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

Forecasting the Number of Offshore Platforms on the Gulf of Mexico OCS to the Year 2023

OCS Study MMS 2001-013

The Minerals Management Service (MMS), Gulf of Mexico OCS Region, announces the availability of a new study report, Forecasting the Number of Offshore Platforms on the Gulf of Mexico OCS to the Year 2023.

Between 1942 and 1997, 5,561 platforms or structures were installed on the OCS subject to Federal jurisdiction. During this same period 1,645 of these structures were removed. Throughout the period the number of operating structures grew steadily because installations outnumbered removals. However, in the 1990's growth slowed, as the platforms installed in the 1960's and 1970's became uneconomic to operate and were removed. In the decades following 2000, removals are expected to outnumber installations.

The Louisiana State University Center for Energy Studies developed an econometric model based on historical data from 1947 to 1996. According to its projections, the number of operating offshore structures on the Gulf of Mexico will decline about 29 percent between 1999 and 2023. The decline will occur because the number of platforms being removed is predicted to increase significantly above current levels, while the number of platforms being installed is predicted to increase only slightly above current levels. Overall, the activity of removing and installing platforms is expected to increase significantly. The forecasts are robust. Even spreading the range of values used in the forecasting equations by adding two standard errors to the variables does not reverse the trends.

For more information about this study or the Environmental Studies Program in general, contact the Environmental Sciences Section (MS 5430), 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123-2394, telephone (504) 736-2752.

You can obtain copies of the report from the Minerals Management Service, Gulf of Mexico OCS Region, at a charge of \$5.00 by referencing OCS Study MMS 2001-013. You will be able to obtain this report also from the National Technical Information Service in the near future. Here are the addresses. You may also inspect copies at selected Federal Depository Libraries.

Minerals Management Service Gulf of Mexico OCS Region Public Information Office (MS 5034) 1201 Elmwood Park Boulevard New Orleans, Louisiana 70123-2394 Telephone requests may be placed at (504) 736-2519 or 1-800-200-GULF or FAX: (504) 736-2620 U.S. Department of Commerce National Technical Information Service 5285 Port Royal Road Springfield, Virginia 22161 (703) 487-4650 or FAX: (703) 321-8547 Rush Orders: 1-800-336-4700

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 collections 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.

-MMS-GOM-MMS's Website Address: <u>http://www.mms.gov</u>

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