

The NewsRoom

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Minerals Management Service Given Approval for Lease Sale 200

Decision Enhances America's Energy Resources

NEW ORLEANS – Federal District Court Judge Kurt Engelhardt today denied the State of Louisiana's motion for a preliminary injunction in the case of Kathleen Babineaux Blanco, Governor, State of Louisiana, et al v. Rejane "Johnnie" Burton, Director, Minerals Management Service, et al. Louisiana sought to stop MMS from holding Western Gulf of Mexico Lease Sale 200. Although the decision could be appealed, MMS is proceeding with plans for the sale, to be held as scheduled at 9:00 a.m., August 16, 2006, at the New Orleans Marriott Hotel.

"The Court's decision today will allow MMS to continue its plans for producing additional energy supplies for the Nation. Domestic energy consumption is on the rise, so domestic offshore production should be on the rise as well to help meet that need," said Johnnie Burton, Director of the Minerals Management Service (MMS). "We have every reason to believe that when Lease Sale 200 is completed, it will be a great success, with the potential to deliver additional energy supplies to the nation as well as millions of dollars to the U.S. Treasury."

While the Court denied Louisiana's request for a preliminary injunction, the state could appeal the ruling. The case on the merits of Louisiana's claims is still pending. MMS has requested an expedited hearing on that case, although no date has been set.

The Western Gulf Planning Area, which includes Lease Sale 200, encompasses 35.9 million acres offshore Texas and the deeper waters offshore Louisiana, and is extremely attractive to bidders. At last year's Western Gulf sale, MMS received \$283.4 million in high bids that was sent to the U.S. Treasury, the Land and Water Conservation Fund, the Reclamation Fund, and the National Historic Preservation Fund.

With 20.9 million acres available in Lease Sale 200, MMS estimates the sale could result in the production of between 136 and 262 million barrels of oil and 0.810 and 1.440 trillion cubic feet of natural gas. Continued access to this vast resource is necessary for the nation's security and will provide a stable and continuing source of energy for the American public.

Relevant Web Site:

[MMS Main Website](#)

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[MMS: Securing Ocean Energy & Economic Value for America](#)
U.S. Department of the Interior