NEWS RELEASE

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MMS Issues Proposed Notice of Western Gulf Lease Sale 200

NEW ORLEANS – The Minerals Management Service (MMS) announced in the <u>Federal</u> <u>Register</u> the availability of the Proposed Notice of Lease Sale 200, an offshore oil and gas lease sale in the western Gulf of Mexico, scheduled for August 16, 2006.

The proposed lease sale 200 encompasses about 3,787 unleased blocks covering approximately 20.4 million acres in the western Gulf of Mexico outer continental shelf planning area offshore Texas and in deeper waters offshore Louisiana. The blocks are located from nine to about 210 miles offshore in water depths of four to more than 3,425 meters. MMS estimates the proposed lease sale could result in the production of 136 to 262 million barrels of oil and 0.81 to 1.44 trillion cubic feet of natural gas.

Recently adopted provisions for this proposed lease sale include shallow-water, deep gas royalty relief for leases in water depths of less than 400 meters, incentives for ultra-deep wells subject to the rulemaking under the Energy Policy Act of 2005, and an earlier time deadline for Electronic Fund Transfer (EFT) of bonus and rental payments.

The Proposed Notice of Lease Sale 200 will be posted on the MMS Website at http://www.gomr.mms.gov. In addition, copies of the document are available from the MMS Gulf of Mexico Regional Office, Public Information Unit, 1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123. Telephone (504) 736-2591, toll free 1-800-200-GULF.

MMS Main Website: www.mms.gov
Gulf of Mexico Website: www.gomr.mms.gov

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