



## U.S. Department of the Interior Minerals Management Service Office of Public Affairs

## **NEWS RELEASE**

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## MMS Working with Industry to Lower Hurricane Impacts on Offshore Oil and Gas Platforms in the Gulf of Mexico

As Hurricane Ivan approaches the United States, it is having a major impact on the Nation's domestic oil and gas supply. Oil and natural gas production has been disrupted by the forced evacuation of 575 platforms and 69 rigs in the Gulf of Mexico.

The normal daily oil production from the region is down by 78 percent, with 1,319,789 barrels shut in per day out of the usual 1.7 million barrels produced per day. Daily natural gas production is down by 49 percent with 6.0 billion cubic feet (BCF) shut in of the usual 12.3 BCF produced per day.

The Minerals Management Service is posting daily revised oil and gas production evacuation and shut in statistics on its website, MMS.GOV.

The Atlantic hurricane season comes as an annual rite of passage for the offshore oil and gas industry. The last major hurricane to storm through the Gulf of Mexico damaged several older offshore platforms and delayed over 9.8 million barrels of oil and 60.2 billion cubic feet of natural gas from reaching U.S consumers.

That was two years ago.

Today, the Minerals Management Service, the federal agency that oversees ocean mineral production, is working with industry to reduce the potential for nature to destroy offshore facilities through a comprehensive hurricane risk assessment of all offshore oil and gas facilities in the Gulf of Mexico region.

"With the Gulf of Mexico playing an increasingly important role in meeting the nation's energy needs, protection of offshore oil and gas infrastructure is critical for ensuring safe operations and environmental protection," said MMS Regional Director Chris Oynes.

Over the past 20 years, MMS and industry have funded research and studies to identify criteria useful in determining levels of risks to platforms from extreme wind, waves and currents in the ocean environment. MMS requires that all Gulf of Mexico lessees and operators use these

criteria to evaluate hurricane-associated risks to personnel and the environment from potential collapse of their platforms through the assessment process.

Platforms that have been in service more than five years in federal waters must undergo the risk assessment. Findings from the reviews will be analyzed by the MMS to verify the structural integrity of each facility.

Due to the potentially severe impacts from hurricanes and tropical storms, the MMS strengthened their current policies by issuing an updated Notice to Lessees in August 2003 regarding offshore company reporting protocols. MMS requires offshore lessees and operators to submit statistics regarding evacuation of personnel and curtailment of production. The agency uses this information to inform the U.S. Coast Guard of any rescue needs or oil spills should they occur on the OCS. The information is also used to notify the news media and other interested public organizations that monitor domestic offshore oil and gas production.

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 fiscal year 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.

## Relevant Web Sites:

For details on the Risk Assessment see this Notice to Lessees No. 2003-G16 <a href="http://www.gomr.mms.gov/homepg/regulate/regs/ntls/ntl03-g16.html">http://www.gomr.mms.gov/homepg/regulate/regs/ntls/ntl03-g16.html</a>

MMS Main Website www.mms.gov

Gulf of Mexico Website www.gomr.mms.gov

MMS: Securing Ocean Energy & Economic Value for America