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NEWS RELEASE

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Gulf Storms Shut Down U.S. Offshore Oil And Natural Gas Production

Nearly 10 million barrels of oil and 60 billion cubic feet of natural gas have been unavailable for U.S. consumption because of the shutdown of oil and gas operations on the Gulf of Mexico outer continental shelf due to the effects of Tropical Storm Isidore and Hurricane Lili.

Last week, reports to the Minerals Management Service by the oil and gas industry in the Gulf indicated that about 95 percent of crude oil and 60 percent of natural gas production were shutdown from Wednesday, September 25, 2002 through Friday, September 27, 2002, as a result of Tropical Storm Isidore. As production was being returned over the weekend, the threat of Hurricane Lili curtailed the full resumption of production. On Monday, September 30, 2002, operators again began to shut-in production. Latest reports indicate that about 95 percent of crude oil and 75 percent of natural gas production remain shut down. This shutdown will likely continue through Friday, October 4, 2002, at which time workers will begin returning to facilities for damage assessment and to restore production.

With over 4,000 oil and gas platforms in the Gulf of Mexico operating on a 24-hour basis, storm events, such as Isidore and Lili, disrupt a significant sector of the domestic energy supply. To ensure safe operations, operators of OCS energy facilities maintain detailed hurricane operations plans that provide guidelines for evacuation of facilities, production curtailment and leak detection.

These plans serve as the basis for the orderly evacuation of personnel and shutdown of production from platforms in the case of severe weather events. "People often don't realize that there are between 20,000 and 30,000 workers offshore at any one time," said MMS Director Johnnie Burton. "The logistics of evacuating that many people and shutting down 25 percent of the nation's oil and natural gas production are very complicated," she added.

Thorough planning by operators on the OCS and effective regulatory guidance from MMS ensure the safety of personnel and protection of the environment during the passage of hurricanes and storms. "It is a testament to the efficient and effective implementation of these plans that there have not been any reported injuries associated with this shutdown." Director Burton said.

Once the threat of Hurricane Lili subsides, the energy production so important to our country will resume according to MMS procedures and regulations.

Tropical Storm/Hurricane Evacuation and Production Statistics for October 3, 2002						
Districts	Lake Jackson	Lake Charles	Lafayette	Houma	New Orleans	Total
Platforms	95	177	173	144	180	769
Rigs	16	17	19	20	28	100
Oil, BOPD	117,748	59,188	211,297	509,300	745,150	1,642,683
Gas, MMCF/D	1,184.73	1,163.56	1,476.11	2,039.39	3,871.85	9,735.65

Reporting Companies: Agip, Amerada Hess, Anadarko/RME, Apache, BHP Petroleum, BP, Burlington Resources, Callon, Calpine, Century, ChevronTexaco, Contour, Denbury, Dominion, Dunhill, El Paso, EOG Resources, ExxonMobil, Fairways, Forest, GOM Shelf, Gryphon, Houston Exploration, Hunt, JM Huber, Kerr McGee, LLOG, Magnum Hunter, Marathon, Maritech, McMoRan, Nexen, Nippon, Panaco, Petro Ventures, Pogo, PRS Offshore, Ridgelake Energy, Samedan, Seneca, Shell E&P, Tarpon, Torch,

TotalFinaElf, Transworld, Tri Union, Union Oil Co. of CA, Walter, Westport, William Field Services, William G. Helis, and W&T

NOTE: The following companies reported statistics on October 2, 2002, but not today: ATP, BT Operating, Comstock, ConocoPhillips, Devon, Energy Partners, Energy Resource, Linder, Merit Energy, Millennium, NCX, Ocean Energy, Pioneer, St. Mary, Stone, and Vintage. (Assuming the companies might be encountering problems transmitting the data, yesterday's statistics were used and included in the statistics listed above.)

MMS is the federal agency in the U.S. Department of the Interior that manages the nation's oil, natural gas, and other mineral resources on the outer continental shelf in federal offshore waters. The agency also collects, accounts for, and disburses mineral revenues from federal and Indian leases. These revenues totaled nearly \$10 billion last year and more than \$120 billion since the agency was created in 1982. Annually, nearly \$1 billion from those revenues go into the Land and Water Conservation Fund for the acquisition and development of state and federal park and recreation lands.

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MMS Internet website address: <http://www.mms.gov>