

April 1998

Louisiana Energy Facts

Department of Natural Resources

Technology Assessment Division

The recent fall in oil prices reached the lowest point in mid-March 1998. On March 16, 1998, the South Louisiana Sweet (SLS) crude oil price was \$12.50 per barrel. Since then, the SLS oil price has recovered slowly to above \$15 per barrel. The recovery can be attributed to an agreement between Saudi Arabia, Venezuela, and Mexico to cut production in order to restore prices. Other producers have said they may be willing to restrict production if Saudi Arabia, Venezuela, and Mexico follow through with their cutbacks. At a recent reunion, OPEC's ranking officials decided to cut production to raise oil prices. If supply is actually restricted, the SLS price will be between \$15 to \$18 during the next six months.

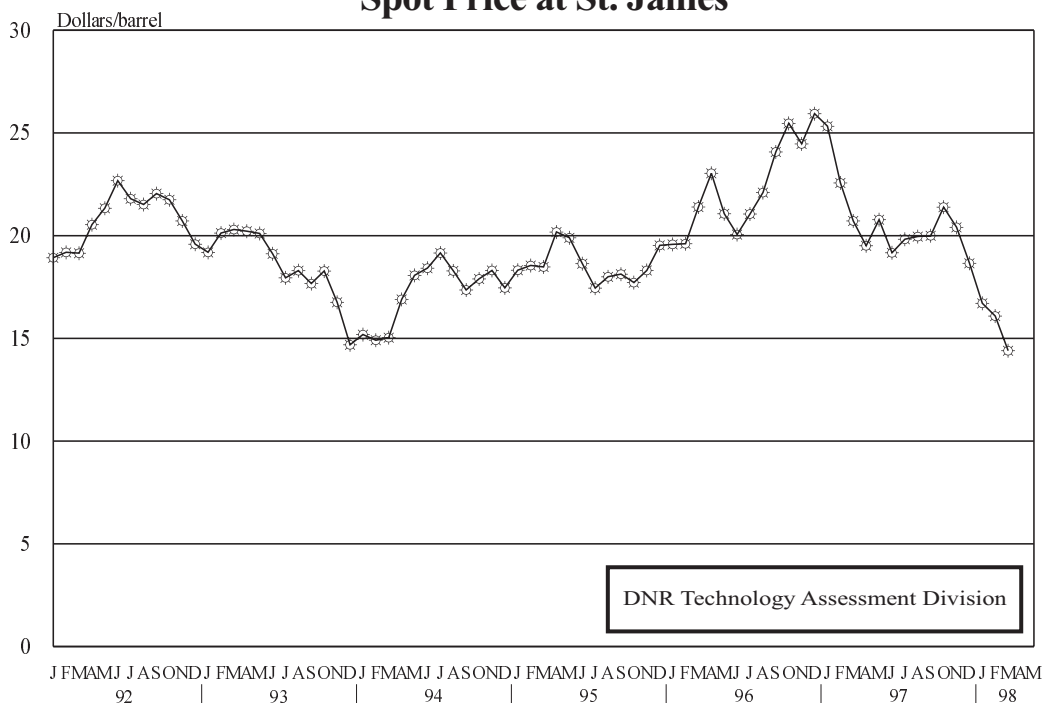
South Louisiana Sweet Crude Average Spot Market Price at St. James (Dollars/Barrel)

Month	1993	1994	1995	1996	1997	1998	Percentage Change 97/98 or 96/97
January	19.19	15.19	18.32	19.58	25.33	16.71	-34.03%
February	20.13	14.91	18.55	19.61	22.57	16.09	-28.70%
March	20.30	15.04	18.48	21.40	20.72	14.40	-30.49%
April	20.22	16.90	20.18	23.04	19.51	15.03 ¹	-22.95%
May	20.11	18.07	19.90	21.07	20.78 ²		-1.38%
June	19.12	18.42	18.64	20.06	19.17 ²		-4.44%
July	17.95	19.16	17.45	21.06	19.83 ²		-5.85%
August	18.30	18.29	18.00	22.10	19.96 ²		-9.71%
September	17.67	17.36	18.13	24.08	20.00		-16.96%
October	18.28	17.90	17.72	25.47	21.39		-16.01%
November	16.76	18.31	18.31	24.47	20.41		-16.61%
December	14.69	17.46	19.53	25.94	18.66		-28.08%
Year Average	18.56	17.25	18.60	22.32	20.69	15.56*	

