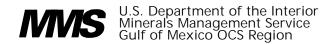
Leasing Activities Information



FINAL NOTICE OF OCS SALE 182 Central Gulf of Mexico March 20, 2002

Attached is the Final Notice of OCS Sale (FNOS) 182, Central Gulf of Mexico, which is scheduled to be held on March 20, 2002, in New Orleans.

In addition to the Final Notice, this "Final Notice of Sale 182 Package" consists of:

- ♦ Lease Stipulations for Oil and Gas Lease Sale 182
- ♦ Royalty Suspension Provisions, Sale 182
- ♦ Information To Lessees, Sale 182
- ♦ List of Blocks Available for Leasing, Sale 182
- Unleased Split Blocks and Available Unleased Acreage of Blocks with Aliquots and Irregular Portions Unleased or Deferred
- ♦ Debarment Certification Form
- ♦ Bid Form and Envelope
- ♦ Phone Numbers/Addresses of Bidders Form
- ♦ Instructions for Making EFT Bonus Payments
- ♦ Lease Terms and Economic Conditions, Sale 182, Map
- ♦ Stipulations and Deferred Blocks, Sale 182, Map

All of these documents may be found on the MMS Homepage Address on the Internet: http://www.mms.gov. Please Note: This site may be temporarily unavailable; if so, please us a temporary Homepage until further notice: http://www.temporarygomr.com.

Terms and conditions for FNOS 182 are generally the same as for Central Gulf of Mexico Sales 178 (Part 1 and Part 2) except for the following:

Please Notice:

Stipulations

There are six stipulations which will be made a part of any lease resulting from this sale. The most recent, Stipulation 6, has been added since the Proposed Notice and is in regard to measures to protect endangered species and marine mammals. Bidders are also referred to paragraph (z) in the document "Information To Lessees" included in this Final Notice of Sale 182 Package.

Military Areas

The boundaries of Warning Area W-155 and Eglin Water Test Areas 1 and 3 have recently changed. See the map "Stipulations and Deferred Blocks, Sale 182" included in this Final Notice of Sale 182 Package.

Rovalty Relief

Royalty relief will be available under certain conditions for leases on blocks in less than 200 meters (shallow water deep gas production) and on blocks in 400 meters or deeper (oil and gas). The royalty relief offered in the 400 to 799 meter water depth zone is a new initiative (i.e., it was not offered in the Year 2001 GOM offshore sales). Also, the deepwater relief price thresholds differ from those used in Central GOM Sale 178. Please see the document "Royalty Suspension Provisions, Sale 182" and paragraph (m) in the document "Information To Lessees, Sale 182"; both are included in this Final Notice of Sale 182 Package.

Proposed Rule Establishing Safety Zones

On December 10, 2001, the Coast Guard published in the *Federal Register* at 66 *FR* 63642 a proposed rule establishing safety zones for certain production facilities. Bidders are referred to paragraph (aa) in the document "Information To Lessees" included in this Final Notice of Sale 182 Package.

Not Offered:

Viosca Knoll Block 69

This lease is currently under appeal.

Mississippi Canvon Block 474

This block is under consideration as the host location for a project known as the NaKika Project and is deferred from this sale.

Lund South (NG16-07): Blocks 172, 173; 213 through 217; 252 through 261; 296 through 305; and 349

These blocks are beyond the United States Exclusive Economic Zone in the area known as the Northern portion of the Eastern Gap.

Amery Terrace (NG15-09): Whole Blocks: 280, 281; 318 through 320; and 355 through 359; and Partial Blocks: 235 through 238, 273 through 279; and 309 through 317

These whole and partial blocks are beyond the United States Exclusive Economic Zone in the area formerly known as the Northern portion of the Western Gap and lie within the 1.4 nautical mile buffer zone north of the continental shelf boundary between the United States and Mexico.

Bidders are reminded that Leasing Activity Update Lists are prepared monthly and are available on or about the 20th of each month through the MMS Gulf of Mexico Public Information Unit and via the Internet (please see below).

Statistical Information (Sale 182):

Size: 4,447 unleased blocks; 23.4 million acres

Primary Lease Terms:

5 years for blocks in water depths less than 400 meters: 1,406 blocks 8 years for blocks in water depths of 400 to 799 meters: 136 blocks 10 years for blocks in water depths of 800 meters or deeper: 2,905 blocks

Minimum Bid:

\$25.00 per acre or fraction thereof for water depths less than 800 meters: 1,542 blocks \$37.50 per acre or fraction thereof for water depths 800 meters or deeper: 2,905 blocks

Annual Rental Rates:

\$5.00 per acre or fraction thereof for water depths less than 200 meters: 1,319 blocks \$7.50 per acre or fraction thereof for water depths 200 meters or deeper: 3,128 blocks

Royalty Rates:

16-2/3% royalty rate in water depths less than 400 meters: 1,406 blocks 12-1/2% royalty rate in water depths 400 meters or deeper: 3,041 blocks

Royalty Suspension Areas:

0-199 meters: 1,319 blocks 400 to 799 meters: 136 blocks 800 to 1599 meters: 345 blocks 1600 meters and deeper: 2,560 blocks

For more information on this FNOS, potential bidders are advised to contact Mr. Charles Hill at (504) 736-2795, or Ms. Jane Burrell Johnson at (504) 736-2811, of the MMS GOM OCS Region Sales and Support Unit.

-MMS-

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MMS Homepage Address on the Internet: http://www.mms.gov (temporarily unavailable)
Temporary MMS Homepage Address (until further notice):
http://www.temporarygomr.com