



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

FOR RELEASE:

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Proposed Notice of Sale Issued for Western Gulf of Mexico OCS Sale 177

Today, the U.S. Department of the Interior's Minerals Management Service (MMS) is making available the Proposed Notice of Sale for Western Gulf of Mexico (GOM) Sale 177. The sale is scheduled for August 23, 2000, in New Orleans, Louisiana.

Sale 177 encompasses 3,779 unleased blocks, about 20.57 million acres, in the Western GOM Outer Continental Shelf Planning Area offshore Texas and in deeper waters offshore Louisiana. The blocks are located from 9 to 200 miles offshore in water depths ranging from 8 meters to more than 3,000 meters. There are 2,152 blocks in water depths of 200 meters or more.

This is the fifth sale in the Western Gulf of Mexico and the tenth sale overall in which blocks receiving bids in water depths of 200 meters or more are eligible for consideration under provisions of the Deep Water Royalty Relief Act. The Proposed Notice of Sale offers all blocks in water depths of less than 800 meters for a minimum bid of \$25 per acre. The minimum bid on blocks in water depths of 800 meters or deeper is \$37.50 per acre.

The Proposed Notice of Sale will be posted on the MMS Website at <http://www.mms.gov>. In addition, copies of the document are available from MMS's Gulf of Mexico Regional Office, Public Information Unit, 1201 Elmwood Park Boulevard, New Orleans Louisiana 70123. Telephone (504) 736-2591, toll free 1-800-200-GULF.

Statistical Information (Sale 177)

Size: 3,779 unleased blocks; 20.57 million acres

Primary Lease Terms: 5 Year — Water depths less than 400 meters — 1,804 blocks
8 Year — Water depths between 400 and 800 meters — 315 blocks
10 Year — Water depths 800 meters or deeper — 1,660 blocks

Minimum Bids: \$25.00 per acre or fraction thereof - water depths less than 800 meters - 2,119 blocks
\$37.50 per acre or fraction thereof — water depths 800 meters or deeper — 1,660 blocks

Annual Rental Rates: \$5.00 per acre or fraction thereof — Water depths less than 200 meters — 1,627 blocks
\$7.50 per acre or fraction thereof — Water depths 200 meters or deeper — 2,152 blocks

Royalty Rates: 16 2/3% Royalty — Water depths less than 400 meters — 1,804 blocks
12 1/2% Royalty — Water depths 400 meters or deeper — 1,975 blocks

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

MMS is the Federal Agency that manages and regulates the Nation's natural gas, oil, and other mineral resources on the Outer Continental Shelf; and collects, accounts for, and last year disbursed about \$6 billion in revenues from offshore Federal mineral leases and from onshore mineral leases on Federal and Indian lands.