



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

FOR RELEASE:

August 23, 2000

Barney Congdon
(504) 736-2595

Caryl Fagot
(504) 736-2590

Debra Winbush
(504) 736-2597

Western Gulf of Mexico Lease Sale 177 Attracts \$154 Million in High Bids

A Federal offshore natural gas and oil lease sale in the Western Gulf of Mexico received \$153,660,031 in high bids. The U. S. Department of the Interior's Minerals Management Service (MMS) received 266 bids totaling \$167,373,613 at the sale held in New Orleans today. The 60 participating companies bid on 226 tracts in the Western Gulf of Mexico, offshore Texas and in deeper waters offshore Louisiana.

"This was a moderately strong sale; the fifth largest Western Gulf Sale in the last 10 years. The \$153.6 million in high bids was also 62 percent higher than the comparable sale last year," said Gulf of Mexico OCS Regional Director Chris Oynes.

MMS officials said 97 tracts receiving bids are in water depths of 200 meters or more. The highest bid on a tract was Garden Banks Block 624 submitted by Kerr-McGee Oil & Gas Corporation and CXY Energy Offshore Inc. for \$10,540,800. "The sale was dominated by independent companies with Union Oil of California, Kerr-McGee, Amerada Hess, and CXY Energy posting \$63 million of the \$153.6 million in high bids," added Oynes. Each tract is about nine square miles. The highest bid on each tract will go through an evaluation process to ensure the American taxpayer receives fair market value.

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 disburses about \$4 billion yearly in revenues from offshore Federal mineral leases and from onshore mineral leases on Federal and Indian lands.