NEWS RELEASE

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MMS Begins Planning Process to Conduct Eastern Gulf Lease Sale 181

The U.S. Department of the Interior's Minerals Management Service (MMS) is beginning a 3-year planning process for conducting a Federal natural gas and oil lease sale in Federal waters in the Eastern Gulf of Mexico Planning Area.

The first step in this 3-year process is the Call for Interest and Information (Call) and the Notice of Intent (NOI) to prepare an Environmental Impact Statement (EIS) for proposed Lease Sale 181, 15 miles offshore Alabama and 100 or more miles offshore Florida.

Sale 181, tentatively scheduled for December 2001, is an area identified as available for leasing in the 1997-2002 Outer Continental Shelf (OCS) Oil and Gas 5-year Leasing Program. During development of the 5-Year Program, the MMS consulted with the States of Alabama and Florida and was responsive to concerns in selecting this area for consideration. The MMS considers all of this area to have potential for the discovery of accumulations of hydrocarbons.

No area in the Eastern Gulf of Mexico beyond the Sale 181 area is available for leasing in this 5-Year Program. In addition, a June 1998 announcement made by President Clinton withdrew from leasing until 2012 numerous areas of the OCS, including all of the Eastern Gulf of Mexico, except the area identified as available for leasing consideration for Sale 181.

The Call/NOI is an information-gathering step to ensure that all interests and concerns regarding the proposed sale are communicated to MMS in the early stages of the 3-year sale planning process. The information gathered in the Call will help determine which areas will be offered for lease. The NOI initiates an information-gathering process used to develop the EIS for the areas identified for leasing by the Call process.

The MMS is the Federal agency that manages the Nation's oil and gas and other mineral resources on the OCS and collects, accounts for, and last year disbursed about \$6 billion in revenues from Federal offshore leases and Federal and Indian onshore mineral leases.

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