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UNITED STATES DEPARTMENT OF THE INTERIOR MINERALS MANAGEMENT SERVICE GULF OF MEXICO OCS REGION

NTL No. 2003-G05 Effective Date: February 15, 2003

NOTICE TO LESSEES IN THE OUTER CONTINENTAL SHELF GULF OF MEXICO OCS REGION

Procedures for Submission, Inspection and Selection
of Geophysical Data and Information Collected Under a Permit and
Processed or Reprocessed by a Permittee or a Third Party

This Notice to Lessees (NTL) is issued pursuant to 30 CFR Part 251 and 30 CFR 250.103 to provide detailed procedures for the submission, inspection and selection of geophysical data and information collected under a permit in the Gulf of Mexico (GOM) OC objective of these procedures is to ensure MMS has timely access to certain geophysical data and information for use in determining adequacy of bids received at GOM OCS lease sales.

Background

30 CFR Part 251 allows permittees to conduct geological and geophysical (G&G) activities in the OCS related to oil, gas and sulph unleased lands or on lands under lease to a third party. These regulations inform permittees and third party recipients of the MMS access G&G data and information collected under a permit in the OCS, reimbursement for submittal of data and information, and the proprietary terms of data and information submitted to, and retained by, the MMS.

30 CFR 251.12 sets forth specific requirements for the submission, inspection and selection of geophysical data and information collected under a permit and processed or reprocessed by permittees and/or third parties. In order to facilitate MMS' collection of this data and information during and after a GOM OCS lease sale and evaluation period, the following procedures should be followed.

Procedures

A. Applicability

These procedures apply to geophysical data and information acquired under a permit issued under 30 CFR Part 251 for geophysical exploration in the GOM OCS and processed or reprocessed by a permittee or third party (as these terms are defined in 30 CFR 251.1). "Permittee" means the person authorized by a permit issued pursuant to 30 CFR Part 251 to conduct activities on the OCS. "Third party" means any person other than the permittee or a representative of the United States, including all persons who obtain data and information acquired under a permit from the permittee, or from another third party, by sale, trade, license agreement, or other means.

B. Submission of Geophysical Data and Information Statement Prior to GOM OCS Lease Sales

If you submit a bid in a GOM OCS lease sale, or participate as a joint bidder in such a bid, you may be required to submit a Geophysical Data and Information Statement. If the Final Notice of Sale contains such a requirement, you must identify any processed or reprocessed pre- and post-stack depth migrated geophysical data and information in your possession or control and used in the evaluation of an OCS block upon which you participated as a bidder. The existence, extent (i.e., number of line miles for 2D or number of blocks for 3D) and type of such data and information must be clearly identified. The statement should include the name and telephone number of a contact person, and an alternate, knowledgeable about the depth data sets (that were processed or reprocessed to correct for depth) used in evaluating the block. In the event such data and information include data sets from different timeframes, you should identify only the most recent data set used for block evaluations. The statement should also identify each block upon which you participated in a bid but for which you do not possess or control such depth data and information.

Each bidder must submit a separate Geophysical Data and Information Statement in a sealed envelope. The envelope should be labeled "Geophysical Data and Information Statement for Oil and Gas Lease Sale (insert Sale No.)." This statement must be submitted to the MMS at the Gulf of Mexico Regional Office, Attention: Resource Evaluation (1201 Elmwood Park Boulevard, New Orleans, Louisiana 70123-2394) no later than the Bid Submission Deadline as stated in the respective Final Notice of Sale. The statement may be submitted in conjunction with the bids or separately. Do not include

this statement in the same envelope containing a bid. These statements will not be opened until after the public bid reading at the lease sale and will be held confidential. See Appendix A for an Example of Preferred Format for your Geophysical Data and Information Statement.

C. Maintaining Availability of Data and Information After the Lease Sale

You should retain such geophysical data and information and make it available for MMS to inspect and select for a period of six months following the applicable sale.

D. Requests for Inspection or Delivery of Data and Information Following the Lease Sale

After the applicable lease sale, the MMS may contact you and request specific identification of 2D data line names or 3D Phase names used for depth migration. MMS representatives may inspect and select the geophysical data and information on your premises or can request delivery of the data and information to the MMS GOM Regional Office for review. You should make such data and information available at your premises, or deliver such data and information to the MMS, within 10 working days, but in no event later than 30 days, after receiving a written request. You should provide the data and information in the SEG-Y format and include the most recent data set used for block evaluations. Present the data in an areal context, i.e., do **not** limit the data and information to the requested block boundaries. Upon your written request with supporting justification to the Regional Director, MMS may extend the delivery time.

E. Reimbursement

The MMS will reimburse you for reasonable costs of reproducing geophysical data and information and certain processing costs in accordance with 30 CFR 251.13.

F. Confidentiality

The MMS will protect and disclose geophysical data and information reviewed and/or obtained by MMS pursuant to these procedures in accordance with the applicable terms of 30 CFR 251.14 and 30 CFR 252.3 – 252.7.

Paperwork Reduction Act of 1995 (PRA) Statement

This NTL provides clarification, description, or interpretation of requirements in MMS regulations at 30 CFR Part 251. The Office of Management and Budget (OMB) has approved the information collection requirements in those regulations and assigned OMB control number 1010-0048. This NTL does not impose additional information collection requirements subject to the PRA.

If you have any questions about this NTL, contact the MMS Gulf of Mexico Regional Office of Resource Evaluation at (504) 736-2720.

Chris C. Oynes Regional Director

Appendix A

EXAMPLE OF PREFERRED FORMAT

GEOPHYSICAL DATA AND INFORMATION STATEMENT

(Company	Name	and	MMS	Qualif	fication	Number)	possesses	or	controls	the	following	depth	migrated	geophysical	data	and
information	used i	n the	evalua	ation o	of the fol	llowing blo	ocks bid upo	n ir	n OCS Le	ease	Sale Num	nber	:			

<u>Area/Block</u> <u>Contact Name*/Telephone</u> <u>Alternate Name*/Telephone</u> <u>Type/Extent**</u>

(Company Name and MMS Qualification Number) does not possess or control depth migrated geophysical data and information that was used in the evaluation of the following blocks bid upon in OCS Lease Sale Number ____:

[* Contact person should be an exploration manager or someone in a comparable position knowledgeable about the depth data sets (that were processed or reprocessed to correct for depth) used in evaluating the block(s).]
(Date Submitted)
(Date Submitted)
(Title of Official)
(Name of Official)***
(Signature of Company Official)

Area/Block

[** "Type" means you should identify whether the data is 2D or 3D and/or pre-stack or post-stack. "Extent" means number of line miles for 2D or number of blocks for 3D used in evaluating the block(s).]

[*** An official in accordance with signatory authorization on file in the MMS Gulf of Mexico Region Adjudication Unit.]