmental review for the Eastern Gulf of Mexico portion of the “181 Area”-- approximately 580,000 acres, situated 125 miles from the Florida Panhandle in the Eastern Gulf of Mexico Planning Area. (See attached map). As part of the environmental review process, public meetings will be held in Florida and other involved states.

(MORE)

The second additional sale area, “181 South”, approximately 5.8 million acres in the Central Gulf of Mexico Planning Area, will also receive an appropriate environmental review at a later date before any leasing occurs.

Once a lease is awarded, operators are required to submit plans for exploration and development specific to the location of the tract. These plans are subject to a technical, engineering, and environmental review to ensure that operations will be conducted in an environmentally sound manner.

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—

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

MMS: Securing Ocean Energy & Economic Value for America