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LEASE SALE DEMONSTRATES INDUSTRY'S CONTINUED COMMITMENT TO AMERICA'S GULF

New Orleans, LA – The Louisiana Mid-Continent Oil and Gas Association applauded the strong interest in today's Central Gulf of Mexico lease sale as an indicator of the oil and gas industry's continued commitment to America's Gulf and the Gulf's role in providing economic and energy security to our nation.

“The renewed demand for the offshore tracts offered today demonstrate the trust this industry continues to have in the Gulf as a significant energy province, as well as the hope provided by the new Administration in expanding domestic oil and gas production and the recent increases in global oil prices. Even during what is still considered to be a low crude oil price environment, oil and gas companies are finding ways to improve efficiencies while prioritizing safe operations and continuing their investments in the Gulf. Today's sale and recent announcements by major industry players confirm the industry's commitment to innovation and its continued confidence in the Gulf as America's oil and gas powerhouse,” said Lori LeBlanc, Director of LMOGA's Offshore Committee.

According to the U.S. Bureau of Ocean Energy Management, today's Lease Sale 247 garnered \$274,797,434 in high bids for 163 tracts covering 913,542 acres in the Central Planning Area of the Outer Continental Shelf offshore Louisiana, Mississippi, and Alabama. Twenty-eight offshore energy companies submitted 189 bids totaling \$315,303,884. BOEM estimates the lease sale could result in the production of 460 to 890 million barrels of oil, and 1.9 trillion cubic feet to 3.9 trillion cubic feet of natural gas.

“This is good news for American energy, but it's even better news for Louisiana. New and continued investments in the Gulf benefit hundreds of Louisiana oil and gas service companies, thousands of Louisiana workers, and our fragile coast that depends on offshore mineral revenues dedicated to coastal restoration. Confidence in the Gulf pays great dividends for us all,” LeBlanc says.

At the beginning of 2017, consultant group Wood Mackenzie said that it expected oil and gas companies to increase spending in 2017 and more than double new project developments as the two-year price slump appears to be coming to an end. Today's sale indicates, energy companies around the world are emerging from one of the longest downturns in recent memory with bold investments in the Gulf.

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