

DEPARTMENT OF THE INTERIOR

Minerals Management Service (MMS)

Outer Continental Shelf (OCS) Western Planning Area (WPA) Gulf of Mexico (GOM) Oil and Gas Lease Sale 210

AGENCY: Minerals Management Service, Interior

ACTION: Final Notice of Sale (NOS) 210

SUMMARY: On Wednesday, August 19, 2009, MMS will open and publicly announce bids received for blocks offered in WPA Oil and Gas Lease Sale 210, pursuant to the OCS Lands Act (43 U.S.C. 1331-1356, as amended) and the regulations issued thereunder (30 CFR Part 256). The Final NOS 210 Package contains information essential to bidders, and bidders are charged with the knowledge of the documents contained in the Package.

DATES: Public bid reading for the WPA Oil and Gas Lease Sale 210 will begin at 9:00 a.m., Wednesday, August 19, 2009, at the Royal Sonesta Hotel in the Grand Ballroom, located at 300 Bourbon Street, New Orleans, Louisiana 70130. All times referred to in this document are local New Orleans times, unless otherwise specified.

ADDRESSES: Bidders can obtain a Final NOS 210 Package containing this NOS and several supporting and essential documents referenced herein from MMS Gulf of Mexico Region Public Information Unit, 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123-2394, (504) 736-2519 or (800) 200-GULF or via the MMS GOM Homepage Address on the Internet at: www.gomr.mms.gov.

FILING OF BIDS: Bidders must submit sealed bids to the Regional Director (RD), MMS Gulf of Mexico Region, 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123-2394, between 8 a.m. and 4 p.m. on normal working days, and from 8 a.m. to the Bid Submission Deadline of 10:00 a.m. on Tuesday, August 18, 2009, the day before the lease sale. If bids are mailed, please address the envelope containing all of the sealed bids as follows:

Attention: Supervisor, Leasing and Financial Responsibility Unit (MS 5422)
Leasing and Environment, Leasing Activities Section
MMS Gulf of Mexico Region
1201 Elmwood Park Boulevard
New Orleans, Louisiana 70123-2394

**Contains Sealed Bids for Oil and Gas Lease Sale 210
Please Deliver to Ms. Nancy Kornrumpf, 6th Floor, Immediately**

Please note: Bidders mailing their bid(s) are advised to call Ms. Nancy Kornrumpf at (504) 736-2726, immediately after putting their bid(s) in the mail.

If the RD receives bids later than the time and date specified above, he will return those bids unopened to bidders. Should an unexpected event such as flooding or travel restrictions be significantly disruptive to bid submission, MMS Gulf of Mexico Region may extend the Bid Submission Deadline. Bidders may call (504) 736-0557 or access our website at: www.gomr.mms.gov for information about the possible extension of the Bid Submission Deadline due to such an event.

AREAS OFFERED FOR LEASING: The MMS is offering for leasing in the WPA OCS Oil and Gas Lease Sale 210, all blocks and partial blocks listed in the document “List of Blocks Available for Leasing” included in this Final NOS 210 Package. All of these blocks are shown on the following leasing maps and Official Protraction Diagrams (OPD’s):

**Outer Continental Shelf Leasing Maps - Texas Map Numbers 1 through 8
(These 16 maps sell for \$2.00 each.)**

TX1 South Padre Island Area (revised November 1, 2000)
TX1A South Padre Island Area, East Addition (revised November 1, 2000)
TX2 North Padre Island Area (revised November 1, 2000)
TX2A North Padre Island Area, East Addition (revised November 1, 2000)
TX3 Mustang Island Area (revised November 1, 2000)
TX3A Mustang Island Area, East Addition (revised September 3, 2002)
TX4 Matagorda Island Area (revised November 1, 2000)
TX5 Brazos Area (revised November 1, 2000)
TX5B Brazos Area, South Addition (revised November 1, 2000)
TX6 Galveston Area (revised November 1, 2000)
TX6A Galveston Area, South Addition (revised November 1, 2000)
TX7 High Island Area (revised November 1, 2000)
TX7A High Island Area, East Addition (revised November 1, 2000)
TX7B High Island Area, South Addition (revised November 1, 2000)
TX7C High Island Area, East Addition, South Extension (revised November 1, 2000)
TX8 Sabine Pass Area (revised November 1, 2000)

