

**The NewsRoom**

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**Ultra-Deep Drilling Record Set Deepwater Energy Exploration Expands**

A record number of drilling rigs are currently working in ultra-deepwater in the Gulf of Mexico. "For the first time, 12 rigs are drilling for oil and gas in 5,000 feet of water or greater in the Gulf," MMS Director Johnnie Burton announced today. "This is a very important milestone which demonstrates how industry continues to focus on new frontiers."

Deepwater oil and gas development in the Gulf continues to be the work horse of U.S. domestic oil and gas production. "The U.S. is now in its ninth year of sustained expansion of domestic oil and gas development in the deepwater area of the Gulf of Mexico, and it shows no sign of diminishment," Burton said. "The resource potential for the nation continues to grow with each new discovery in ultra-deepwater."

Deepwater oil production rose 535 percent between 1995 and 2002. Deepwater gas production rose 620 percent over those same years. Production of oil from the Gulf now accounts for more than 30 percent of all U.S. production; for gas it is 23 percent. "This domestic production helps keep our economy moving forward and provides necessary fuel for our homes, farms, factories, and offices," said Burton.

Industry has made several announcements of new oil and gas discoveries over the last three years. Most notably, there were five announced discoveries in 5,000 ft of water or greater in 2001, three in 2002, and six in 2003. A list of the 12 rigs drilling in 5,000 ft of water or greater follows: (See attached)

The Minerals Management Service is the federal agency in the U.S. Department of the Interior that manages the nation's oil, natural gas, and other mineral resources on the Outer Continental Shelf in Federal offshore waters. The agency also collects, accounts for, and disburses mineral revenues from Federal and American Indian lands. MMS disbursed more than \$8 billion in FY 2003 and more than \$135 billion since the agency was created in 1982. Nearly \$1 billion from those revenues go into the Land and Water Conservation Fund annually for the acquisition and development of state and Federal park and recreation lands.

<i>Operator/Drilling Company</i>	<i>Area/Block</i>	<i>Drilling Rig</i>	<i>Water Depth (ft)</i>
Chevron U.S.A. Inc./Transocean	AC 818	Discoverer Deep Seas	9,020
Anadarko Petroleum Corporation/Transocean	AT 349	Deepwater Millennium	8,730
Shell Offshore Inc./Global Santa Fe	AC 943	Jack Ryan	7,962
Shell Offshore Inc./Transocean	MC 657	Deepwater Nautilus	7,570
Chevron U.S.A. Inc./Transocean	MC 696	Deepwater Pathfinder	6,989
BHP Billiton Petroleum (GOM) Inc./Global Santa Fe	AT 618	Explorer	6,257
BP Exploration & Production	MC 778	Discoverer	6,039

Inc./Transocean		Enterprise	
Dominion Exploration & Production, Inc./Transocean	MC 734	Cajun Express	5,724
Dominion Exploration & Production, Inc./Pride	MC 773	1503	5,610
Dominion Exploration & Production, Inc./Transocean	MC 772	Marianas	5,413
Union Oil Company of California/Transocean	GC 943	Discoverer Spirit	5,314
BP Exploration & Production, Inc./Diamond Offshore	GC 826	Ocean Confidence	5,065

### Relevant Web Sites

[BOEM Website](#)

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[MMS: Securing Ocean Energy & Economic Value for America](#)  
**U.S. Department of the Interior**