
Leasing Activities Information



FINAL NOTICE OF SALE 207 Western Planning Area

Attached is the Final Notice of Sale 207 Package (FNOS 207 Package), for Western Planning Area (WPA) Oil and Gas Lease Sale 207 scheduled to be held on August 20, 2008, at the Royal Sonesta Hotel in New Orleans, Louisiana.

This Package consists of:

- FNOS 207
- Lease Stipulations
- Information To Lessees
- 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 Sample Envelope
- Telephone Numbers/Addresses of Bidders Form
- Example of Preferred Format - Geophysical Data and Information Statement and Sample Envelope
- Lease Terms and Economic Conditions Map
- Stipulations and Deferred Blocks Map

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

Minerals Management Service
Gulf of Mexico OCS Region
Public Information Unit (MS 5034)
1201 Elmwood Park Boulevard
New Orleans, Louisiana 70123-2394

Additionally, all of these documents may be found on the MMS GOM Lease Information page on the website at:

<http://www.gomr.mms.gov/homepg/lseale/207/wgom207.html>

Please Notice:

Terms and conditions for FNOS 207 are generally the same as the August 2007 WPA Lease Sale 204 except for the following noteworthy matters:

Royalty Rates

This will be the first WPA lease sale with the higher royalty rate that was implemented for Central Planning Area Lease Sale 206 and Eastern Planning Area Lease Sale 224 that were held in March 2008. As a reminder, this rate has increased from 16-2/3% to 18-3/4%.

Withdrawal of Bids

A paragraph has been included in our FNOS to define our process for the withdrawal of bids. This has been added to provide further clarification for bidders.

Updated Geophysical Data and Information Statement (GDIS) Instructions

Bidders are advised of the revised instructions for submittal of the GDIS. Please refer to paragraph (n) in the Information to Lessees document for specific details.

Not Offered:

Currently unleased whole blocks 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 (Area TX7C)

Whole Blocks: A-375, A-398

Portions of Blocks: A-366, A-367, A-374, A-383, A-384, A-385, A-388, A-389, A-397, A-399, A-401

High Island, South Addition (Area TX7B)

Portions of Blocks: A-502, A-513

Garden Banks (Area NG15-02)

Portions of Blocks: 134, 135

Whole blocks 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 (Area NG15-05)

Portions of Blocks: 978 through 980

Sigsbee Escarpment (Area NG15-08)

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

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

Whole blocks and portions of blocks deferred from this lease sale are shown on the map "Final, Western Planning Area, Lease Sale 207, August 20, 2007, Stipulations and Deferred Blocks"

Statistical Information (Lease Sale 207):

Approximate Size: 3,412 unleased blocks; 18.3 million acres

Initial Period:

5 years for blocks in water depths less than 400 meters (with a possible extension to 8 years if drilling requirements are met):	1,867 blocks
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):	289 blocks
10 years for blocks in water depths of 800 meters or deeper:	1,256 blocks

Minimum Bonus Bid Amount:

\$25.00 per acre or fraction thereof for water depths less than 400 meters:	1,867 blocks
\$37.50 per acre or fraction thereof for water depths 400 meters or deeper:	1,545 blocks

Rental/Minimum Royalty Rates:

\$6.25 per acre or fraction thereof for water depths less than 200 meters (with a possible escalation to as much as \$25.00 per acre if the lease has an approved extension of the initial 5-year period):	1,736 blocks
\$9.50 per acre or fraction thereof for water depths 200 meters or deeper (with a possible escalation to as much as \$38.00 per acre in the 200 to less than 400 meter water depth range if the lease has an approved extension of the initial 5-year period):	1,676 blocks

Royalty Rates:

18-3/4% royalty rate in all water depths:	3,412 blocks
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Royalty Suspension Areas:

0 to less than 400 meters:	1,867 blocks
400 to less than 800 meters:	289 blocks
800 to less than 1600 meters:	741 blocks
1600 to 2000 meters:	213 blocks
Greater than 2000 meters:	302 blocks

For more information on the FNOS 207 Package, potential bidders are advised to contact Mr. Carrol Williams at (504) 736-2803, Ms. Nancy Kornrumpf at (504) 736-2726, or Ms. Ann Glazner at (504) 736-1759 of the MMS GOM OCS Region Sales and Support Unit.

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Gulf of Mexico Region Public Information Unit
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