



**U. S. Department of the Interior
Bureau of Land Management
Eastern States
7450 Boston Boulevard, Springfield, Virginia 22153**



PRESS RELEASE

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Contact: Terry Lewis (703) 440-1713

FEDERAL LANDS IN ARKANSAS, LOUISIANA, MISSISSIPPI, PENNSYLVANIA AND VIRGINIA ATTRACT OIL AND GAS INDUSTRY

U.S. Interior Department leases 19 parcels in 5 states

Oil and gas industry representatives from 8 states vied for 62 parcels of Federal land in Arkansas, Louisiana, Mississippi, Pennsylvania, and Virginia at a competitive oral auction conducted by the U.S. Department of the Interior's Bureau of Land Management (BLM) in Springfield, Virginia on Thursday, September 23, 1999. Bonus bids, filing fees, and rental revenue totaled over \$58,000.

The BLM has responsibility for leasing the minerals located under federally-owned land. Eastern States administers the mineral estate in 31 states east of and adjoining the Mississippi River and offers selected parcels at quarterly competitive auctions. Regulations require the bidding to open at a \$2 per acre minimum. R & R Investments from Corpus Christi, Texas won a 42-acre parcel in Calcasieu Parish, Louisiana with his bid of \$375 per acre—the highest per acre bid of the auction.

Leases are awarded for a term of 10 years and as long as there is production in paying quantities. The Federal Government receives a 12 1/2 percent royalty on the value of the amount of production. Also, each respective State Government receives a share of the bonus bids and the royalty from each lease.

Forty-three parcels remained available for noncompetitive leasing.

NOTE: A breakdown of the results of the sale is attached.

**U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT, EASTERN STATES
RESULTS OF THE COMPETITIVE OIL AND GAS LEASE SALE
September 24, 1999**

| State | # of Parcels Offered/Sold | | Acreage Offered/Sold | | Federal Revenue* | State Revenue* |
|---------------------|------------------------------|-----------|-------------------------|--------------|---------------------|-------------------|
| _____ | _____ | _____ | _____ | _____ | _____ | _____ |
| ARKANSAS | 52 | 14 | 27,718 | 3,405 | \$18,553 | \$10,098 |
| LOUISIANA | 1 | 1 | 42 | 42 | \$7,982 | \$7,907 |
| MISSISSIPPI | 7 | 2 | 798 | 241 | \$9,597 | \$3,149 |
| PENNSYLVANIA | 1 | 1 | 7 | 7 | \$93 | \$6 |
| VIRGINIA | 1 | 1 | 200 | 200 | \$603 | \$176 |
| TOTALS | 62 | 19 | 28,765 | 3,895 | \$36,828 | \$21,336 |

***Revenue rounded to nearest dollar.**