

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

# Proposed Notice of OCS Sale 169 Central Gulf of Mexico March 18, 1998

Attached is the Proposed Notice of OCS Sale (PNOS) 169, Central Gulf of Mexico, which is scheduled to be held on March 18, 1998, in New Orleans.

In addition to the Proposed Notice, this package consists of:

- Information to Lessees for Sale 169
- Central Gulf of Mexico Leased Lands List dated October 22, 1997
- Unleased Split Blocks and Unleased Acreage of Blocks with Aliquots and Irregular Portions Under Lease
- Lease Stipulations for Oil and Gas Lease Sale 169
- Debarment Certification Form
- Bid Form and Envelope
- Phone Numbers/Addresses of Bidders Form
- Tracts Beyond U.S. Exclusive Economic Zone
- Tracts 15 Miles South of Baldwin County, Alabama
- Lease Terms, Bidding Systems, and Royalty Suspension Areas, Sale 169 Map
- Stipulations and Deferred Blocks, Sale 169 Map

## **NOTICE:**

<u>Notice of Sale.</u> Certain items formerly included in the Notice of Sale (including Stipulations and Information to Lessees) are now found in separate documents included in this Package. Bidders are advised to read carefully all items in this package.

Electronic Funds Transfer (EFT) payments for the 1/5th bonus. The MMS is considering the expanded optional use of EFT for payment of the 1/5th bonus bid and the suspension, for bidders who use EFT, of the requirement to secure their EFT payment with a lump sum check. The MMS will make a final decision on procedures for submission of the 1/5th bonus payment prior to publication of the Final Notice of Sale and will inform bidders in time for them to make orderly plans for bidding at the sale. A meeting with prospective bidders to discuss various options regarding EFT procedures will be held in the MMS Gulf of Mexico Regional Office conference room (room 115) on December 9, 1997, from 1:00 p.m. to 3:30 p.m. For additional information on the meeting, contact Ms. Vicki Zatarain at (504) 736-2779. See paragraph 3(b) of the Notice.

<u>Bid Form and Bid Envelope.</u> Bidders are strongly urged to use the formats of the Bid Form and Bid Envelope included in this package. Note that "Amount Per Acre" is no longer desired on the Bid Form, and it is requested that "Area Number" be included on both the Bid Form and the Bid Envelope. A statement acknowledging that the bidder(s) agree(s) that submission of a bid constitutes an obligation to comply with all applicable regulations and to pay the 1/5th bonus on all high bids <u>must</u> be included on the bid form. Indicate "Amount of cash bonus submitted with bid" <u>ONLY IF</u> a check for 1/5th of the bonus is submitted with the bid (i.e., if Electronic Funds Transfer procedures are <u>NOT</u> used). See also paragraph 3(a) of the Notice.

<u>Unleased blocks offshore Baldwin County, Alabama.</u> Potential bidders are advised that the State of Alabama has requested that unleased blocks due south and within 15 miles of Baldwin County, Alabama, not be offered for leasing in this proposed sale. See paragraph (u) of the Information to Lessees document included in this package. A map of the affected area is included in this package.

<u>Tracts beyond U.S. Exclusive Economic Zone.</u> Tracts beyond the U.S. Exclusive Economic Zone are offered for leasing in this sale. Certain tracts in this area (tracts in the Northern Portion of the Western Gap) could be subject to a continental shelf delimitation agreement between the U.S. and Mexico.. See paragraph 2 of the Notice and the "Tracts Beyond U.S. Exclusive Economic Zone" provided with this package.

## NOTE:

No additional blocks have become available for leasing since publication of the latest "Gulf of Mexico Leasing Activity Update List (October 22, 1997)"

## **NOT OFFERED:**

Main Pass Area, South and East Addition, Blocks 253 and 254; Viosca Knoll Blocks 213 and 256 (under appeal)

## STATISTICAL INFORMATION (Sale 169)

# SIZE:

4,244 Unleased blocks; 22.85 million acres

# **LEASE TERMS:**

5 Year - 886 Blocks - Water depths less than 400 meters 8 Year - 116 Blocks - Water depths between 400-800 meters 10 Year - 3,242 Blocks - Water depths greater than 800 meters

# **BIDDING SYSTEMS:**

12 1/2% Royalty - 3,358 Blocks 16 2/3% Royalty - 886 Blocks

# **ROYALTY SUSPENSION AREAS:**

200-400 Meter Royalty Suspension Area - 70 Blocks 400-800 Meter Royalty Suspension Area - 116 Blocks 800 Meter and Greater Royalty Suspension Area - 3,242 Blocks

# **MINIMUM BID:**

\$25 per acre or fraction thereof

For more information on this PNOS, potential bidders are advised to contact Mr. Charles Hill of the MMS GOM OCS Region Sales and Support Unit at (504) 736-2795 or may obtain sale packet from MMS's GOM Regional Office, Public Information Unit, 1201 Elmwood Park Boulevard, New Orleans, Louisiana, 70123, (504) 736-2519 or 1-800-200-GULF. Supplemental documents may also be obtained from that office.

MMS is the Federal Agency that manages the Nation's natural gas, oil and other mineral resources on the OCS, and collects, accounts for and distributes about \$4 billion in revenues from Federal offshore mineral leases and from onshore mineral leases on Federal and Indian lands.

#### -MMS-GOM-

MMS Homepage Address on the Internet: http://www.mms.gov 24-hour Fax-on-Demand service: (202) 219-1703

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