NEWS RELEASE

U.S. Department of the Interior Minerals Management Service Office of Public Affairs

NEWS MEDIA CONTACT Gary Strasburg, 202/208-3985 FOR IMMEDIATE RELEASE Tuesday, May 30, 2006

Securing Offshore Oil & Gas Production in the 2006 Hurricane Season

Federal Agencies Join Industry in Unveiling Preparedness Measures

WASHINGTON – The Minerals Management Service, the Department of Energy and the American Petroleum Institute held a joint press conference today, to discuss the importance of oil and gas resources in the Gulf of Mexico region, the emphasis on operations safety, and the improvements that have taken place since Hurricane season 2005.

The effects of Hurricanes Katrina and Rita caused unprecedented and prolonged evacuations, as well as the shut-in of offshore facilities that in turn affected the nation's domestic oil and gas supply. The storms were the worst in the history of Gulf of Mexico oil and gas production. In comparison with Hurricane Ivan in 2004, Hurricanes Katrina and Rita accounted for considerably more damage because of the paths taken by these two devastating storms.

However, the offshore industry was able to maintain a record of no loss of life and no significant environmental damage from wells on the outer continental shelf (OCS) during both storms.

"Although, the past hurricane season was devastating and the obstacles created by this storm are still being tackled, MMS stands firm with a commitment to operations safety and excellence," Minerals Management Service Director Johnnie Burton said. "We are fully aware of the challenges we face in the upcoming season and have worked closely with the oil and gas industry and other Federal agencies in developing stronger safety standards for Gulf operations. Because of that advanced work, we are better prepared this year, but one can never be truly ready for a hurricane."

In preparation for Hurricane season 2006, MMS implemented several improvements to their oversight system. They include: (1) extensive pre-season planning with the Department of Energy and the U.S. Coast Guard to facilitate communications during storms (2) coordination with the industry to improve safety, specifically through Mobile Offshore Drilling Unit (MODU) improvements, jack-up site assessment guidelines, risk assessment tools, and platform upgrades

(MORE)

(3) inviting a representative of the US Coast Guard to join the MMS Continuity of Operations Plan (COOP) team to improve and enhance communication regarding damage to facilities and subsequent warnings to mariners by the USCG, and, (4) improvements to electronic hurricane reporting system to better improve communications between industry and MMS.

-- MMS --

R-06-3516

Filename: hurricaneprep2006.doc

Directory: C:\Documents and Settings\fieldsm\Local

Settings\Temporary Internet Files\OLK90

Template: C:\Documents and Settings\fieldsm\Application

Data\Microsoft\Templates\Normal.dot

Title: Subject:

Author: MMS

Keywords: Comments:

Creation Date: 5/30/2006 4:08:00 PM

Change Number: 2

Last Saved On: 5/30/2006 4:08:00 PM

Last Saved By: Robinsob Total Editing Time: 5 Minutes

Last Printed On: 5/30/2006 2:54:00 PM

As of Last Complete Printing

Number of Pages: 2

Number of Words: 410 (approx.) Number of Characters: 2,340 (approx.)