

The NewsRoom

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Hurricane Dean Statistics Update

Minerals Management Service Activates Its Continuity of Operations Plan

NEW ORLEANS — Offshore oil and gas operators in the Gulf of Mexico have begun evacuating platforms and rigs and have shut-in oil and natural gas production in the path of Hurricane Dean. The Minerals Management Service (MMS) has activated its Continuity of Operations Plan team to monitor the operators' activities. The team will remain activated until operations return to normal and the storm is no longer a threat to Gulf oil and gas activities.

Based on data from offshore operator reports submitted as of 11:30 a.m. CST today, personnel have been evacuated from a total of 6 production platforms, equivalent to 0.8 percent of the 834 manned platforms in the Gulf of Mexico. Production platforms are the structures located offshore from which oil and natural gas are produced. These structures remain in the same location throughout a project's duration unlike drilling rigs, which typically move from location to location.

Personnel from 3 rigs have also been evacuated; this is equivalent to 3 percent of the 101 rigs currently operating in the Gulf. Rigs can include several types of self-contained offshore drilling facilities including jackups, submersibles and semisubmersibles.

From the operators' reports, it is estimated that approximately 1.8 percent of the oil production in the Gulf has been shut-in, roughly 23,000 barrels of oil per day. Estimated oil production from the Gulf of Mexico as of April 2007 was 1.3 million barrels of oil per day. It is also estimated that approximately 0.7 percent of the natural gas production in the Gulf has been shut-in, roughly 54 million cubic feet of gas per day. Estimated natural gas production from the Gulf of Mexico as of April 2007 was 7.7 billion cubic feet of gas per day.

As part of the evacuation process, personnel activate the shut-in procedure, which can also be accomplished from a remote location. This involves closing the safety valves located below the surface of the ocean to prevent the release of oil or gas. During Hurricanes Katrina and Rita, the shut-in valves functioned 100 percent of the time, efficiently closing in production from wells and resulting in no major spills from the Outer Continental Shelf. Shutting-in oil and gas production is a standard procedure conducted by industry for safety and environmental reasons.

The production percentages are calculated using information submitted by offshore operators in daily reports. Shut-in production information included in these reports is based on what the operator expected to produce that day. The shut-in production figures therefore are estimates, which the MMS compares to historical production reports to ensure the estimates follow a logical pattern.

After the storm has passed, facilities will be inspected. Once all standard checks have been completed, production from undamaged facilities will be brought back on line immediately. Facilities sustaining damage may take longer to bring back on line. The MMS will continue to update the evacuation and shut-in statistics at 1:00 p.m. CST each day until these statistics are no longer significant.

Districts	Lake Jackson	Lake Charles	Lafayette	Houma	New Orleans	Total
Platforms Evacuated	2	0	3	0	1	6
Rigs Evacuated	1	0	1	0	1	3

Oil, BOPD	0	0	13,000	10,000	0	23,000
Shut-in Gas, MMCF/D	11	0	32	11	0	54
Shut-in						

This survey information is reflective of 6 companies' reports as of 11:30 a.m. CST.

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