¹Estimated ²Revised

*Partial year

South Louisiana Sweet Crude Average Spot Price at St. James



	FEB 98	JAN 98	FEB 97	SOURCE
SPOT MARKET PRICES				
Louisiana Natural Gas Average (\$/MMBTU)	1.97	2.22	2.83	E
Louisiana Sweet Crude-St. James (\$/barrel)	16.09	16.71	22.57	B
BAKER HUGHES RIG COUNTS				
North Louisiana	17	21	22 ²	A
South Louisiana Inland Waters	22	23	22 ²	A
South Louisiana Inland	59	55	32	A
Louisiana Offshore (State + OCS)	115	117	81	
Total Louisiana (OCS included)	212	216	157 ²	A
The United States Total	973	995	849 ²	A
PRODUCTION				
<u>LOUISIANA STATE JURISDICTION ONLY</u>				
Crude Oil & Condensate (MMB)	10.7	10.7	10.3 ²	
Natural Gas & Casinghead (BCF)	129.0	129.4	125.2 ²	

	OCT 97	SEP 97	OCT 96	SOURCE
PRODUCTION				
<u>LOUISIANA FEDERAL OFFSHORE (OCS)</u>				
Crude Oil & Condensate (MMB)	30	30	29 ²	C
Natural Gas Marketed Production (BCF)	345	345	294 ²	C
<u>UNITED STATES TOTAL</u>				
Crude Oil & Condensate (MMB)	199	192	201	C
Natural Gas & Casinghead (BCF)	1,588	1,545	1,558 ²	C
IMPORTS				
<u>UNITED STATES</u>				
Crude Oil (MMB)	265	256	238	C
Natural Gas (BCF)	241	240	248 ²	C
PERMITS				
<u>LOUISIANA STATE JURISDICTION ONLY</u>				
Total Oil and Gas	167	143	147	
Wildcats	11	12	7	
State Offshore (Wildcats included)	9	9	9	
PRICES				
<u>CRUDE OIL (\$/barrel)</u>				
OPEC Average (F.O.B.)	18.70	16.49	23.05 ²	C
U.S. Imports Average (F.O.B.)	17.39	16.73	22.23	C
U.S. Wellhead Average	17.68	16.44	21.09	C
Gulf OCS Wellhead Average	19.10	17.77	23.11	C
State Wellhead Average	18.17	18.53	21.60	D
<u>NATURAL GAS PRICES (\$/MCF)</u>				
U.S. City Gate	3.93	3.61	2.94 ²	C
U.S. Imports Average	1.85	1.84	1.71 ²	C
U.S. Wellhead Average	2.85	2.44	1.94 ²	C
State Royalty Wellhead Average	3.22	2.61	1.57 ²	

1 Estimated 2 Revised MMBTU: Million BTU OCS: Outer Continental Shelf MMB: Million Barrels
BCF: Billion Cubic Feet F.O.B.: Free on board MCF: Thousand Cubic Feet N/A: Not Available
Note: Unless otherwise specified, Louisiana data excludes Federal OCS.

DATA SOURCES
Unless otherwise specified, data is from the Louisiana Department of Natural Resources.
A: Oil and Gas Journal
B: Wall Street Journal
C: U.S. Department of Energy
D: Louisiana Department of Revenue and Taxation
E: Natural Gas Clearinghouse

