MMS Technical Announcement

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

Special Information

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Deepwater Gulf of Mexico 2005: Interim Report of 2004 Highlights

OCS Report MMS 2005-023

The Minerals Management Service (MMS) announces the availability of the publication *Deepwater Gulf of Mexico 2005: Interim Report of 2004 Highlights.* The deepwater Gulf of Mexico (GOM), water depths of 1,000 ft or greater, emerged as an important oil and gas province at the turn of the millennium. There were 36 exploratory wells drilled in water depths greater than 5,000 ft in 2004, a 50 percent increase over 2003. Deepwater GOM oil production exceeded shallow-water GOM oil production in early 2000 and accounted for 64 percent of the oil production in 2004. This report is divided into five sections.

The **Background** section discusses

- highlights of current deepwater GOM activity and
- new discoveries and geologic plays.

The **Leasing and Environment** section discusses

- historical water-depth and bidding trends in deepwater leasing,
- future deepwater lease activity, and
- ocean current monitoring.

The **Drilling and Development** section discusses

- deepwater rig activity,
- appraisal activity,
- deepwater development systems, and
- the Independence Hub facility.

The **Reserves and Production** section discusses

- discoveries in new, lightly tested plays with large potential,
- Hurricane Ivan's impact on production, and
- high deepwater production rates.

The **Summary and Conclusions** section discusses

- increasing deepwater oil and gas production and anticipated new fields and
- difficulties evaluating deepwater leases before their terms expire.

The large volume of active deepwater leases, the steady drilling program, and the growing deepwater infrastructure all indicate that the deepwater GOM will continue to be an integral part of this Nation's energy supply and remain one of the world's premier oil and gas basins.

Deepwater Gulf of Mexico 2005: Interim Report of 2004 Highlights is a condensed and updated edition of the biennial deepwater report published by Minerals Management Service (MMS). This new report provides an up-to-date review of the deepwater frontier and presents highlights of 2004. Copies of this new report can be obtained from MMS, Gulf of Mexico OCS Region, free of charge by referencing OCS Report MMS 2005-023. The entire report can be found on the MMS website: **http://www.gomr.mms.gov/PDFs/2005/2005-023.pdf.** The report will also be available in the near future from the National Technical Information Service. These addresses are provided below.

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, 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, 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 through advanced science and technology research. The OCS provides 30 percent of oil and 23 percent of natural gas produced domestically, and sand used for coastal restoration. MMS collects, accounts for, and disburses mineral revenues from Federal and American Indian lands, with Fiscal Year 2004 disbursements of approximately $8 billion and more than $143 billion since 1982. The Land and Water Conservation Fund, which pays for cooperative conservation, grants to states, and Federal land acquisition, gets nearly $1 billion a year.

MMS Main Website: **www.mms.gov**
Gulf of Mexico Website: **www.gomr.mms.gov**

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