

***BOEM Report on Oil and Gas Resources in the Gulf of Mexico
Outer Continental Shelf (OCS)***

The Bureau of Ocean Energy Management (BOEM) recently published the 2011 Assessment of Undiscovered Technically Recoverable Hydrocarbon Resources of the Gulf of Mexico Outer Continental Shelf (OCS). BOEM estimates the mean undiscovered technically recoverable resources (UTRR) in the Gulf of Mexico OCS to be 48.4 billion barrels of oil and 219.5 trillion cubic feet of natural gas for a total of 87.5 billion barrels of oil equivalent (BBOE). The mean total endowment, consisting of the sum of cumulative production, remaining reserves, reserves appreciation and UTRR, is 164.6 BBOE, up 13 BBOE from the 2006 Gulf of Mexico assessment.

UTRR is oil and gas that may be produced as a consequence of natural pressure, artificial lift, pressure maintenance, or other secondary recovery methods, but without any consideration of economic viability. The assessment provides estimates located outside known oil and gas fields on the OCS. It considers recent geophysical, geological, technological, and economic information. The report uses information available as of January 2009.

The geology of the basin along with the complexity and abundance of salt structures provides the setting that makes the GOM one of the richest oil and natural gas regions in the world. The greatest undiscovered resource potential is forecast to be in the deep and ultra-deep water areas of the GOM.

The Gulf of Mexico OCS Region is located on the southern margin of the United States. It extends from the Texas coastline to the Straits of Florida, a distance of approximately 1200 miles. Water depths range from less than 30 feet to greater than 11,000 feet.

There are currently approximately 5900 active leases in the Gulf of Mexico OCS. The assessed area encompasses more than 159 million acres, of which nearly 32 million acres are under lease. BOEM manages these leases and the responsible development of offshore energy and mineral resources on the OCS.

The report can be accessed at: <http://www.boem.gov/GoM-2011-National-Assessment/>