

The NewsRoom

Release: #3277

Date: May 25, 2005

Eastern Gulf of Mexico Sale 197 Nets \$6,595,753 in High Bids

NEW ORLEANS – The Minerals Management Service has awarded 10 leases and received \$6,595,753.40, to be distributed to the general fund of the U.S. Treasury, shared with the affected States, and set aside for special uses that benefit all fifty states.

The lease sale, held on March 16, 2005, attracted nine companies submitting bids on 12 of the 124 tracts offered. Bids totaling \$6,974,531 on the 12 tracts were accepted by MMS. However, one company declined its two awarded leases – De Soto Canyon Block 448 and De Soto Canyon Block 492. This action resulted in the forfeiture of the 1/5th bonus bid deposit for each lease – \$49,651.20 and \$45,043.20, respectively. As a result, MMS netted a total amount of \$6,595,753.40 for Lease Sale 197.

Each of the tracts received a single bid, and each is located more than 100 miles offshore Alabama in water depths greater than 1,600 meters.

The highest bid accepted on a tract was \$2,037,379 by Helis Oil & Gas Company, L.L.C., Red Willow Offshore, LLC, and Houston Energy, L.P. for Lloyd Ridge Block 272. The second highest bidders, Spinnaker Exploration Company, L.L.C., and Dominion Exploration & Production, Inc., submitted \$1,566,000 on De Soto Canyon Block 797. Petrobras America Inc., the third highest bidder, submitted \$552,384 on Lloyd Ridge Block 92.

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.

Relevant Web Sites:

[MMS Main Website](#)

[Gulf of Mexico Website](#)

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[MMS: Securing Ocean Energy & Economic Value for America](#)
U.S. Department of the Interior