**Outer Continental Shelf Leasing Maps - Louisiana Map Numbers 1A, 1B, and 12
(These 3 maps sell for \$2.00 each.)**

LA1A West Cameron Area, West Addition (revised February 28, 2007)
LA1B West Cameron Area, South Addition (revised February 28, 2007)
LA12 Sabine Pass Area (revised February 28, 2007)

**Outer Continental Shelf Official Protraction Diagrams
(These 7 diagrams sell for \$2.00 each.)**

NG14-03 Corpus Christi (revised November 1, 2000)
NG14-06 Port Isabel (revised November 1, 2000)
NG15-01 East Breaks (revised November 1, 2000)

NG15-02 Garden Banks (revised February 28, 2007)
NG15-04 Alaminos Canyon (revised November 1, 2000)
NG15-05 Keathley Canyon (revised February 28, 2007)
NG15-08 Sigsbee Escarpment (revised February 28, 2007)

Please note: A CD-ROM (in ARC/INFO and Acrobat (.pdf) format) containing all of the GOM leasing maps and OPD's, except for those not yet converted to digital format, is available from MMS Gulf of Mexico Region Public Information Unit for a price of \$15. These GOM leasing maps and OPD's are also available for free online in .pdf and .gra format at http://www.gomr.mms.gov/homepg/lseale/map_arc.html.

For the current status of all GOM WPA leasing maps and OPD's, please refer to 66 FR 28002 (published May 21, 2001), 67 FR 60701 (published September 26, 2002), and 72 FR 27590 (published May 16, 2007). In addition, Supplemental Official OCS Block Diagrams (SOBD's) for these blocks are available for blocks which contain the U.S. 200 Nautical Mile Limit line and the U.S.-Mexico Maritime Boundary line. These SOBD's are also available from MMS Gulf of Mexico Region Public Information Unit. For additional information, please call Ms. Tara Montgomery (504) 736-5722.

All blocks are shown on these leasing maps and OPD's. The available Federal acreage of all whole and partial blocks in this lease sale is shown in the document "List of Blocks Available for Leasing" included in this Final NOS 210 Package. Some of these blocks may be partially leased or deferred, or transected by administrative lines such as the Federal/state jurisdictional line. A bid on a block must include all of the available Federal acreage of that block. Also, information on the unleased portions of such blocks is found in the document "Western Planning Area, Lease Sale 210, August 19, 2009 - Unleased Split Blocks and Available Unleased Acreage of Blocks with Aliquots and Irregular Portions Under Lease or Deferred" included in the Final NOS 210 Package.

AREAS NOT AVAILABLE FOR LEASING: The following whole and partial blocks are not offered for lease in this sale:

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

High Island, South Addition (Leasing Map TX7B)

Portions of Blocks: A-502, A-513*

* Leased

Garden Banks (OPD NG15-02)

Portions of Blocks: 134, 135

Whole and portions of blocks which lie within the former Western Gap portion of the 1.4 nautical mile buffer zone 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

STATUTES AND REGULATIONS: Each lease issued in this lease sale is subject to the OCS Lands Act of August 7, 1953; 43 U.S.C. 1331 et seq., as amended, hereinafter called “the Act;” regulations promulgated pursuant thereto, and other statutes and regulations in existence upon the Effective Date of the Lease, and those statutes enacted and regulations promulgated thereafter, except to the extent they are inconsistent with an express provision of this lease. This lease form language change conforms this term of OCS mineral leases with that of onshore, BLM leases and avoids a narrow and never intended reading of the previous lease language to limit the obligation of lessees to comply with later enacted laws.

The MMS uses Form MMS-2005 (March 1986) to convey leases. The lease form will be amended with the specific terms, conditions and stipulations applicable to the individual lease. Addressed below are the collective terms, conditions and stipulations applicable to this sale.

LEASE TERMS AND CONDITIONS: Initial periods, extensions of initial periods, minimum bonus bid amounts, rental rates, escalating rental rates for leases with an approved extension of the initial 5-year period, royalty rate, minimum royalty, and royalty suspension provisions, if any, applicable to this sale are noted below. Depictions of related areas are shown on the map “Final, Western Planning Area, Lease Sale 210, August 19, 2009, Lease Terms and Economic Conditions,” for leases resulting from this lease sale.

Initial Periods: 5 years for blocks in water depths of less than 400 meters; 8 years for blocks in water depths of 400 to less than 800 meters (pursuant to 30 CFR 256.37, commencement of an exploratory well is required within the first 5 years of the initial 8-year term to avoid lease cancellation); and 10 years for blocks in water depths of 800 meters or deeper.

