
Leasing Activities Information

BOEM

U.S. Department of the Interior
Bureau of Ocean Energy Management
Gulf of Mexico OCS Region

FINAL NOTICE OF SALE 227 Central Planning Area

Attached is the Final Notice of Sale (NOS) Package (Package), for the Central Gulf of Mexico Planning Area Oil and Gas Lease Sale 227 (CPA Sale 227) scheduled to be held at 9 a.m. on Wednesday, March 20, 2013, at the Mercedes-Benz Superdome in New Orleans, Louisiana.

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This Package consists of:

- Final NOS for CPA Sale 227
- Lease Stipulations
- Information to Lessees
- List of Blocks Available for Leasing
- Unleased Split Blocks and Available Unleased Acreage of Blocks with Aliquots and Irregular Portions Under Lease or Deferred
- Bid Form and Sample Envelopes
- Telephone Numbers/Addresses of Bidders Form
- Example of Preferred Format - Geophysical Data and Information Statement and Sample Envelopes
- Lease Terms and Economic Conditions Map
- Stipulations and Deferred Blocks Map

All documents listed above are available from the BOEM Gulf of Mexico (GOM) Region Public Information Office; telephone (800) 200-GULF or (504) 736-2519; or by written request to:

Bureau of Ocean Energy Management  
Gulf of Mexico OCS Region  
Public Information Office (GM 217G)  
1201 Elmwood Park Boulevard  
New Orleans, Louisiana 70123-2394

All of these documents may also be found on the Lease Sale Information page on the BOEM GOM website at: <http://www.boem.gov/sale-227/>.

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Please Note:

Terms and conditions for CPA Sale 227 are generally the same as for the June 2012 CPA Sale 216/222. The following noteworthy matters are highlighted for your attention:

Updated Electronic Funds Transfer (EFT) Instructions

Bidders are advised that the EFT instructions have been updated. Please refer to the following website for complete information: <http://www.boem.gov/sale-227/>.

Geophysical Data and Information Statements

This Package includes information for bidders regarding the submission of Geophysical Data and Information Statements (GDIS). Every bidder submitting a bid on a block in the CPA Sale 227, or participating as a joint bidder in such a bid, must submit at the time of bid submission a GDIS in a separate and sealed envelope, identifying any proprietary data, reprocessed speculative data and/or any Controlled Source Electromagnetic, Gravity or Magnetic data, or other information used as part of the decision to bid or participate in a bid on the block. **Please note: You may submit the GDIS Information Table digitally on a Compact Disc or Digital Video Disc as an Excel Spreadsheet.**

U.S. and Mexico Treaty

The United States and Mexico exchanged instruments of ratification in January 2001, and a continental shelf boundary treaty entered into force in the Western Gap area. This treaty contained provisions for a ten- year moratorium on drilling within 1.4 nautical miles of the maritime boundary on both the U.S. and Mexican sides. While this moratorium initially was scheduled to expire in January 2011, the United States and Mexico mutually agreed to extend the Western Gap buffer zone for an additional three years. This buffer zone now remains in effect into January 2014.

U.S.-Mexico Maritime and Continental Shelf Boundary

Bidders are advised to refer to the CPA Sale 227 in the Information to Lessees portion of this document, paragraph (p), for detailed information pertaining to bids submitted on blocks in the Boundary Area. Such bids may not be opened on the date scheduled for the sale, but may be opened at a later date. On or before 30 days following execution of a Transboundary Agreement or September 30, 2013, whichever occurs first, the Secretary of the Interior will determine whether it is in the best interest of the United States either to open bids for Boundary Area blocks or to return the bids unopened. The following blocks comprise the Boundary Area:

Sigsbee Escarpment – 151, 152, 195, 196, 197, 239, 240, 241, 242, 243, 284, 285, 286, 287, 288*, 289*, 290*, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349

Amery Terrace – 118, 119, 120, 121, 122, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 265, 266, 267, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 355, 356, 357, 358, 359

Lund South – 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 293, 294, 295, 296

*Leased Blocks

Stipulation No. 10 - Agreement between the United States of America and the United Mexican States Concerning Transboundary Hydrocarbon Reservoirs in the Gulf of Mexico

Bidders are advised to refer to the CPA Sale 227 Stipulations portion of the document. Stipulation No. 10 notifies bidders that the terms stated in the agreement between Mexico and the United States may apply to some blocks offered in this sale.

Notice of Arrival on the Outer Continental Shelf

Bidders are advised to refer to the CPA Sale 227 Information to Lessees portion of the document, paragraph (o). Since publication of the Final Rule on the Notice of Arrival on the Outer Continental Shelf (76 FR 2254, Jan. 13, 2011), the Coast Guard and Maritime Transportation Act of 2012 (Pub. L. No. 112-213) was signed into law by the President of the United States on December 20, 2012, and mandates that “the regulations required under section 109(a) of the Security and Accountability For Every Port Act of 2006 (33 U.S.C. 1223 note [Pub. L. 109-347, §109]) dealing with notice of arrival requirements for foreign vessels on the Outer Continental Shelf shall not apply to a vessel documented under section 12105 of title 46, United States Code, unless the vessel arrives from a foreign port or place.” Pub. L. No. 112-213, §704.

