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MMS Issues Final Notice of Western Gulf Lease Sale 204

Several New Provisions in Place for Sale

NEW ORLEANS — Approximately 18 million acres of submerged land in federal waters offshore Texas will be up for lease next month as the Minerals Management Service (MMS) holds the first lease sale in its 2007 – 2012 Outer Continental Shelf Oil and Gas Leasing Program. MMS estimates that Western Gulf of Mexico (GOM) Lease Sale 204 could result in the production of 242 to 423 million barrels of oil and 1.64 to 2.64 trillion cubic feet of natural gas.

Lease Sale 204 encompasses about 3,338 unleased blocks located in the Western GOM Outer Continental Shelf (OCS) Planning Area in areas ranging from nine to about 250 miles offshore. Water depths range from four meters to more than 3,425 meters.

The Final Notice of Sale (FNOS) was published in today's <u>Federal Register</u>, and the public reading of bids received for the sale will be on August 22, 2007 at the New Orleans Hilton Riverside Hotel.

The following revised provisions are fully outlined in the FNOS package:

New Administrative Planning Area Boundaries Deepwater Royalty Rate Increase Lease Term Extension for Deep Drilling Deepwater Royalty Suspension Price Threshold Changes

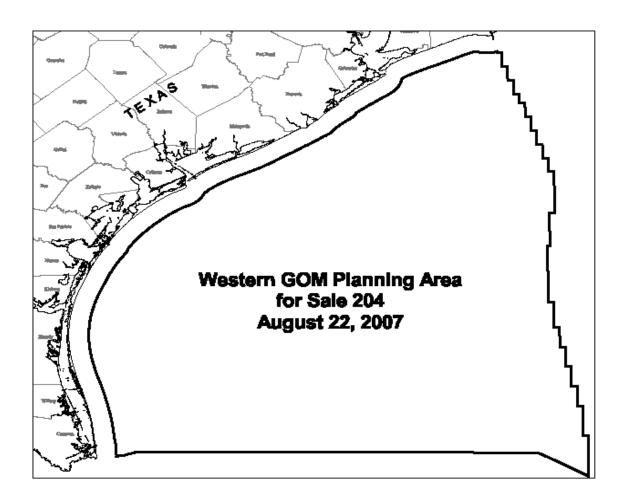
The FNOS, which contains the full terms and conditions for the sale and new official leasing maps and protraction diagrams, is available on the MMS Website at: http://www.gomr.mms.gov.

To request a copy of the document write to:

MMS Gulf of Mexico Regional Office, Public Information Unit 1201 Elmwood Park Boulevard New Orleans, Louisiana 70123

or call (504) 736-2519 or toll free (800) 200-4853(GULF).

(MORE)



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