



U.S. Department of the Interior
Minerals Management Service
Gulf of Mexico OCS Region



NEWS RELEASE

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MMS Awards Deepwater Royalty Relief To Fourth Field in the Gulf of Mexico

The U. S. Department of the Interior's Minerals Management Service (MMS) announced that deepwater royalty relief has been granted to Mariner Energy, Inc., to develop the Mississippi Canyon Block 718 Field offshore Louisiana. Royalties will be suspended on the first 87.5 million barrels of oil equivalent produced from the field, nicknamed Pluto.

The Mississippi Canyon Block 718 Field is in 2,710 feet of water, about 125 miles southeast of New Orleans. Mariner operates the leases in the Mississippi Canyon Block 718 Field, which also consists of Mississippi Canyon Block 674.

The Deep Water Royalty Relief Act (DWRRA), signed by President Clinton in November 1995, allows the Secretary of the Interior to grant royalty suspension volumes on both producing and nonproducing fields in water deeper than 200 meters to promote development, increase production, or encourage marginal production of Gulf of Mexico leases lying west of 87 degrees, 30 minutes West longitude. Since 1995, MMS has granted requests for deepwater royalty relief for three other fields in the Gulf.

MMS is the Federal Agency that manages the Nation's oil and gas and other mineral resources on the OCS and collects, accounts for, and last year disbursed about \$6 billion in revenues from Federal offshore mineral leases and from onshore mineral leases on Federal and Indian lands.

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MMS's Website Address: <http://www.mms.gov>
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