



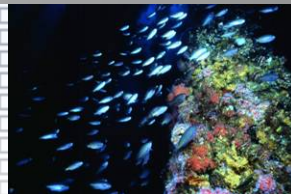
Offshore Minerals Management

A Program Overview

safe operations

environmental protection

fair value



Securing Ocean Energy and Economic Value for America

www.mms.gov





Offshore Minerals Management

- Responsible for 1.76 billion OCS acres
 - ▶ Lease issuance to decommission
- Day-to-Day
 - ▶ ~7,500 leases
 - ▶ ~40 million acres leased
 - ▶ ~30% of oil; ~20% natural gas
 - ▶ ~3,900 production platforms
 - ▶ ~33,000 miles of pipeline
 - ▶ ~42,000 OCS personnel
 - ▶ ~125 operating companies
- ~\$8 billion annual revenue





Offshore Oil & Gas Activity

- Gulf of Mexico - **most active**

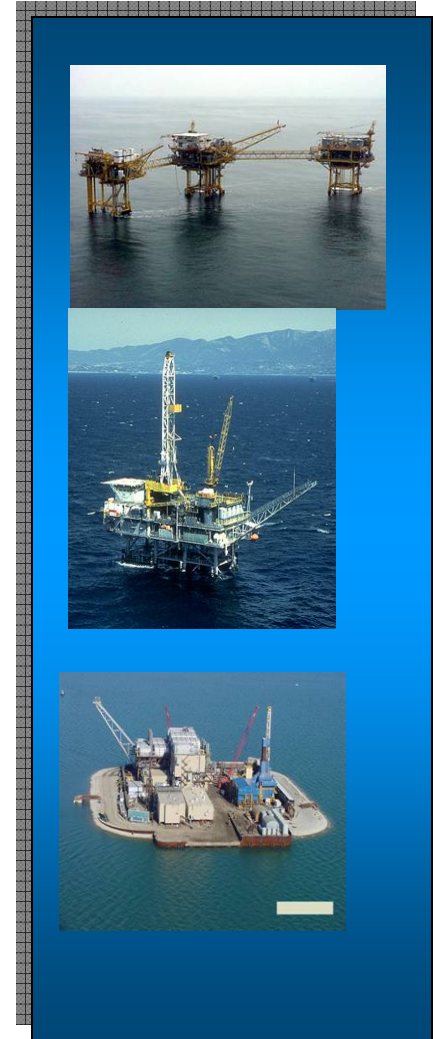
- ▶ ~ 7,100 leases; ~3,875 production facilities
- ▶ Production: 1.3 million bopd; 7.7 Bcfgpd

- Pacific

- ▶ 79 leases (36 undeveloped); 23 platforms,
- ▶ Production: 71,000 bopd; 128 MMcfpd

- Alaska

- ▶ ~263 leases
- ▶ Northstar ~52,000 bopd (9,200 bopd Federal share)
- ▶ Liberty - development proposal



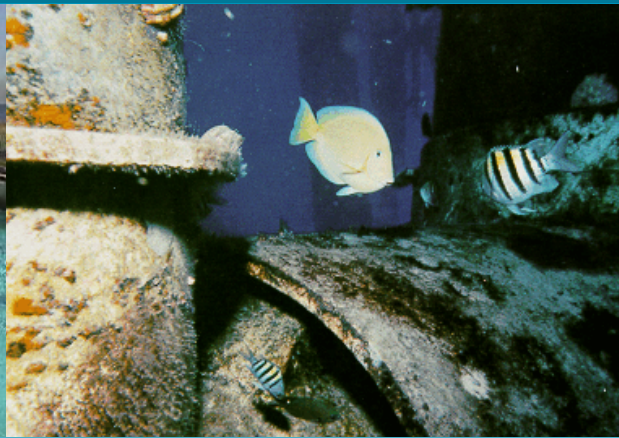


Outer Continental Shelf Oil & Gas Leasing Program 2007 - 2012





Core Objectives



Safe Offshore Operations

Promote incident free operations during exploration and development on Federal Offshore Lands.

Environmental Protection

Ensure that all activities on Federal Offshore lands are conducted with appropriate environmental safeguards.

