Leasing Activities Information

BOEM

U.S. Department of the Interior Bureau of Ocean Energy Management, Gulf of Mexico OCS Region

PROPOSED NOTICE OF SALE 229 Western Planning Area

Attached is the Proposed Notice of Sale 229 Package (Proposed NOS 229 Package), for Western Planning Area (WPA) Oil and Gas Lease Sale 229 proposed to be held on Wednesday, November 28, 2012, in New Orleans, Louisiana.

This Package consists of:

- Proposed NOS 229
- Lease Stipulations
- Information To Lessees
- Example of Preferred Format Geophysical Data and Information Statement
- Lease Terms and Economic Conditions Map
- Stipulations and Deferred Blocks Map

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

Bureau of Ocean Energy Management Gulf of Mexico OCS Region Public Information Office (MS 5034) 1201 Elmwood Park Boulevard New Orleans, Louisiana 70123-2394

All of these documents may also be found on the Lease Sale Information page on the BOEM GOM website at: http://www.boem.gov/sale-229/

The Final Notice of Sale 229 Package is expected to be available in mid-October 2012. It will contain final versions of the documents listed above as well as the following:

- List of Blocks Available for Leasing
- Unleased Split Blocks and Available Unleased Acreage of Blocks with Aliquots and Irregular Portions Under Lease or Deferred
- Bid Form and Envelope
- Telephone Numbers/Addresses of Bidders Form

Please Note:

Terms and conditions for Proposed NOS 229 are generally the same as for the December 2011 WPA Lease Sale 218, except for the following noteworthy matters:

Updated Electronic Funds Transfer (EFT) Instructions

Bidders are advised that the EFT instructions have been updated for WPA Sale 229. Please refer to the following website: http://www.boem.gov/sale-229/ for complete information.

Geophysical Data and Information Statements

This Proposed NOS Package includes information for bidders regarding the submission of Geophysical Data and Information Statements (GDIS). Every bidder submitting a bid on a block in WPA Sale 229, or participating as a joint bidder in such a bid, must submit at the time of bid submission a GDIS in a separate and sealed envelope, identifying any Proprietary data or reprocessed geophysical data and information generated or used as part of the decision to bid or participate in a bid on the block (including the use of Controlled Source Electromagnetics, Gravity, *etc.*). Please note: You may now submit the GDIS Information Table digitally on a Compact Disc or Digital Video Disc as an Excel Spreadsheet.

U.S. and Mexico Treaty

The U.S. and Mexico exchanged instruments of ratification in January 2001, and a continental shelf boundary treaty entered into force in the Western Gap area. This treaty contained provisions for a ten year moratorium on drilling within 1.4 nautical miles of the maritime boundary on both the U.S. and Mexican sides of the boundary. While this moratorium was initially scheduled to expire in January 2011, the U.S. and Mexico mutually agreed to extend the moratorium in the Western Gap buffer zone for an additional three years. This moratorium in the buffer zone now remains in effect until January 2014.

U.S.-Mexico Maritime and Continental Shelf Boundary

Bidders are advised to refer to the Proposed Notice of Sale and clause (l) in the Information to Lessees portion

of this package for detailed information pertaining the transboundary agreement. Bids submitted on blocks in the "Boundary Area" will not be opened on the date scheduled for the sale, but may be opened at a later date. On or before 30 days following Congressional approval of the Transboundary Agreement or by May 31, 2013, whichever occurs first, the Secretary of the Interior will determine whether it is in the best interest of the United States either to open bids for Boundary Area blocks or to return the bids unopened.

Boundary Area:

<u>Port Isabel Blocks</u> – 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 945, 946, 947, 948, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 989, 990, 991, and 992

Alaminos Canyon Blocks – 881, 882, 883*, 884*, 885, 886, 887, 888, 889*, 890*, 891, 892, 893*, 894*, 895, 896, 897, 898, 899*, 900*, 901*, 902*, 903*, 904*, 905, 906, 907, 908, 909, 910, 911, 912, 925, 926, 927*, 928*, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939*, 940, 941, 942*, 943*, 944*, 945*, 946, 947*, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 992, 993, 994, 995, 996, 997, 998, 999, 1000, 1001, 1002, 1003, 1004, 1005, 1006, 1007, 1008, and 1009

<u>Keathley Canyon Blocks</u> – 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, and 981

<u>Sigsbee Escarpment Blocks</u> – 11, 12, 13, 14, 15, 57, 58, 59, 60, 61, 103, 104, 105, 106, 148, 149, 150, and 194

South Padre Island Blocks – 1154, 1163, 1164, 1165, and 1166

<u>South Padre Island, East Addition Blocks</u> – 1155, 1156, 1157, 1158, 1159, 1160, 1161, 1162, A 78, A 79, A 80, A 81, A 82, A 83, A 84, A 85, A 86, A 87, A 89, and A 90 *Leased Blocks

Not Offered:

BOEM will offer for bid in this lease sale all of the unleased acreage in the WPA in the GOM except:

Whole and portions of blocks which lie within the boundaries of the Flower Garden Banks National Marine Sanctuary at the East and West Flower Garden Banks and Stetson Bank (the following list includes all blocks affected by the Sanctuary boundaries):

High Island, East Addition, South Extension (Leasing Map TX7C)

Whole Block: A-398

Portions of Blocks: A-366*, A-367*, A-374*, A-375, A-383*, A-384*, A-385*, A-388, A-

389*, A-397*, A-399, A-401

* Leased

High Island, South Addition (Leasing Map TX7B)

Portions of Blocks: A-502, A-513

Garden Banks (OPD NG15-02) Portions of Blocks: 134, 135

Whole and portions of blocks that lie within the former Western Gap and lie within the 1.4 nautical mile north of the continental shelf boundary between the United States and Mexico:

Keathley Canyon (OPD NG15-05)

Portions of Blocks: 978 through

980

Sigsbee Escarpment (OPD NG15-08)

Whole Blocks: 11, 57, 103, 148, 149, 194

Portions of Blocks: 12 through 14, 58 through 60, 104 through 106, 150

Blocks currently under appeal (although currently unleased, the following blocks are under appeal and bids will not be accepted unless all appeals are resolved before the Final Notice of Sale):

Garden Banks (NG15-02)

Blocks: 623 and 624

Whole and portions of blocks deferred from this lease sale are shown on the map "Proposed, Western Planning Area, Lease Sale 229, November 2012, Stipulations and Deferred Blocks"

Statistical Information (Lease Sale 229):

Approximate Size: 3,833 unleased blocks; 20.5 million acres

For more information on the Proposed NOS 229 Package, potential bidders are advised to contact Mr. Carrol Williams at (504) 736-2803, Ms. Cindy Thibodeaux at (504) 736-2809, or Ms. Kasey Couture at (504) 736-2909 of the BOEM Gulf of Mexico OCS Region Leasing and Financial Responsibility Section.

Gulf of Mexico Region Public Information Office
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