



**U.S. Department of the Interior
Minerals Management Service
Office of Public Affairs**

NEWS RELEASE

FOR RELEASE:

March 19, 2003

CONTACT: Barney Congdon
(504) 736-2595

Caryl Fagot
(504) 736-2590

Debra Winbush
(504) 736-2597

Central Gulf of Mexico Sale 185 Attracts \$315,531,229 Million in High Bids

The U. S. Department of the Interior's Minerals Management Service (MMS) in New Orleans held a sale of offshore oil and natural gas leases in the Gulf of Mexico, attracting \$315,531,229 in high bids from 74 companies.

Lease Sale 185 offered 4,460 tracts comprising of approximately 23.4 million acres offshore Alabama, Louisiana, and Mississippi; the MMS received 793 bids on 561 tracts. The total of all bids was \$414,738,677.

"The results of this lease sale are impressive and reflect a strong commitment by industry to increase domestic oil and gas production during this crucial period for our Nation," said MMS Director Johnnie Burton. "Although interest in deepwater continues, two-thirds of the bids in this sale are on the shelf. We believe this reflects definite industry interest in deep gas in shallow waters partly in response to royalty relief offered as part of MMS's Deep Gas Initiative."

The highest bid received on a block was \$8,216,885, submitted by Hunt Petroleum (AEC) Inc. – Cheyenne International Corp., and Energy Partners, Ltd. for South Marsh Island–South Addition/109.

The high bid on a block will go through an evaluation process to ensure the public receives fair market value before a lease is awarded.

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 American Indian leases. These revenues totaled over \$6 billion in 2002 and nearly \$127 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-