Fair Market Value

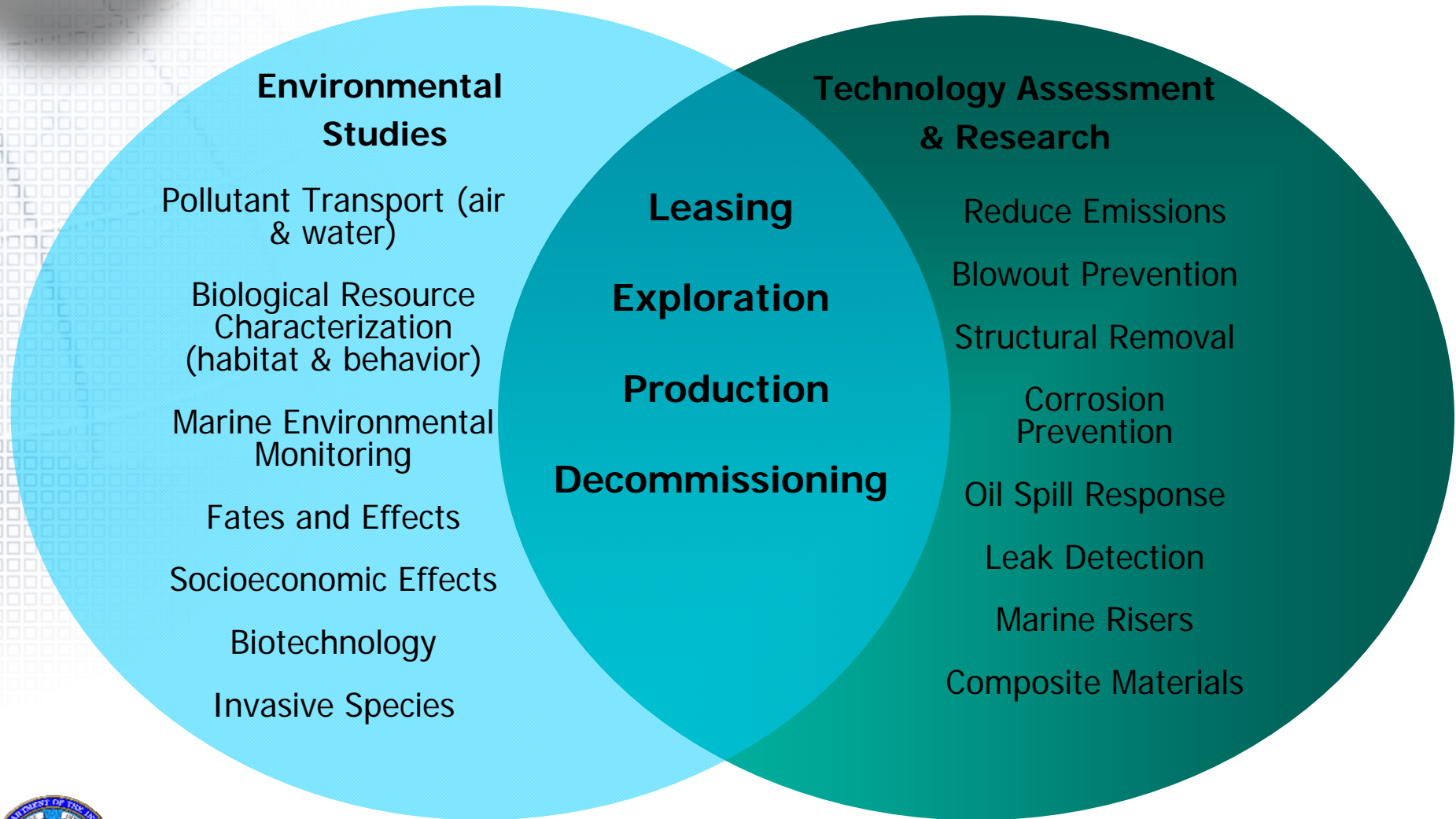
Assure receipt of fair market value for the lands leased and the rights conveyed by the Federal Government.



safe operations >>> *environmental protection* >>>> *fair value* >>>>



MMS-Funded Research



safe operations >>> *environmental protection* >>>> *fair value* >>>>



This Decade

- Deepwater (>1,000 ft Water Depth)
 - ▶ More than 160 deepwater discoveries; 118 online and more to come
 - ▶ More than 60% GOM oil; More than 30% GOM natural gas
- Deep Shelf Drilling (>15,000 ft Total Depth)
- Ultra Deepwater (>5,000 ft Water Depth)
 - ▶ Recoverable Reserves estimate >1 billion BOE

