

Hurricane Gustav/Hurricane Ike Activity Statistics Update:

Minerals Management Service monitors activities for both storms through its Continuity of Operations Plan.

NEW ORLEANS — Offshore oil and gas operators in the Gulf of Mexico who are working to restore production following Hurricane Gustav have begun preparations for Hurricane Ike. The Minerals Management Service (MMS) is monitoring activities for both hurricanes through its Continuity of Operations Plan team. This team will be activated until operations return to normal.

Based on data from offshore operator reports submitted as of 11:30 a.m. CDT today, personnel have been evacuated from a total of 200 production platforms, equivalent to 27.9 % of the 717 manned platforms in the Gulf of Mexico. Production platforms are the structures located offshore from which oil and natural gas are produced. These structures remain in the same location throughout a project's duration unlike drilling rigs which typically move from location to location.

Personnel from 15 rigs have also been evacuated; this is equivalent to 12.4 % of the 121 rigs currently operating in the Gulf. Rigs can include several types of self-contained offshore drilling facilities including jackups, submersibles and semisubmersibles.

From the operators' reports, it is estimated that approximately 79.4 % of the oil production in the Gulf has been shut-in. As of June 2008, estimated oil production from the Gulf of Mexico was 1.3 million barrels of oil per day. It is also estimated that approximately 64.2 % of the natural gas production in the Gulf has been shut-in. As of June 2008, estimated natural gas production from the Gulf of Mexico was 7.0 billion cubic feet of gas per day. Since that time, gas production from the Independence Hub facility has increased and current gas production from the Gulf is estimated at 7.4 billion cubic feet of gas per day.

As part of the evacuation process, personnel activate the shut-in procedure, which can also be accomplished from a remote location. This involves closing the safety valves located below the surface of the ocean to prevent the release of oil or gas. During Hurricanes Katrina and Rita, the shut-in valves functioned 100 percent of the time, efficiently closing in production from wells and resulting in no major spills from the Outer Continental Shelf. Shutting-in oil and gas production is a standard procedure conducted by industry for safety and environmental reasons.

The production percentages are calculated using information submitted by offshore operators in daily reports. Shut-in production information included in these reports is based on what the operator expected to produce that day. The shut-in production figures therefore are estimates, which the MMS compares to historical production reports to ensure the estimates follow a logical pattern.

After the hurricane has passed, facilities will be inspected. Once all standard checks have been completed, production from undamaged facilities will be brought back on line immediately. Facilities sustaining damage may take longer to bring back on line. The MMS will continue to update the evacuation and shut-in statistics at 1:00 p.m. CDT each day until these statistics are no longer significant.

Districts

	Lake					
	Jackson Lake	Charles Lafayette	Houma	New Orleans	Total	
Platforms						
Evacuated	16	31	22	50	81	200
Rigs						
Evacuated	1	2	0	7	5	15

Oil, BOPD

Shut-in 676 22,044 143,698 265,186 601,008 1,032,612

Gas,

MMCF/D

Shut-in 41 211 813 644 3,039 4,748

This survey information is reflective of 62 companies' reports as of 11:30 a.m. CST.

—MMS—

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