
Leasing Activities Information



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

FINAL NOTICE OF OCS SALE 177

Western Gulf of Mexico August 23, 2000

Attached is the Final Notice of OCS Sale (FNOS) 177, Western Gulf of Mexico, which is scheduled to be held on August 23, 2000, in New Orleans.

In addition to the Final Notice, this package consists of:

- o Information to Lessees for Sale 177
- o Lease Stipulations for Oil and Gas Lease Sale 177
- o List of Blocks Available for Leasing, Sale 177
- o Unleased Split Blocks and Unleased Acreage of Blocks with Aliquots and Irregular Portions Under Lease
- o Debarment Certification Form
- o Bid Form and Envelope
- o Phone Numbers/Addresses of Bidders Form
- o Instructions for Making EFT Bonus Payments
- o Lease Terms and Economic Conditions, Sale 177 Map
- o Stipulations and Deferred Blocks, Sale 177 Map

All of the terms and conditions for Final Sale 177 are the same as for the most recent Western Gulf of Mexico Sale (Sale 174), **except** that MMS now requires the use of Electronic Funds Transfer (EFT) for the payment of the 1/5th bonus deposit (see below).

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## NOTICE:

**Electronic Funds Transfer (EFT) payments for the 1/5th bonus.** The MMS now **requires** the use of EFT for payment of the 1/5th bonus deposit. Current OCS lessees and operators may secure such payment using only a signed bid form; others will be required to secure the EFT payment by any one of four additional methods. Procedures for the use of EFT are included in this Sale Notice Package and are available on our Homepage or from our Public Information Unit (see below). Questions or comments regarding EFT procedures should be directed to Ms. Vicki Zatarain at (504) 736-2779.

**Blocks within the boundary of the Flower Garden Banks National Marine Sanctuary.** Only the portions of blocks at the Sanctuary that are outside the Sanctuary boundary will be offered in Sale 177. Block diagrams of the affected blocks are included in the Sale Notice Package. This provision does not affect any existing leases in the Sanctuary area. For Sale 177, the blocks affected are: High Island Area, East Addition, South Extension, Block A-401; High Island Area, South Addition, Blocks A-502 and A-513; and Garden Banks Block 135.

**Tracts beyond U.S. Exclusive Economic Zone.** Tracts beyond the U.S. Exclusive Economic Zone (tracts in the Northern Portion of the Western Gap) are **NOT** offered for leasing in this sale.

**Blocks Currently Under Appeal.** High Island Area Block 170 is currently under appeal and is not offered for leasing in this sale.

**Leasing Maps and Official Protraction Diagrams (OPDs).** Bidders should note the publication in the January 13, 2000, Federal Register (65 FR 2191) of a notice regarding the status of outer continental shelf leasing maps and OPDs. The notice lists all of the Gulf of Mexico Region's leasing maps and OPDs and the dates of last revision. These maps and OPDs are currently available through our Public Information Unit at \$2.00 each (the Louisiana and Texas maps are no longer sold

as sets). Also available is a CD-ROM (at \$15.00) of all the maps and OPDs of the Gulf of Mexico that are in digital format as listed in the Federal Register notice (in the Western Gulf only NG15-05 and NG15-08 are not available in digital format).

**NOTE:** The CD-ROM contains the maps and OPDs in .pdf format (for viewing and printing in Adobe Acrobat Reader, which is also on the CD) as well as in .gra format (for use in ARC/INFO). The digital maps and OPDs are also available on our web site in both formats.

**Phone Numbers/Addresses of Bidders Form.** This form has changed slightly, but the information requested is the same as on the previous version.

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NOT OFFERED:

- High Island Area, East Addition, South Extension, Blocks A-375 and A-398 (Flower Garden Banks)
- High Island Area Block 170 (under appeal)
- Mustang Island Area Blocks 793, 799, and 816 (Naval Mine Warfare training areas)
- Keathley Canyon Area Blocks 722 through 724, 764 through 770, 807 through 816, 849 through 861, 892 through 907, 934 through 953, and 978 through 999 (beyond the U.S. Exclusive Economic Zone)
- Area NG15-08 Blocks 11 through 34, 56 through 81, 102 through 128, 148 through 173, 194 through 217, 239 through 261, 284 through 305, and 336 through 349 (beyond the U.S. Exclusive Economic Zone)

Bidders are reminded that Leasing Activity Update Lists are prepared monthly and are available on or about the 20th of each month through the MMS Gulf of Mexico Public Information Unit (see address below).

STATISTICAL INFORMATION (Sale 177)

- o **SIZE:** 3,789 Unleased blocks; 20.61 million acres
- o **PRIMARY LEASE TERMS:**
 - 5 Year - Water depths less than 400 meters - 1,814 Blocks
 - 8 Year - Water depths between 400-800 meters - 315 Blocks
 - 10 Year - Water depths 800 meters or deeper - 1,660 Blocks
- o **MINIMUM BIDS:**
 - \$25.00 per acre or fraction thereof - Water depths less than 800 meters - 2,129 Blocks
 - \$37.50 per acre or fraction thereof - Water depths 800 meters or deeper - 1,660 Blocks
- o **ANNUAL RENTAL RATES:**
 - \$5.00 per acre or fraction thereof - Water depths less than 200 meters - 1,637 Blocks
 - \$7.50 per acre or fraction thereof - Water depths 200 meters or deeper - 2,152 Blocks
- o **ROYALTY RATES:**
 - 16 2/3% Royalty - Water depths less than 400 meters - 1,814 Blocks
 - 12 1/2% Royalty - Water depths 400 meters or deeper - 1,975 Blocks
- o **ROYALTY SUSPENSION AREAS:**
 - 200-400 Meter Royalty Suspension Area - 177 Blocks
 - 400-800 Meter Royalty Suspension Area - 315 Blocks
 - 800 Meter and Greater Royalty Suspension Area - 1,660 Blocks

For more information on this FNOS, potential bidders are advised to contact Mr. Charles Hill of the MMS GOM OCS Region Sales and Support Unit at (504) 736-2795.

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**MMS Homepage Address on the Internet: <http://www.mms.gov>
24-hour Fax-on-Demand service: (202) 219-1703**