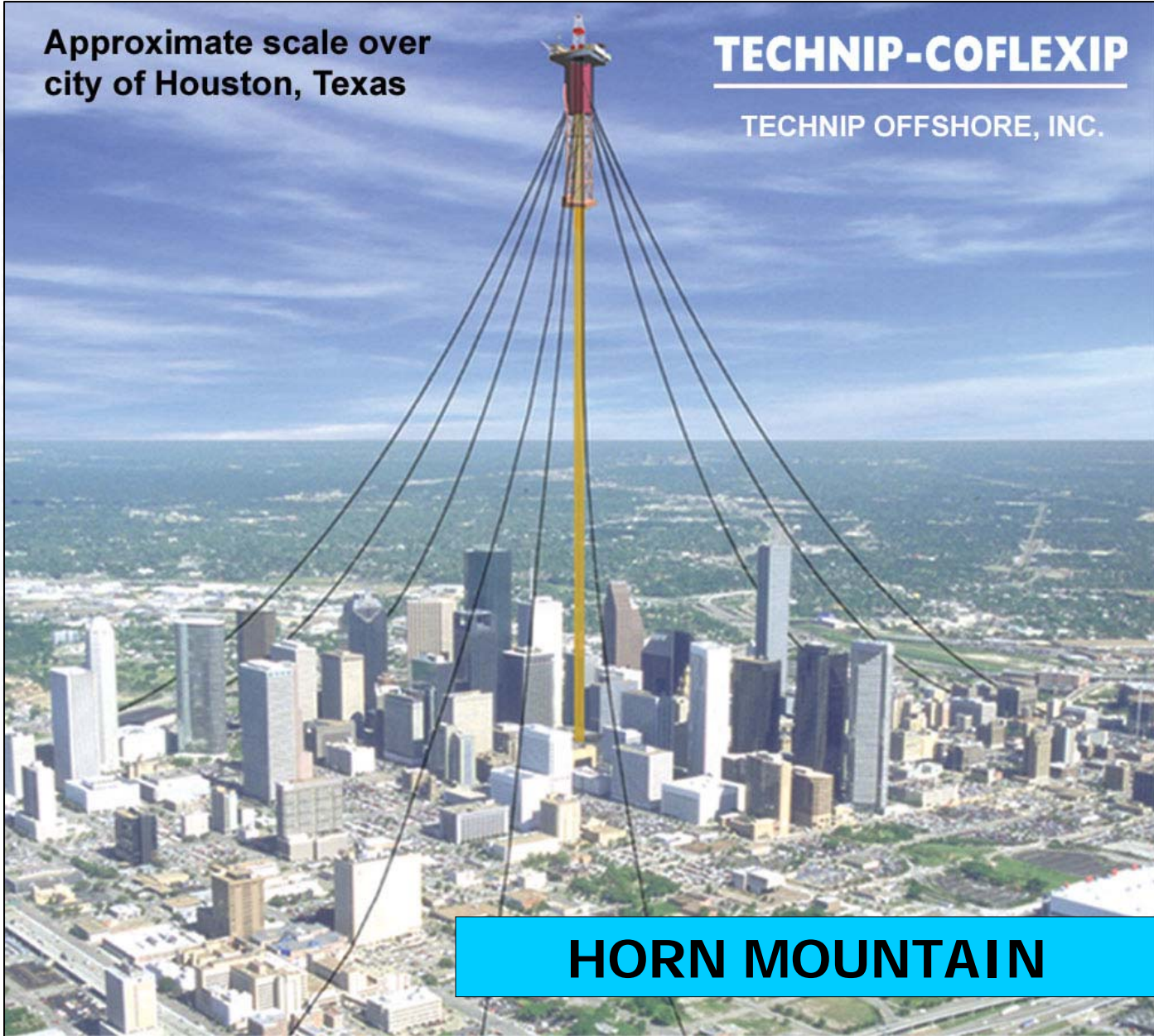




Approximate scale over
city of Houston, Texas

TECHNIP-COFLEXIP

TECHNIP OFFSHORE, INC.

