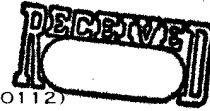




131 SOUTH ROBERTSON STREET (70112)
P.O. BOX 61780
NEW ORLEANS, LA 70161-1780
(504) 561-2811
FAX (504) 561-2837



RPT

April 23, 1999

Department of the Interior
Minerals Management Service
Mail Stop 4024
381 Elden Street
Herndon, VA 20170-4817

Attention: Rules Processing Team

Re: Electronic Payment of 1/5 Bonus Bid Deposit
64 FR 15320 -- March 31, 1999

Dear Madam or Sir,

Murphy Exploration & Production Company (Murphy) is happy to be able to take advantage of this opportunity to submit this written comment in response to the Minerals Management Service's (MMS) publication of its above-referenced NPR. Murphy operates in excess of two hundred facilities in the Gulf of Mexico.

In its NPR, the MMS addresses the use of electronic payment for the use of bidders at federal OCS lease sales. Murphy has taken advantage of the MMS's use of this method of payment in recent lease sales when it was offered as an optional means of payment. We favor the continued use of this form of payment, but agree with the API that its mandated use could cause problems for some companies under some circumstances. We assume that the MMS will take all possible steps to maintain the highest degree of confidentiality of all bids and to address potential transmission and receipt problems which could arise because of the use of electronic means of payment transmission.

Sincerely,

Charles A. Bedell

Charles A. Bedell
Manager, Environment & Government
Affairs

*Ret
4/26/99*