

The NewsRoom

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MMS Issues Change to Notice of Sale 196

NEW ORLEANS- The Minerals Management Service will publish in the *Federal Register* a notice regarding the [Western Gulf of Mexico Sale 196](#) indicating to potential bidders that certain parts of the deepwater royalty suspension volume provisions contained in the Final Notice of Sale (FNOS) 196 are superseded by provisions contained in paragraph (b) of Subtitle E, Section 345 of the Energy Policy Act of 2005, entitled "Royalty Relief for Deep Water Production," signed by the President on August 8, 2005. The Final Notice of Sale (FNOS) had been published in the [Federal Register](#) on July 7, 2005.

The new provisions replace the 1,600 meters or deeper category of royalty relief and establish two new royalty suspension volume categories: 12 million barrels of oil equivalent (BOE) for leases located in water depths of 1,600 to 2,000 meters; and 16 million BOE for leases located in water depths greater than 2,000 meters. These new royalty suspension volumes will apply to relevant leases issued as a result of Sale 196.

Bidders should note that all other provisions of the sale, including price thresholds for these new categories of deepwater royalty suspensions, remain the same as stated in the FNOS 196.

Bidders can obtain a complete Supplemental FNOS 196 Package containing noteworthy documents relating to these revised royalty suspension provisions from the MMS Gulf of Mexico Region Public Information Unit; telephone (800) 200-GULF or (504) 736-2519; or by written request to MMS, Gulf of Mexico OCS Region, Public Information Unit (MS 5034), 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123-2394; or via the MMS Internet website at www.mms.gov. The Supplemental FNOS 196 Package includes:

- MMS *Federal Register* Notice Regarding Sale 196
- Revised Lease Sale Statistical Information
- Revised Royalty Suspension Provisions
- Revised List of Blocks Available for Leasing
- Revised Lease Terms and Economic Conditions Map

Lease Sale 196 is scheduled to be held at 9:00 a.m., August 17, 2005, in the Hyatt Regency Conference Center (Cabildo Rooms), 500 Poydras Plaza, New Orleans, Louisiana.

MMS, part of the U.S. Department of the Interior, oversees 1.76 billion acres of the Outer Continental Shelf, managing offshore energy and minerals while protecting the human, marine, and coastal environments. The OCS provides 30 percent of oil and 21 percent of natural gas produced domestically, as well as sand used for coastal restoration. MMS collects, accounts for, and disburses mineral revenues from Federal and American Indian lands, and contributes to the Land and Water Conservation Fund and other special use funds, with Fiscal Year 2004 disbursements of about \$8 billion and more than \$143 billion since 1982.

Relevant Web Sites:

[MMS Main Website](#)

[Gulf of Mexico Website](#)

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