Extensions of Initial Periods: The 5-year initial period for a lease in water depths of less than 400 meters and issued from this sale may be extended to 8 years if a well, targeting hydrocarbons below 25,000 feet true vertical depth subsea (TVD SS), is spudded within the first 5 years of the initial period. The 3-year extension may be granted in cases where the well is drilled to a target below 25,000 TVD SS and also in cases where the well does not reach a depth below 25,000 TVD SS due to mechanical or safety reasons.

In order for the 5-year initial period to be extended to 8 years, the lessee is required to submit to the Regional Supervisor for Production and Development within 30 days after completion of the drilling operation, a letter providing the well number, spud date, information demonstrating the target below 25,000 feet TVD SS, and if applicable, any safety or mechanical problems encountered that prevented the well from reaching a depth below 25,000 feet TVD SS. The Regional Supervisor must concur in writing that the conditions have been met to extend the lease term 3 years. The Regional Supervisor will provide written confirmation of any lease extension within 30 days of receipt of the letter provided.

For any lease that has a well spudded in the first 5 years of the initial period with a hydrocarbon target below 25,000 feet TVD SS, the regulations found at 30 CFR 250.175(a), (b), and (c) will not be applicable at the end of the 5th year.

For any lease that does not have a well spudded in the first 5 years of the initial period which targets hydrocarbons below 25,000 feet TVD SS, the regulations found at 30 CFR 250.175(a), (b), and (c) will be applicable, but the 3-year extension will not be available.

At the end of the 8th year, the lessee is free to use all lease-term extension provisions under the regulations.

Minimum Bonus Bid Amounts: A bonus bid will not be considered for acceptance unless it provides for a cash bonus in the amount of \$25 or more per acre or fraction thereof for blocks in water depths of less than 400 meters or \$37.50 or more per acre or fraction thereof for blocks in water depths of 400 meters or deeper; to confirm the exact calculation of the minimum bonus bid amount for each block, see “List of Blocks Available for Leasing,” contained in the Final NOS 210 Package. Please note that bonus bids must be in whole dollar amounts (i.e., any cents will be disregarded by MMS).

Rental Rates: Rentals for leases issued in this sale are to be paid at the rental rates summarized in the following table on or before the 1st day of each lease year until determination of well producibility is made, then at the expiration of each lease year until the start of royalty-bearing production.

Escalating Rental Rates for leases with an approved extension of the 5-year initial period: Any lease in water depths less than 400 meters and granted a 3-year extension beyond the 5-year initial period as provided below will pay the escalating rental rate. The escalating rental rates after the 5th year for blocks in less than 400 meters will become fixed and no longer escalate if another well is spudded during the 3-year extended term of the lease that targets hydrocarbons below 25,000 feet TVD SS, and MMS concurs that this has occurred. In this case the rental rate will become fixed at the rental rate in effect during the lease year in which the additional well was spudded.

Sale 210 Rental Rates per Acre or Fraction Thereof			
Water Depth in meters	Years 1-5	Years 6, 7, and 8	Years 9+
0 to <200	\$7.00	\$14.00, \$21.00, \$28.00	\$28.00
200 to <400	\$11.00	\$22.00, \$33.00, \$44.00	\$44.00
400 to <800	\$11.00	\$16.00 (if exploratory well drilled per 30 CFR 256.37)	\$16.00
800+	\$11.00	\$16.00	\$16.00

Royalty Rate: 18-3/4 percent royalty rate for blocks in all water depths, except during periods of royalty suspension, to be paid monthly on the last day of the month following the month during which the production is obtained.

Minimum Royalty: \$7.00 per acre or fraction thereof per year for blocks in water depths of less than 200 meters and \$11.00 per acre or fraction thereof per year for blocks in water depths of 200 meters or deeper regardless of the year of the lease and notwithstanding any royalty relief volume. Minimum royalty is to be paid at the expiration of each lease year beginning in the year in which royalty bearing production commences, and continuing thereafter regardless of either the lease year or whether any royalty suspension may apply. A credit will be applied for any actual royalty paid on the lease during the lease year in which minimum royalty is owed on the lease. If the actual royalty paid on the lease for a given lease year exceeds the minimum royalty otherwise owed, then no minimum royalty payment is due.

