



NEWS RELEASE

U.S. Department of the Interior
Minerals Management Service
Office of Public Affairs

For Release: August 2, 2005
Release: 3313

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MMS Issues Leases for Sale 195 Beaufort Sea

The Minerals Management Service issued 117 leases won during Federal Beaufort Sea Sale 195. More than \$45 million in total high bids were accepted for Sale 195 which represents 99.65 percent of the total value bid. "We are pleased with the outcome of this sale," said MMS Regional Director John Goll. "Sale 195 was our best OCS lease sale offshore Alaska since 1988. Oil and gas produced from these leases will increase our Nation's energy reserves and boost supplies in the Trans-Alaska pipeline." Bids on two tracts were rejected based upon application of MMS's bid adequacy criteria.

Awarded leases have been forwarded to the companies which include Shell Offshore Inc., ConocoPhillips, and Armstrong Oil. Bids on two leases by NACRA Corporation were not pursued by the company.

MMS rigorously reviews all of the bids received in a sale to ensure the public receives fair return for resources conveyed. MMS identifies geologic prospects in the area, maps them, and then uses a proprietary computer program to evaluate bids received. If a high bid does not meet the MMS criteria, it is rejected.

MMS, part of the U.S. Department of the Interior, oversees 1.76 billion acres of the Outer Continental Shelf, managing offshore energy and minerals while protecting the human, marine, and coastal environments. The OCS provides 30 percent of oil and 21 percent of natural gas produced domestically, as well as sand used for coastal restoration. MMS collects, accounts for, and disburses mineral revenues from Federal and American Indian lands, and contributes to the Land and Water Conservation Fund and other special use funds, with Fiscal Year 2004 disbursements of about \$8 billion and more than \$143 billion since 1982.

Additionally, the State of Alaska receives 27% of all revenues generated as a result of federal leases that lie within 3-to-6 miles offshore the Alaska coast, and 50% of this money goes into the Alaska Permanent Fund Account.

MMS Main Website: www.mms.gov

MMS Alaska OCS Region Website: www.mms.gov/Alaska

***** MMS: Securing Ocean Energy and Economic Value for America *****