



U.S. Department of the Interior
 Minerals Management Service
 Gulf of Mexico OCS Region

NEWS RELEASE

FOR RELEASE: November 20, 1998

MEDIA CONTACT: Barney Congdon
 (504)736-2595

Caryl Fagot
 (504) 736-2590

Western Gulf of Mexico Sale 171 Nets \$530,885,109 in High Bids

The U. S. Department of the Interior’s Minerals Management Service (MMS) announced today the completion of the two-phase bid evaluation process for Lease Sale 171. The sale was held in New Orleans on August 26 of this year.

Of the 402 bids received, MMS rejected 25 high bids totaling \$22,550,799 as insufficient for fair market value. As a result, MMS awarded \$530,885,109 in high bids.

“We were very pleased with the continued industry competition for Gulf of Mexico leases,” said MMS Regional Director Chris Oynes. “Ninety-one percent of the winning bids were in deep water (2,400 feet or greater) and with a lease term of 10 years. The highest bid accepted on a tract was \$37,406,500 by Union Oil Company of California, and British-Borneo Petroleum Inc. for Alaminos Canyon Block 974. Other winning bids of 31.02 and 28.3 million dollars are some of the highest bids received on a block in the Western Planning Area in recent years,” said Oynes.

The \$37.4 million bid is the 5th highest in the Gulf of Mexico since the start of areawide leasing in 1983. The five highest bids in the Gulf of Mexico, ranked, are Sale 72, \$92.4 (CGOM); Sale 98, \$51.1 (CGOM); Sale 79, \$46.0 (EGOM); Sale 147, \$40.0 (CGOM); and Sale 171 \$37.4 (WGOM).

The companies which rank in the top five in number of winning bids for Sale 171 are:

Company	Tracts
Union Oil of California	66
Texaco Exploration and Production Inc.	61
Vastar Resources, Inc.	31
Burlington Resources Offshore Inc.	30
Sonat Exploration GOM Inc.	30

MMS is the Federal Agency that manages the Nation’s natural gas, oil and other mineral resources on the OCS, and collects, accounts for and distributes about \$6 billion in revenues from Federal offshore mineral leases and from onshore mineral leases on Federal and Indian lands.

-MMS-GOM-

MMS’s Website Address: <http://www.mms.gov>
 MMS 24-Hour Fax-on-Demand Service: (202) 219-1703



Editor’s Note: Related statistical data can be found on the MMS website. From the Homepage, click on Managing Offshore Resources, then Gulf of Mexico, then Lease Information, Sale 171.