Royalty Suspension Provisions: Leases with royalty suspension volumes (RSV), are authorized under existing MMS rules at 30 CFR Parts 203 and 260. There are no circumstances under which a single lease could receive a royalty suspension both for deep gas production and for deepwater production.

Deep and Ultra-Deep Gas Royalty Suspensions

A lease issued as a result of this sale may be eligible for royalty relief for deep and ultra-deep wells pursuant to 30 CFR 203.0 and 30 CFR 203.30-203.49. The regulations provide deep gas incentives in two ways. First, they provide an RSV of at least 35 billion cubic feet of natural gas for certain wells completed in a drilling depth category (20,000 feet TVD SS or deeper) for leases in 0 to less than 400 meters of water. Second, they offer the same RSV's as those that were offered in shallower water to leases in 200 to less than 400 meters of water and they include a provision that wells completed from 15,000 to 20,000 feet TVD SS must begin production before May 3, 2013. These RSV incentives are conditional on applicable price thresholds.

Deepwater Royalty Suspensions

The following Royalty Suspension Provisions apply to deepwater oil and gas production:

A lease issued as a result of this sale may be eligible for deepwater royalty relief mandated by section 345 of EAct05. Section 345 directs continuation of MMS deepwater incentive program utilized since 2001 in the Gulf of Mexico for leases issued between August 8, 2005, and August 8, 2010, and provides for an increase in RSV from 12 million barrels of oil equivalent (MMBOE) to 16 MMBOE for leases in water depths greater than 2,000 meters. The RSV's provided for deepwater leases are subject to applicable price thresholds, as discussed below. The following Royalty Suspension Provisions for deepwater oil and gas production apply to a lease issued as a result of this sale. These provisions are similar to, and mean the same as, the language used in recent sales except for some clarifying text and updated examples. In addition to these provisions, and the EAct05, refer to 30 CFR 218.151 and applicable provisions of sections 260.120-260.124 for regulations on how royalty suspensions relate to field assignment, product types, rental obligations, and supplemental royalty relief.

1. A lease in water depths of 400 meters or more will receive a royalty suspension as follows, according to the water depth range in which the lease is located:

400 meters to less than 800 meters:	5 MMBOE
800 meters to less than 1,600 meters:	9 MMBOE
1,600 meters to 2,000 meters:	12 MMBOE
Greater than 2,000 meters:	16 MMBOE

2. In any calendar year during which the arithmetic average of the daily closing prices for the nearby delivery month on the New York Mercantile Exchange (NYMEX) for the applicable product exceeds the adjusted product price threshold, the lessee must pay royalty on production that would otherwise receive royalty relief under 30 CFR Part 260 or supplemental relief under 30 CFR Part 203, and such production will count towards the royalty suspension volume.
 - a) The base level price threshold for light sweet crude oil is \$37.18 per barrel expressed in 2008 dollars. The adjusted oil price threshold in any subsequent calendar year is computed by changing the price threshold applicable in the immediately preceding calendar year by the percentage by which the implicit price deflator for the gross domestic product has changed during the calendar year.
 - b) The base level price threshold for natural gas is \$4.65 per million British thermal units (MMBTU) expressed in 2008 dollars. The adjusted gas price threshold in any subsequent calendar year is computed by changing the price threshold applicable in the immediately preceding calendar year by the percentage by which the implicit price deflator for the gross domestic product has changed during the calendar year.
 - c) As an example, if the implicit price deflator indicates that inflation is 3 percent in 2009, then the price threshold in calendar year 2009 would become \$38.30 per barrel for oil and \$4.79 for gas. Therefore, royalty on oil production in calendar year 2009

would be due if the average of the daily closing prices for the nearby delivery month on the NYMEX in 2009 exceeds \$38.30 per barrel and royalty on gas production in calendar year 2009 would be due if the average of the daily closing prices for the nearby delivery month on the NYMEX in 2009 exceeds \$4.79 per MMBTU.

- d) The MMS provides notice in March of each year when adjusted price thresholds for the preceding year were exceeded. Once this determination is made, based on the then-most recent implicit price deflator information, it will not be revised regardless of any subsequent adjustments in the implicit price deflator published by the U.S. Government for the preceding year. Information on price thresholds and the methodology for applying the preceding year's implicit price deflator is available at MMS website at: <http://www.mms.gov/econ> and in the 2008 Notice of the Annual Price Threshold Determination (74 FR 26879).
- e) In cases where the actual average price for the product exceeds the adjusted price threshold in any calendar year, royalties must be paid no later than 90 days after the end of the year (see 30 CFR 260.122 (b)(2) for more detail) and royalties must be paid provisionally in the following calendar year (see 30 CFR 260.122 (c) for more detail).
- f) Full royalties are owed on all production from a lease after the RSV is exhausted, beginning on the first day of the month following the month in which the RSV is exhausted.

