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### **Western Gulf of Mexico Sale 180 Nets \$163,627,562 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 180, held on August 22, 2001. Of the 320 tracts receiving bids in that sale, MMS rejected 7 high bids totaling \$1,944,215 as insufficient for fair market value. As a result, MMS awarded 313 leases involving \$163,627,562 in high bids.

Twenty-nine percent of the accepted bids were in deepwater ranging from 2,624 to 5,248 feet and have a lease term of ten years, and 13 percent of the bids were in ultra-deepwater (5,249 feet or greater) and have a lease term of ten years. Shallow-water blocks in water depths up to 655 feet with a 5-year lease term received almost 38 percent of the accepted bids. MMS now has a royalty relief provision for 20 Bcf of deep gas production (greater than 15,000 feet) in shallow shelf waters.

The highest bid accepted on a tract was a joint bid of \$8,323,200 by Kerr-McGee Oil and Gas Corporation; Petrobras America, Incorporated; and Amerada Hess Corporation for Garden Banks Block 245. The second highest bid in the sale was \$6,301,900 by Shell Offshore, Incorporated for Garden Banks Block 390, and the third highest bid was a joint bid of \$5,635,000 by Kerr-McGee Oil and Gas Corporation; Petrobras America, Incorporated; and Amerada Hess Corporation for Garden Banks Block 289.

The highest bid and third highest bid in the sale were in the water depth interval of 400 to 799 meters (1,312 to 2,623 feet), and the second highest bid in the sale was in the water depth interval of 800 to 1,599 meters (2,624 to 5,248 feet).

There were 50 companies participating in the sale, with 44 companies submitting bids. The companies that rank in the top ten in number of bids accepted for Sale 180 are:

<b>Company</b>	<b>Tracts</b>	<b>Company</b>	<b>Tracts</b>
Kerr-McGee Oil and Gas Corporation	42	Amerada Hess Corporation	25
Spinnaker Exploration Company, L.L.C.	32	Pioneer Natural Resources USA, Inc.	21
Petrobras America, Incorporated	29	Ocean Energy, Inc.	17
Exxon Mobil Corporation	29	Union Oil Company of California	17
Anadarko Petroleum Corporation	26	Mariner Energy, Inc.	13

MMS is the federal agency in the U.S. Department of the Interior that manages the nation's oil, natural gas and other mineral resources on the outer continental shelf in federal offshore waters. The agency also collects, accounts for and [disburses mineral revenues](#) from federal and Indian leases. These disbursements totaled nearly \$8 billion last year and more than \$110 billion since the agency was created in 1982. Annually, nearly \$1 billion from those revenues go into the Land and Water Conservation Fund for the acquisition and development of state and federal park and recreation lands.