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

NTL No. 2004-G22

Effective Date: December 1, 2004

Expiration Date: March 1, 2006

NOTICE TO LESSEES AND OPERATORS OF FEDERAL OIL AND GAS LEASES IN THE OUTER CONTINENTAL SHELF, GULF OF MEXICO OCS REGION

Drilling Windows, Eastern Gulf of Mexico

This Notice to Lessees and Operators (NTL) supersedes NTL No. 2003-G19, effective September 1, 2003. It provides a new schedule for the drilling window program.

Drilling Window Program

The Gulf of Mexico OCS Region (GOMR), after consultation with the U.S. Air Force, established a drilling window program in 1991 for exploratory activities on oil and gas leases that were obtained through Lease Sales Nos. 79, 94, and 116 and that contain Lease Stipulation No. 5. In accordance with this lease stipulation, the drilling window program ensures that exploration activities can be conducted predictably, orderly, and safely without interfering with scheduled military activities or jeopardizing the national defense mission.

The drilling window program divides the subject leases into five groups as follows:

Group "A" - A rectangle in the Pensacola Area with Block 768 as the northwest corner, Block 988 as the southwest corner, Block 996 as the southeast corner, and Block 776 as the northeast corner.

Group "B" - A group that includes blocks in the Pensacola Area to the east of a line that extends north from the southwest corner of Block 997 to the State-Federal boundary offshore Florida and north of a line that extends

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east from the southwest corner of Block 997 to the State-Federal boundary offshore Florida.

Group "C" - A rectangle in the Destin Dome Area with Block 20 as the northwest corner, Block 460 as the southwest corner, Block 468 as the southeast corner, and Block 28 as the northeast corner.

Group "D" - A rectangle in the Destin Dome and Apalachicola Areas with Destin Dome Block 29 as the northwest corner, Destin Dome Block 469 as the southwest corner, Apalachicola Block 443 as the southeast corner, and Apalachicola Block 3 as the northeast corner.

Group "E" - A group that includes a rectangle in the Destin Dome Area with Block 507 as the northwest corner, Block 771 as the southwest corner, Block 776 as the southeast corner, and Block 512 as the northeast corner; Destin Dome Blocks 969 and 973; and all the leased blocks in the DeSoto Canyon, Florida Middle Ground, Elbow, and Lloyd Ridge Areas.

Enclosed are an up-to-date list and a map of the actual leased blocks in these groups.

Drilling Window Schedule

Under the drilling window scheme established in 1991 and in place since that time, the GOMR opens one group of leases every three months. Since the last established drilling window, the Sixty-fifth Drilling Window, closed on November 30, 2004, the GOMR, in consultation with the Air Force, hereby establishes the following schedule:

Group [] E [] opens as the Sixty-sixth Drilling Window, effective December 1, 2004.

Group "A" will open as the Sixty-seventh Drilling Window, effective March 1, 2005.

Group "B" will open as the Sixty-eighth Drilling Window, effective June 1, 2005.

Group "C" will open as the Sixty-ninth Drilling Window, effective September 1, 2005.

Group "D" will open as the Seventieth Drilling Window, effective December 1, 2005.

If the GOMR receives any Exploration Plan or Development and Production Plan proposing operations in any of these groups of leases, we will consult with the Air Force and determine what changes, if any, we will make to this

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schedule to accommodate all those concerned.

Effect of Drilling Window Approvals

This section is provided according to 30 CFR 250.173(b) concerning suspensions of operations in the interest of national security or defense, 30 CFR 250.169(a) concerning lease term extensions, and 30 CFR 218.154(b) and (c) concerning payment of rentals and lease anniversary date.

- A. Pursuant to 30 CFR 250.173(b), the GOMR will direct a suspension of operations (SOO) and it will be in effect for all oil and gas leases that were obtained through Lease Sales Nos. 79, 94, and 116, contain Lease Stipulation No. 5, are east of 87.5 degrees W longitude, and are not located within an open drilling window. Similar suspensions will likewise be directed by separate letters of notification for all such leases not included in a future drilling window and will be effective as of the date of the opening of the drilling window. Any such SOO will terminate when the lease is included in an open drilling window pursuant to 30 CFR 250.170(e).
- B. According to 30 CFR 250.169(a), the term of any affected lease will be extended for a period of time equal to the period that the SOO is in effect.
- C. According to 30 CFR 218.154(b), no payment of rental or minimum royalty will be required for or during the period of the SOO.
- D. According to 30 CFR 218.154(c), if the lease anniversary date occurs within a period that an SOO is in effect for which no rental or minimum royalty payments are required, the prorated rentals or minimum royalties are due and payable as of the date the SOO terminates. The anniversary date of the lease will not change by reason of any period of lease suspension or rental or royalty relief resulting therefrom.

Paperwork Reduction Act of 1995 Statement

The information referred to in this NTL is intended to provide clarification, description, or interpretation of requirements contained in 30 CFR part 250, Subparts A and B. The Office of Management and Budget (OMB) has approved the information collection requirements in these regulations under OMB control numbers 1010-0114 for

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subpart A, 1010-0049 for subpart B, and 1010-0107 for 30 CFR part 218, subpart B. This NTL does not impose any information collection requirements subject to the Paperwork Reduction Act of 1995.

Contact

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Enclosures

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