



NEWS RELEASE

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Central Gulf of Mexico Sale 205 Nets \$ 2,829,926,881 in High Bids

Summary of Results

NEW ORLEANS — The Minerals Management Service (MMS) has accepted high bids valued at \$ 2,829,926,881 and awarded 683 leases to the successful high bidders who participated in Central Gulf of Mexico Oil and Gas Lease Sale 205. Funds from the total high bids will be distributed to the general fund of the U. S. Treasury, shared with the affected States, and set aside for special uses that benefit all fifty states.

The leases were awarded following the completion of an extensive, two-phase bid evaluation process to ensure that the Federal government receives a fair monetary return for the public mineral resources it makes available.

Eighty-four companies submitted 1,428 bids on 723 tracts in the sale, held October 3, 2007. The total for high bids submitted on all tracts was \$2,904,321,011. Using the bid evaluation process, MMS rejected high bids totaling \$18,509,402 on 18 tracts as insufficient for fair market value.

In addition, five companies that had submitted a total of 22 high bids withdrew their bids, thereby forfeiting the lease and the 1/5th bonus which was submitted with the bid. As a result, \$13,971,182 of the total \$69,855,910 bid on those 22 forfeited tracts has been collected.

The highest bid accepted on a tract was \$90,488,445 made by Shell Offshore Inc. for Walker Ridge Block 7. This tract is in deep water (5,240 – 6,562 feet or 1,600 - 2,000 meters) and received 13 bids.

The top five companies with the highest number of accepted high bids for Sale 205:

<u>Company</u>	<u>Number of High Bids</u>	<u>Sum of High Bids</u>
	<u>Accepted</u>	<u>Accepted</u>
BP Exploration & Production Inc.	83	\$107,069,658
Shell Offshore Inc.	67	\$510,786,333
Cobalt International Energy, L.P.	50	\$209,422,572
Chevron U.S.A. Inc.	41	\$269,253,446
Nexen Petroleum Offshore U.S.A.	28	\$112,217,929

The top five companies with the highest total bonus amount accepted for Sale 205:

<u>Company</u>	<u>Number of High Bids Accepted</u>	<u>Sum of High Bids Accepted</u>
Shell Offshore Inc.	67	\$510,786,333
Chevron U.S.A. Inc.	41	\$269,253,446
Marathon Oil Company	27	\$221,713,595
Cobalt International Energy, L.P.	50	\$209,422,572
Murphy Exploration & Production Com	26	\$161,054,671

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