LEASE STIPULATIONS: The map “Final, Western Planning Area, Lease Sale 210, August 19, 2009, Stipulations and Deferred Blocks” depicts those blocks on which one or more of four lease stipulations apply: (1) Topographic Features; (2) Military Areas; (3) Law of the Sea Convention Royalty Payment; (4) Protected Species.

The texts of the stipulations are contained in the document “Lease Stipulations, Western Planning Area, Oil and Gas Lease Sale 210, Final Notice of Sale” included in this Final NOS 210 Package. In addition, the “List of Blocks Available for Leasing,” contained in the Final NOS 210 Package identifies for each block listed the lease stipulations applicable to that block.

INFORMATION TO LESSEES: This Final NOS 210 Package contains an “Information To Lessees” document that provides detailed information on certain specific issues pertaining to this proposed oil and gas lease sale.

METHOD OF BIDDING: For each block bid upon, a bidder must submit a separate signed bid in a sealed envelope. The outside of the envelope should be labeled “Sealed Bid for Oil and Gas Lease Sale 210, not to be opened until 9 a.m., Wednesday, August 19, 2009.” The submitting company's name, its GOM company number, the map name, map number, and block number should be clearly identified on the outside of the envelope.

The sealed bid should list the total amount of the bid in a whole dollar amount (any cent amount above the whole dollar will be ignored by the MMS) as well as the sale number, the sale date, the submitting company's name, its GOM company number, the map name, map number, and the

block number clearly identified. The information required on the bid(s) and the bid envelope(s) are specified in the document "Bid Form and Envelope" contained in the Final NOS 210 Package. A blank bid form has been provided therein for your convenience and may be copied and filled in. Please refer to the sample bid envelope included within the Final NOS 210 Package.

Please also refer to the Telephone Numbers/Addresses of Bidders Form included within the Final NOS 210 Package. We are requesting that you provide this information in the format suggested for each lease sale. Please provide this information prior to or at the time of bid submission. Do not enclose this form inside the sealed bid envelope.

The MMS published in the *Federal Register* a list of restricted joint bidders, which applies to this lease sale, at 74 FR 17984 on April 20, 2009. Please also refer to joint bidding provisions at 30 CFR 256.41 for additional information. All bidders must execute all documents in conformance with signatory authorizations on file in MMS Gulf of Mexico Region Adjudication Unit. Designated signatories must be authorized to bind their respective legal business entities (e.g., a corporation, partnership, or LLC) and must have an incumbency certificate setting forth the authorized signatories on file with the GOM Region Adjudication Office. Bidders submitting joint bids must include on the bid form the proportionate interest of each participating bidder, stated as a percentage, using a maximum of five decimal places (e.g., 33.33333 percent) with total interest equaling 100 percent. The MMS may require bidders to submit other documents in accordance with 30 CFR 256.46. The MMS warns bidders against violation of 18 U.S.C. 1860 prohibiting unlawful combination or intimidation of bidders. Bidders are advised that MMS considers the signed bid to be a legally binding obligation on the part of the bidder(s) to comply with all applicable regulations, including payment of the one-fifth bonus bid amount on all high bids. A statement to this effect must be included on each bid (see the document "Bid Form and Envelope" contained in the Final NOS 210 Package).

WITHDRAWAL OF BIDS: Once submitted, bid(s) may not be withdrawn unless the RD receives a written request for withdrawal from the company who submitted the bid(s), prior to 10 a.m. on Tuesday, August 18, 2009. This request must be typed on company letterhead and must contain the submitting company's name, its company number, the map name/number and block number of the bid(s) to be withdrawn. The request must be in conformance with signatory authorizations on file in MMS Gulf of Mexico Region Adjudication Office. Signatories must be authorized to bind their respective legal business entities (e.g., a corporation, partnership, or LLC) and must have an incumbency certificate setting forth the authorized signatories on file with MMS GOM Region Adjudication Office. The name and title of said signatory must be typed under the signature block on the withdrawal letter. Upon the RD's, or his designee's, approval of such requests, he will indicate his approval by affixing his signature and date to the submitting company's request for withdrawal.

