



**U.S. Department of the Interior
Bureau of Land Management
Eastern States
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Press Release

For Release Immediately

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Federal Government Leases Land in Arkansas and Mississippi for Oil and Gas Exploration

Eighteen Federal oil and gas leases in Arkansas and Mississippi brought in over \$96,000 through a competitive auction conducted by the U.S. Department of the Interior's Bureau of Land Management (BLM) on Thursday, March 18, 2004, in Springfield, Virginia. Bonus bids, filing fees, and rental revenue amounting to \$65,736 will go to the U.S. Treasury and \$30,894 will be shared with the affected States.

The BLM has responsibility for leasing the federally-owned minerals located in the 31 States east of and adjoining the Mississippi River and offers selected parcels at quarterly competitive auctions. Regulations require the bidding to open at \$2 per acre. Seeco, Inc., of Fayetteville County, Arkansas, paid \$7,000 for a 25-acre parcel. Their bid of \$280 per acre was the highest per-acre bid of the auction.

Leases are awarded for a term of 10 years and as long thereafter as there is production of oil and gas in paying quantities. The Federal Government receives a royalty of 12½ percent of the value of production. Also, each State Government receives a 25 percent minimum share of the bonus bid and the royalty revenue from each lease issued in that State.

The next competitive oil and gas lease sale is scheduled for June 17, 2004.

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