

## **Hurricane Gustav/Hurricane Ike Activity Statistics Update -- September 23, 2008:**

*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 are reboarding platforms and rigs and restoring production following both Hurricane Gustav and Hurricane Ike. The Minerals Management Service is monitoring activities for both hurricanes through its Continuity of Operations Plan team. This team will be activated until operations return to normal.

MMS has recalculated the number of manned platforms in the Gulf of Mexico since 23 manned platforms have been confirmed destroyed from Hurricane Ike. The new figure of 694 manned platforms was used to calculate today's percentage of manned platforms evacuated. Based on data from offshore operator reports submitted as of 11:30 a.m. CDT today, personnel are evacuated from a total of 203 production platforms, equivalent to 29.3 % of the 694 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.

The total number of rigs currently operating in the Gulf of Mexico has been recalculated to allow for the number of rigs destroyed or severely damaged as a result of Hurricane Ike. The recalculated figure is 116 rigs. This number was used in calculating today's percentage of rigs evacuated. Personnel from 4 rigs are evacuated; this is equivalent to 3.5 % of the 116 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 66.8 % of the oil production in the Gulf is shut-in. As of June 2008, estimated oil production from the Gulf of Mexico is 1.3 million barrels of oil per day. It is also estimated that approximately 61.6 % of the natural gas production in the Gulf is 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	61	60	36	30	203
Rigs Evacuated	0	1	1	1	1	4
Oil, BOPD Shut-in	28,457	24,747	125,458	310,399	379,593	868,654
Gas, MMCF/D Shut-in	537	685	969	800	1,569	4,560

**This survey information is reflective of 63 companies' reports as of 11:30 a.m. CST.**

—MMS—

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