Leasing Activities Information



FINAL NOTICE OF SALE 224 Eastern Gulf of Mexico

Attached is the Final Notice of Sale 224 Package (FNOS 224 Package), Eastern Gulf of Mexico (GOM) Planning Area, scheduled to be held on March 19, 2008, in New Orleans, Louisiana.

This Package consists of:

- FNOS 224
- Lease Stipulations
- Information To Lessees
- List of Blocks Available for Leasing
- Example of Preferred Format Geophysical Data and Information Statement
- Bid Form and Envelope
- Telephone Numbers/Addresses of Bidders Form
- Lease Terms, Economic Conditions, and Stipulations Map

All documents listed above are available from the MMS Gulf of Mexico Region Public Information Unit; telephone (800) 200-GULF or (504) 736-2519; or by written request to:

Minerals Management Service Gulf of Mexico OCS Region Public Information Unit (MS 5034) 1201 Elmwood Park Boulevard New Orleans, Louisiana 70123-2394

All of these documents may also be found on the MMS Gulf of Mexico Region Homepage Address on the Internet: www.gomr.mms.gov.

Please Notice:

This is the first sale in the Eastern Planning Area to offer these blocks since Sale 116, Part 1, in 1988. This is the only sale scheduled in this area at this time. Lease Sale 224 was mandated by the Gulf of Mexico Energy Security Act of 2006. Please carefully read all terms and conditions associated with this sale.

Royalty Rate

Bidders are advised that the royalty rate for all blocks in all water depths in this sale is 18 ¾ percent.

Rovalty Relief

Bidders are advised that there will be no Royalty Suspension Provisions offered in this sale.

Force Majeure

Bidders should be aware that the Regional Director of the MMS Gulf of Mexico Region has the discretion to change any date, time, and/or location specified in the Proposed or Final Notice of Sale package in case of a force majeure situation, as identified in paragraph (k) of the Information to Lessees document included in this FNOS 224 Package.

Military Areas

Bidders are advised that the Department of Defense publication setting forth the Military Warning Areas is no longer available to the public and has been replaced by the Federal Aviation Administration Air Traffic Document JO 7400.8N "Title 14 - Aeronautics and Space – Chapter 1 Federal Aviation Administration – Subchapter Airspace – Part 73 – Special Use Airspace Regulatory and Nonregulatory." Please refer to paragraph (e) in the Information to Lessees document included in the FNOS 224 package.

Bidders are also advised that the contact information for the Command Headquarters for Warning Area W-155 has been updated. Please refer to Stipulation No. 1 included in the FNOS 224 package.

Statistical Information (Lease Sale 224):

Size: 118 blocks; 546,971 acres

Initial Period: 10 years

Minimum Bonus Bid Amount: \$37.50 per acre or fraction thereof

Rental/Minimum Royalty Rates: \$9.50 per acre or fraction thereof

Royalty Rates: 18 3/4%

For more information on the FNOS 224 Package, potential bidders are advised to contact Mr. Carrol Williams at (504) 736-2803, Ms. Nancy Kornrumpf at (504) 736-2726, or Ms. Ann Glazner at (504) 736-1759 of the MMS GOM OCS Region Sales and Support Unit.

-MMS-Gulf of Mexico Region Public Information Unit Minerals Management Service 1201 Elmwood Park Boulevard New Orleans, Louisiana 70123-2394 Telephone: (504) 736-2519 or (800) 200-GULF