New format for the Final NOS document

Bidders are advised that the format for the Final NOS document has been revised.

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**Areas Not Offered for Leasing:** The following whole and partial blocks are not offered for lease in this sale:

Whole and partial blocks deferred by the Gulf of Mexico Energy Security Act of 2006, Pub. L. 109-432:

Pensacola (OPD NH 16-05)

Whole Blocks: 751 through 754, 793 through 798, 837 through 842, 881 through 886, 925 through 930, and 969 through 975

Destin Dome (OPD NH 16-08)

Whole Blocks: 1 through 7, 45 through 51, 89 through 96, 133 through 140, 177 through 184, 221 through 228, 265 through 273, 309 through 317, 353 through 361, 397 through 405, 441 through 450, 485 through 494, 529 through 538, 573 through 582, 617 through 627, 661 through 671, 705 through 715, 749 through 759, 793 through 804, 837 through 848, 881 through 892, 925 through 936, and 969 through 981

DeSoto Canyon (OPD NH 16-11)

Whole Blocks: 1 through 15, 45 through 59, and 92 through 102

Partial Blocks: 16, 60, 61, 89 through 91, 103 through 105, and 135 through 147

Henderson (OPD NG 16-05)

Partial Blocks: 114, 158, 202, 246, 290, 334, 335, 378, 379, 422, and 423

Blocks that are adjacent to or beyond the United States Exclusive Economic Zone in the area known as the northern portion of the Eastern Gap:

Lund South (OPD NG 16-07)

Whole Blocks: 128, 129, 169 through 173, 208 through 217, 248 through 261, 293 through 305, and 349

Henderson (OPD NG 16-05)

Whole Blocks: 466, 508 through 510, 551 through 554, 594 through 599, 637 through 643, 679 through 687, 722 through 731, 764 through 775, 807 through 819, 849 through 862, 891 through 905, 933 through 949, and 975 through 992

Partial Blocks: 467, 511, 555, 556, 600, 644, 688, 732, 776, 777, 820, 821, 863, 864, 906, 907, 950, 993, and 994

Florida Plain (OPD NG 16-08)

Whole Blocks: 5 through 24, 46 through 67, 89 through 110, 133 through 154, 177 through 197, 221 through 240, 265 through 283, 309 through 327, and 363 through 370

Whole and partial blocks that lie within the 1.4 nautical mile buffer zone north of the Continental Shelf Boundary between the United States and Mexico:

Amery Terrace (OPD NG 15-09)

Whole Blocks: 280, 281, 318 through 320, and 355 through 359

Partial Blocks: 235 through 238, 273 through 279, and 309 through 317

Sigsbee Escarpment (OPD NG 15-08)

Whole Blocks: 239, 284, and 331 through 341

Partial Blocks: 151, 195, 196, 240, 241, 285 through 298, and 342 through 349

Blocks that are deferred until measures to ensure the safety of planned decommissioning operations are completed:

Green Canyon (OPD NG15-03)

Block 20

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Statistical Information (CPA Sale 227):

Approximate Size: 7,299 unleased blocks; 38.6 million acres

Initial Period:

5 years for blocks in water depths less than 400 meters (subject to administrative requirements noted in the Final NOS for CPA Sale 227):	2,421 blocks
5 years for blocks in water depths 400 meters to less than 800 (subject to administrative requirements noted in the Final NOS for CPA Sale 227):	227 blocks
7 years for blocks in water depths of 800 meters to less than 1600 meters (subject to administrative requirements noted in the Final NOS for CPA Sale 227):	502 blocks
10 years for water depths of 1600 meters or greater:	4,149 blocks

Minimum Bonus Bid Amount:

\$25.00 or more per acre or fraction thereof for water depths less than 400 meters:	2,421 blocks
\$100.00 or more per acre or fraction thereof for water depths 400 meters or deeper:	4,878 blocks

Rental Rates:

\$7.00 per acre or fraction thereof for water depths less than 200 meters (with a possible escalation to as much as \$28.00 per acre if the lease has an approved extension of the initial 5-year period):	2,209 blocks
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\$11.00 per acre or fraction thereof for water depths 200 meters or deeper
(with possible escalation to as much as \$44.00 per acre as noted in the
Final NOS): 5,090 blocks

Minimum Royalty Rates:

\$7.00 per acre or fraction thereof for water depths less than 200 meters: 2,209 blocks
\$11.00 per acre or fraction thereof for water depths 200 meters or deeper: 5,090 blocks

Royalty Rates:

18.75% royalty rate in all water depths: 7,299 blocks

Royalty Suspension Areas:

0 to less than 400 meters of water depth: 2,421 blocks

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For more information on the Final NOS Package for CPA Sale 227, potential bidders are advised to contact Mr. Carrol Williams at (504) 736-2803, Ms. Cindy Thibodeaux at (504) 736-2809, or Ms. Kasey Couture at (504) 736-2909, of the BOEM Gulf of Mexico OCS Region Leasing and Financial Responsibility Section.

**Gulf of Mexico Region Public Information Office  
Bureau of Ocean Energy Management  
1201 Elmwood Park Boulevard  
New Orleans, Louisiana 70123-2394  
Telephone: (504) 736-2519 or (800) 200-GULF [4853]  
BOEM website: <http://www.boem.gov>**