



**FOR RELEASE:**

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**Western Gulf of Mexico Sale 174 Nets \$90,147,805 in High Bids**

The U. S. Department of the Interior's Minerals Management Service (MMS) announced today the completion of the two-phase bid evaluation process for Lease Sale 174. The sale was held on August 25, 1999.

Of the 153 tracts receiving bids, MMS rejected 11 high bids totaling \$4,501,239 as insufficient for fair market value. As a result, MMS awarded 142 leases involving \$90,147,805 in high bids.

"We were pleased with the continued industry competition for Gulf of Mexico leases," said MMS Regional Director Chris Oynes. Forty percent of the winning bids were in deep water (2,625 feet or greater) and with a lease term of 10 years. The highest bid accepted on a tract was \$11,283,000 by Kerr-McGee Oil & Gas Corporation for Garden Banks 877. Other winning bids of \$6.1 by Union Oil Company of California and \$5.2 million by Kerr-McGee Oil & Gas Corporation were the second and third highest bids in the sale and are also deep water tracts. This sale indicates the strong showing of independent oil and gas companies participating in the Gulf.

The companies which rank in the top five in number of winning bids for Sale 174 are:

<b>Company</b>	<b>Tracts</b>
Kerr-McGee Oil & Gas Corporation	35
Coastal Oil & Gas USA, L.P.	17
Union Oil Company of California	13
Spinnaker Exploration Company. L.L.C.	10
Exxon Corporation	7
Ocean Energy, Inc.	7

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