



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



7450 Boston Boulevard, Springfield, Virginia 22153

Press Release

For Release Immediately

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**Federal Government Leases Land in Alabama, Arkansas, Louisiana and Mississippi
for Oil and Gas Exploration**

Thirty-eight parcels of Federal land brought in \$367,337 through a competitive auction of oil and gas leases conducted by the U.S. Department of the Interior's Bureau of Land Management (BLM) on Thursday, December 14, 2000 in Springfield, Virginia. Bonus bids, filing fees, and rental revenue amounting to \$270,068 will go to the U.S. Treasury and \$97,269 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. Hanna Oil and Gas Company paid \$23,745 for a 180-acre parcel in Arkansas. Their bid of \$130 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.

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

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ADD ONE:

**U.S. DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
EASTERN STATES
RESULTS OF THE COMPETITIVE OIL AND GAS LEASE SALE
December 14, 2000**

<u>State</u>	<u># of Parcels offered/sold</u>		<u>Acreage offered/sold</u>		<u>Federal Revenue*</u>	<u>State Revenue*</u>
ALABAMA	3	3	4,205.430	4,205.430	\$11,268	\$3,681
ARKANSAS	42	21	57,161.830	26,853.380	\$227,349	\$82,293
LOUISIANA	3	3	121.420	121.420	\$1,892	\$1,667
MISSISSIPPI	12	11	7,818.050	7,656.350	\$29,559	\$9,628
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TOTAL	60	38	69,306.730	38,836.580	\$270,068	\$97,269

Revenue rounded to the nearest dollar.