

OCS sales—

Half million dollars offered

More than one half billion dollars was offered in high bids for tracts on the outer continental shelf in the northern Gulf of Alaska during Sale No. 39, conducted by the Bureau of Land Management (BLM) on April 13, 1976. Area involved in the sale was 177,063 hectares (438,000 acres).

Apparent high winners on the tract receiving the highest bonus bid is a consortium of four companies, with interests as noted: Texaco, Inc., 64%; Allied Chemical Corp., Diamond Shamrock Corp., and Champlin Petroleum Co., each 12%. Their bid for Tract 78 was for \$27,238.00 per hectare (\$11,023.08/acre) or a total of \$62,756,352.00.

Second highest bid for a single tract was proffered by a consortium made up of Shell Oil Co. (59%); Atlantic Richfield Co. (25%); Texas Eastern Exploration Co. (10%); and Oil Development Co. of Texas (6%). They bid \$61,880,000.00 for Tract 42 for \$26,857.64 per hectare (\$10,869.14/acre).

Apparent winner of a tract that drew the most number of bidders, nine in all, is a consortium comprised of Getty Oil Co. (20%); The Superior Oil Co (5%); Amerada Hess Corp. (20%); Gulf Oil Corp. (40%); Texasgulf, Inc. (5%); Canadian Superior Oil (U.S.), (5%); and PanCanadian Petroleum Co. (5%). The group offered a bonus bid of \$25,132,032.00 or \$10,908.00 per hectare (\$4,414.41/acre) for Tract 142.

Following his post-sale evaluations, Edward J. Hoffmann, Manager of the Alaska OCS Office, is carrying his recommendations to BLM Director, Curtis Berklund, in preparation for acceptance or rejection of bids.

Upon the signing of the leases, BLM collects the first year's rental (\$7.41 per hectare or \$3.00 per acre), the balance of the bonus bids, and a corporate surety bond.

After a lease is issued, the U.S. Geological Survey (USGS), another agency in the Department of the Interior, collects rents and royalties and takes over the responsibility of lease operations on publicly owned submerged lands.