



**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 Alabama, Arkansas, Louisiana, Mississippi and Pennsylvania for Oil and Gas Exploration

Twenty-five parcels of Federal land brought in \$69,172.50 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, October 18, 2001 in Springfield, Virginia. Bonus bids, filing fees, and rental revenue amounting to \$51,342 will go to the U.S. Treasury and \$17,832 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. Threshold Development Company from Fort Worth, Texas paid \$15,575 for a 89-acre parcel on the Homochitto National Forest in Mississippi. Their bid of \$175 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 December 2001. Visit our web site at www.es.blm.gov for more information about oil and gas lease sales and other BLM programs.

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
October 18, 2001**

<u>State</u>	<u># of Parcels offered/sold</u>		<u>Acreage offered/sold</u>		<u>Federal Revenue*</u>	<u>State Revenue*</u>
ALABAMA	2	2	752.26	752.26	\$2,489	780
ARKANSAS	3	0	325.30	0	0	0
LOUISIANA	3	3	628.81	628.81	3,945	2,582
MISSISSIPPI	39	19	17,836.15	7,715.33	43,358	13,978
PENNSYLVANIA	1	1	561.27	561.27	1,550	492
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TOTAL	48	25	20,103.79	9,657.67	\$51,342	\$17,832

Revenue rounded to the nearest dollar.