ROUNDING: The following procedure must be used to calculate the minimum bonus bid, annual rental, and minimum royalty: Round up to the next whole acre if the block acreage contains a decimal figure prior to calculating the minimum bonus bid, annual rental, and minimum royalty amounts. The appropriate rate per acre is applied to the whole (rounded up) acreage.

The bonus bid must be in whole dollar amounts (i.e., any cents will be disregarded by MMS) and greater than or equal to the minimum bonus bid. The appropriate minimum bid per acre rate is applied to the whole (rounded up) acreage and the resultant calculation is rounded up to the next whole dollar amount if the calculation results in any cents. The minimum bonus bid calculation, including all rounding, is shown in the document “List of Blocks Available for Leasing” included in the Final NOS 210 Package.

BONUS BID DEPOSIT: Each bidder submitting an apparent high bid must submit a bonus bid deposit to MMS equal to one-fifth of the bonus bid amount for each such bid. All payments must be electronically deposited into an interest-bearing account in the U.S. Treasury (account information provided in the Electronic Funds Transfer (EFT) instructions) by 11:00 a.m. Eastern Time the day following bid reading. Under the authority granted by 30 CFR 256.46(b), MMS requires bidders to use electronic funds transfer procedures for payment of one-fifth bonus bid deposits for Lease Sale 210, following the detailed instructions contained in the document “Instructions for Making EFT Bonus Payments” which can be found on MMS GOM website at: <http://www.gomr.mms.gov/homepg/lseale/210/wgom210.html>. Acceptance of a deposit does not constitute and shall not be construed as acceptance of any bid on behalf of the United States. If a lease is awarded, however, MMS requests that only one transaction be used for payment of the four-fifths bonus bid amount and the first year's rental.

Please note: Certain bid submitters (i.e., those that are NOT currently an OCS mineral lease record titleholder or designated operator OR those that have ever defaulted on a one-fifth bonus bid payment (EFT or otherwise)) **are required to guarantee (secure) their one-fifth bonus bid payment prior to the submission of bids.** For those who must secure the EFT one-fifth bonus bid payment, one of the following options may be used: (1) provide a third-party guarantee; (2) amend bond coverage; (3) provide a letter of credit; or (4) provide a lump sum payment in advance via EFT. The EFT instructions specify the requirements for each option.

WITHDRAWAL OF BLOCKS: The United States reserves the right to withdraw any block from this lease sale prior to issuance of a written acceptance of a bid for the block.

ACCEPTANCE, REJECTION, OR RETURN OF BIDS: The United States reserves the right to reject any and all bids. In any case, no bid will be accepted, and no lease for any block will be awarded to any bidder, unless the bidder has complied with all requirements of this Notice and applicable regulations; the bid is the highest valid bid; and the amount of the bid has been determined to be adequate by the authorized officer. Any bid submitted which does not conform to the requirements of this Notice, the Act, and other applicable regulations may be returned to the bidder submitting that bid by the RD and not considered for acceptance. The Attorney General may also review the results of the lease sale prior to the acceptance of bids and issuance of leases. To ensure that the Government receives a fair return for the conveyance of lease rights for this lease sale, high bids will be evaluated in accordance with MMS bid adequacy procedures. A copy of current procedures, “Modifications to the Bid Adequacy Procedures” at 64 FR 37560 on July 12, 1999, can be obtained from MMS Gulf of Mexico Region Public Information Unit or via MMS Gulf of Mexico Region Internet website at: <http://www.gomr.mms.gov/homepg/lseale/bidadeq.html>.

SUCCESSFUL BIDDERS: As required by MMS, each company that has been awarded a lease must execute all copies of the lease (Form MMS-2005 (March 1986) as amended), pay by EFT the balance of the bonus bid amount and the first year's rental for each lease issued in accordance with the requirements of 30 CFR 218.155; and satisfy the bonding requirements of 30 CFR 256, subpart I, as amended.

Also, in accordance with regulations at 2 CFR Parts 180 and 1400, the lessee shall comply with the U.S. Department of the Interior's nonprocurement debarment and suspension requirements, and agrees to communicate this requirement to comply with these regulations to persons with whom the lessee does business as it relates to this lease by including this term as a condition to enter into their contracts and other transactions.

