

**Prices Above Which Full Royalties Are Due  
Notwithstanding Any Remaining Royalty Suspension Volumes**

**Deep Water Oil - Gulf of Mexico**

Calendar Year	Locked-in Annual Inflation Rate	Latest BEA Annual Inflation Rate	Oil Price Threshold (\$/BBL)			Actual Prices (\$/BBL) Average NYMEX Nearby Delivery
			All Leases Issued W/Relief Except for Sales Listed to the Right <sup>a</sup>	For Leases Issued in Sales Held in:		
				2001	August 2004-2006	
1994			\$28.00			
1995	2.6%	2.0%	\$28.72			
1996	2.0%	1.9%	\$29.28			\$21.99
1997	2.0%	1.7%	\$29.86			\$20.63
1998	1.0%	1.1%	\$30.17			\$14.43
1999	1.5%	1.4%	\$30.60			\$19.26
2000	2.1%	2.2%	\$31.23	\$28.00		\$30.25
2001	2.2%	2.4%	\$31.91	\$28.61		\$25.99
2002	1.1%	1.7%	\$32.27	\$28.93		\$26.10
2003	1.7%	2.1%	\$32.81	\$29.41		\$31.08
2004	2.1%	2.9%	\$33.50	\$30.03	\$39.00	\$41.38
2005	2.8%	3.3%	\$34.43	\$30.86	\$40.08	\$56.57
2006	2.9%	3.2%	\$35.44	\$31.77	\$41.25	\$66.22
2007	2.7%	2.7%	\$36.39	\$32.62	\$42.36	\$72.39
2008e		2.2%	\$37.20	\$33.35	\$43.30	\$99.74

**Deep Water Natural Gas - Gulf of Mexico**

Calendar Year	Locked-in Annual Inflation Rate	Latest BEA Annual Inflation Rate	Gas Price Threshold (\$/MMBTU)			Actual Prices (\$/MMBTU) Average NYMEX Nearby Delivery
			All Leases Issued W/Relief Except for Sales Listed to the Right <sup>a</sup>	For Leases Issued in Sales Held in:		
				2001	August 2004-2006	
1994			\$3.50			
1995	2.6%	2.0%	\$3.59			
1996	2.0%	1.9%	\$3.66			\$2.50
1997	2.0%	1.7%	\$3.73			\$2.42
1998	1.0%	1.1%	\$3.77			\$2.16
1999	1.5%	1.4%	\$3.83			\$2.31
2000	2.1%	2.2%	\$3.90	\$3.50		\$4.33
2001	2.2%	2.4%	\$3.99	\$3.58		\$4.06
2002	1.1%	1.7%	\$4.03	\$3.62		\$3.36
2003	1.7%	2.1%	\$4.10	\$3.68		\$5.49
2004	2.1%	2.9%	\$4.19	\$3.75	\$6.50	\$6.18
2005	2.8%	3.3%	\$4.30	\$3.86	\$6.68	\$8.96
2006	2.9%	3.2%	\$4.43	\$3.97	\$6.88	\$6.99
2007	2.7%	2.7%	\$4.55	\$4.08	\$7.06	\$7.12
2008e		2.2%	\$4.65	\$4.17	\$7.22	\$8.89

<sup>a</sup> Excluding leases issued under the DWRRA in 1998 and 1999.

**Prices Above Which Full Royalties Are Due  
Notwithstanding Any Remaining Royalty Suspension Volumes**

**Shallow Water, Deep Natural Gas (well depths  $\geq 15,000$  ft) - Gulf of Mexico**

Calendar Year	Locked-in Annual Inflation Rate	Latest BEA Annual Inflation Rate	Gas Price Threshold (\$/MMBTU)				Actual Prices (\$/MMBTU) Average NYMEX Nearby Delivery
			Relief Under 30 CFR 203.36 and 203.48 (circa 2008) <sup>b</sup>	In water 0-200 meters deep			
				Relief Under 30 CFR 203.47 (circa 2004) Except for Sales Listed to the Right: <sup>c</sup>	For Leases Issued in Sales Held in:		
					Sale 178 March 2001	Sales held in 2001-2003 <sup>d</sup>	
2000					\$3.50	\$5.00	\$4.33
2001	2.2%	2.4%			\$3.58	\$5.11	\$4.06
2002	1.1%	1.7%			\$3.62	\$5.17	\$3.36
2003	1.7%	2.1%			\$3.68	\$5.25	\$5.49
2004	2.1%	2.9%		\$9.34	\$3.75	\$5.36	\$6.18
2005	2.8%	3.3%		\$9.60	\$3.86	\$5.51	\$8.96
2006	2.9%	3.2%		\$9.88	\$3.97	\$5.67	\$6.99
2007	2.7%	2.7%	\$4.55	\$10.15	\$4.08	\$5.83	\$7.12
2008e		2.2%	\$4.65	\$10.37	\$4.17	\$5.95	\$8.89

<sup>b</sup> For well depths  $\geq 20,000$  ft in water 0-400 meters deep, and for well depths  $\geq 15,000$  ft in water 200-400 meters deep

<sup>c</sup> Including 2001-2003 Leases that Converted to RSV Terms in Regulations

<sup>d</sup> Except Sale 178, March 2001

Indicates NYMEX Prices exceed at least one of the price thresholds for that year.

Indicates NYMEX Prices exceed all of the price thresholds for that year.

Updated: 1/5/2009

Note: [See technical documention attachment for further details.](#)

**Applicable Price Thresholds and Market Prices for Calendar Year 2007**

Product	Lease Vintage (Sale held in)	Annual Average NYMEX Price (\$/bbl or \$/mmbtu)	Adjusted Price Threshold Level (\$/bbl or \$/mmbtu)	Royalty Relief Suspended
Deepwater Oil	Before 1996, 1996-1997; 2000; 2002-3/2004; 2007	\$72.39	\$36.39	yes
Deepwater Oil	1998-1999	\$72.39	none	no
Deepwater Oil	2001	\$72.39	\$32.62	yes
Deepwater Oil	8/2004 - 2006	\$72.39	\$42.36	yes
Deepwater Gas	Before 1996, 1996-1997; 2000; 2002-3/2004; 2007	\$7.12	\$4.55	yes
Deepwater Gas	1998-1999	\$7.12	none	no
Deepwater Gas	2001	\$7.12	\$4.08	yes
Deepwater Gas	8/2004 - 2006	\$7.12	\$7.06	yes
Deep gas	3/2001	\$7.12	\$4.08	yes
Deep gas	8/2001- 2003	\$7.12	\$5.83	yes
Deep gas (0-200 m)	Before 2001; 2004-2007; Reg 30 CFR 203.47	\$7.12	\$10.15	no
Deep gas (200-400 m) and Ultra-Deep gas (0-400 m)	All Years	\$7.12	\$4.55	yes