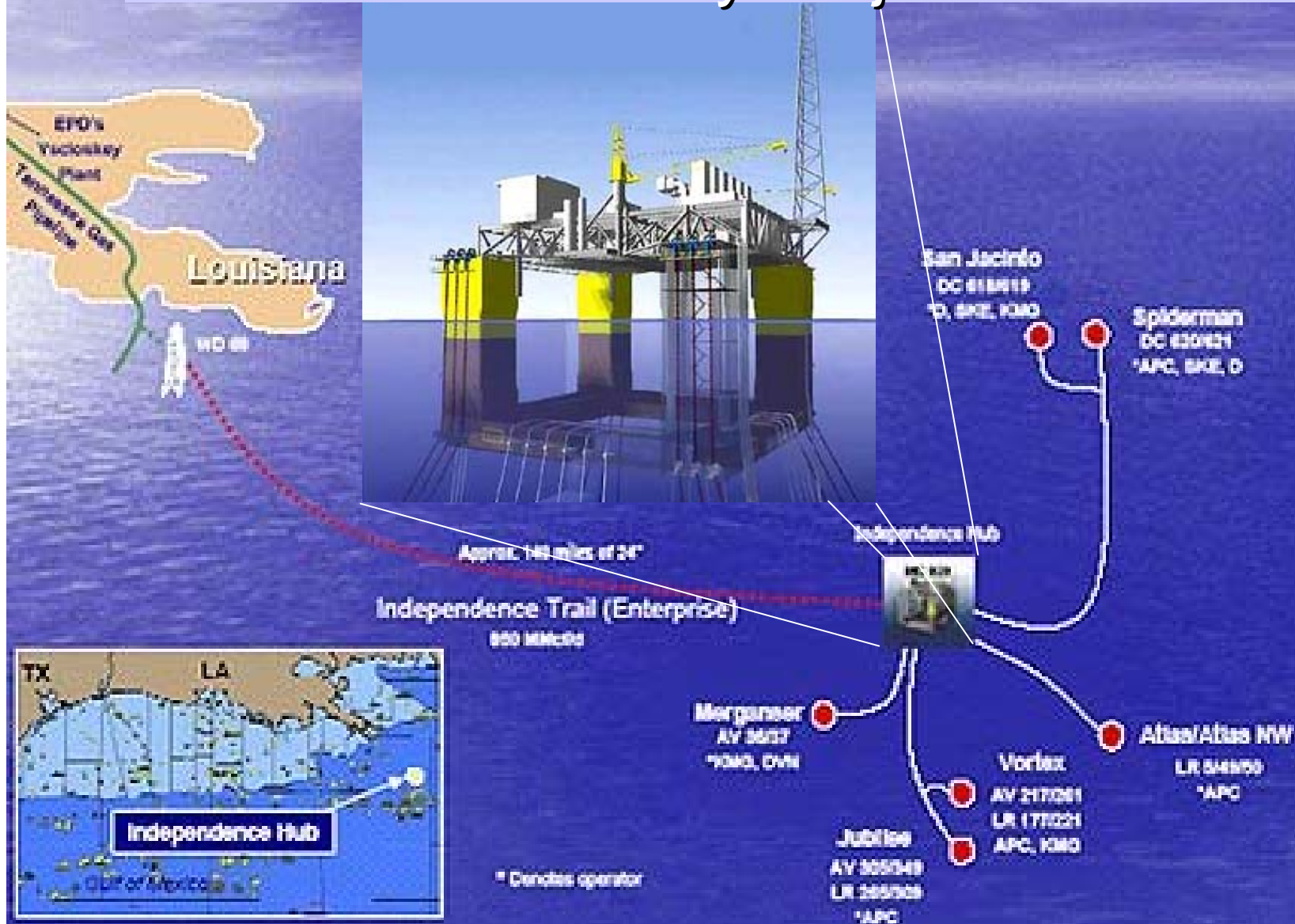


HORN MOUNTAIN



safe operations >>> *environmental protection* >>>> *fair value* >>>>

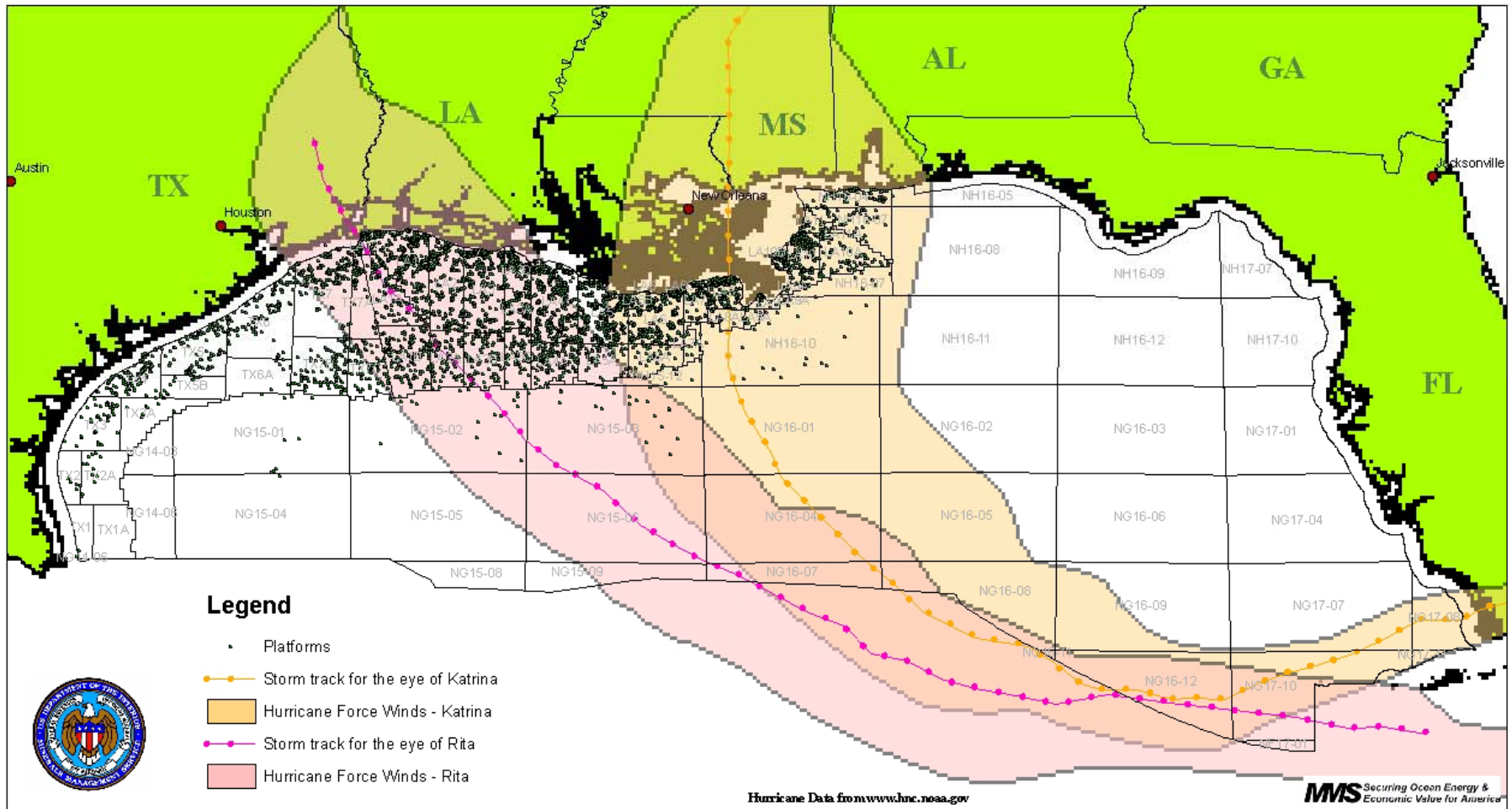
Independence Hub/ Atwater Valley Project – 1 Bcf/day





Paths of Hurricanes Rita and Katrina

Hurricanes Rita and Katrina, August - September 2005





Putting Petroleum Spills in Perspective - 2006

■ OCS Production	1,367,000 barrels/day
■ Natural Seeps*	1,700 barrels/day
■ OCS Petroleum Spills	~ 3 barrels/day

- OCS petroleum spills averaged 3.3 barrels per day.
- 39 petroleum spills 1 barrel or greater, (1,202.9 barrels total)
- Of these, 2 spills 100 barrels or greater, (725.6 barrels total)
- **No spills 1,000 barrels or greater**

*Source: National Academy of Sciences, 2002, Oil in the Sea III