AFFIRMATIVE ACTION: The MMS requests that, prior to bidding, Equal Opportunity Affirmative Action Representation Form MMS 2032 (June 1985) and Equal Opportunity Compliance Report Certification Form MMS 2033 (June 1985) be on file in MMS Gulf of Mexico Region Adjudication Unit. This certification is required by 41 CFR Part 60 and Executive Order No. 11246 of September 24, 1965, as amended by Executive Order No. 11375 of October 13, 1967. In any event, prior to the execution of any lease contract, both forms are required to be on file in MMS Gulf of Mexico Region Adjudication Unit.

GEOPHYSICAL DATA AND INFORMATION STATEMENT: Pursuant to 30 CFR 251.12, MMS has a right to access geophysical data and information collected under a permit in the OCS.

Every bidder submitting a bid on a block in Sale 210, or participating as a joint bidder in such a bid, must submit a Geophysical Data and Information Statement (GDIS) identifying any enhanced 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.). The data identified in the GDIS should clearly identify whether the data or information are multi-client (speculative) data sets available directly from geophysical contractors or exclusive (proprietary) data sets specially processed for or by bidders.

In addition, the GDIS should clearly identify the data type (2-D or 3-D, pre-stack or post-stack and time or depth); areal extent (i.e., number of line miles for 2D or number of blocks for 3D) and migration algorithm (Wave Equation Migration, Reverse Time Migration, etc.) of the data and information. The statement must also include the name, phone number and full address of a contact person, and an alternate, who are both *knowledgeable* about the information and data listed and *available* for 30 days post-sale, the processing company, date processing was completed, owner of the original data set (who initially acquired the data), original data survey name and permit number. The MMS reserves the right to query about alternate data sets and to quality check and compare the listed and alternative data sets to determine which data set most closely meets the needs of the fair market value determination process.

The statement must also identify each block upon which the bidder submitted a bid or participated as a partner in a bid, but for which it did *not* use enhanced or reprocessed pre- or post-stack geophysical data and information as part of the decision to bid or to participate in the bid. The GDIS must be submitted, even if no enhanced geophysical data and information were

used in bid preparation for the tract.

In the event your company supplies any type of data to MMS, your company must meet the following requirements to get reimbursed:

1. Your company must be registered with the Central Contractor Registration (CCR). The initial registration is valid for one year and must be updated annually thereafter. The website for registering is: <http://www.ccr.gov>. This is a requirement that was implemented on October 1, 2003, and requires all entities doing business with the Government to complete a business profile in the CCR. It must be *updated annually*. Payments are made electronically based on the information contained in the CCR. Therefore, if your company is not *actively* registered in the CCR, MMS *will not* be able to reimburse or pay your company for any data supplied.
2. Your company must complete an on-line application for your Representations (Reps) and Certifications (Certs) at <http://orca.bpn.gov>. ORCA (On-line Representations and Certifications Application) is an E-Government initiative. Even though your company may have never provided Reps and Certs previously, they are now mandated in order to do business with the Government or receive reimbursement.

Please also refer to the Final NOS 210 Package for more detail concerning submission of the GDIS, making the data available to MMS following the lease sale, preferred format, reimbursement for costs, and confidentiality.

FORCE MAJEURE: The Regional Director of MMS Gulf of Mexico Region has the discretion to change any date, time, and/or location specified in the Final NOS 210 Package in case of a force majeure event which the Regional Director deems may interfere with the carrying out of a fair and proper lease sale process. Such events may include, but are not limited to, natural disasters (earthquakes, hurricanes, and floods), wars, riots, acts of terrorism, fire, strikes, civil disorder or other events of a similar nature. In case of such events, bidders should call (504) 736-0557 or access our website at: <http://www.gomr.mms.gov> for information about any changes.

NOTICE: Notice: On April 17, 2009, the U.S. Court of Appeals for the District of Columbia Circuit issued a ruling in *Center for Biological Diversity v. Department of the Interior*, Nos. 07-1247, 07-1344, vacating and remanding for the Secretary's reconsideration the 2007-2012 OCS Oil and Gas Leasing Program. On May 11, 2009, the Department of the Interior filed a petition for rehearing and/or clarification of the court's order. The U.S. Court of Appeals for the D.C.

Circuit is reviewing the Government's petition. The decision to hold this sale will be subject to further proceedings in that case. In the event the Department determines that it is necessary to cancel the sale, the bid envelopes will be returned to bidders unopened.

s/ Walter D. Cruickshank
Walter D. Cruickshank
Acting Director, Minerals Management Service

July 2, 2009
Date