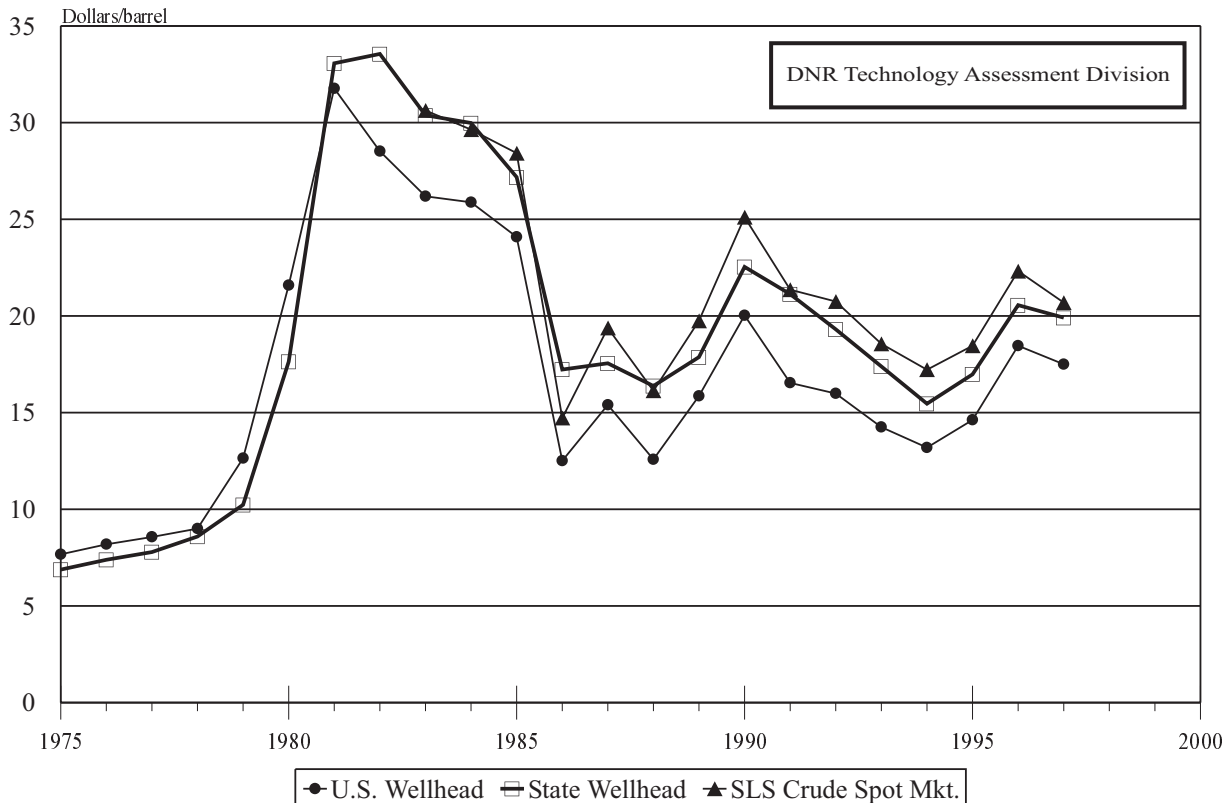
Average Crude Oil Prices (Dollars/Barrel)

UNITED STATES

LOUISIANA

YEAR	IMPORTS	DOMESTIC	WELLHEAD ^C	WELLHEAD ^C	STATE	FEDERAL	SPOT
	F.O.B. ^C	ACQUISITION ^C			WELLHEAD ^D	OCS ^C	MARKET
1975	11.18	8.39	7.67	7.09	6.88	7.51	N/A
1976	12.15	8.84	8.19	7.51	7.39	8.14	N/A
1977	13.24	9.55	8.57	8.33	7.79	9.00	N/A
1978	13.29	10.61	9.00	9.03	8.59	9.86	N/A
1979	20.07	14.27	12.64	11.42	10.23	11.23	N/A
1980	32.37	24.23	21.59	19.87	17.64	18.87	N/A
1981	35.15	34.33	31.77	35.45	33.07	35.07	N/A
1982	32.02	31.32	28.52	32.44	33.55	32.61	N/A
1983	27.81	28.87	26.19	30.02	30.38	29.77	30.63
1984	27.60	28.53	25.88	29.67	29.98	29.36	29.64
1985	25.84	26.66	24.09	27.22	27.18	27.33	28.42
1986	12.52	14.82	12.51	15.32	17.23	15.27	14.72
1987	16.69	17.76	15.40	17.97	17.55	17.54	19.38
1988	13.25	14.74	12.58	15.22	16.38	14.71	16.13
1989	16.89	17.87	15.86	18.39	17.87	17.83	19.75
1990	20.37	22.59	20.03	23.04	22.54	22.40	25.11
1991	16.89	19.33	16.54	20.14	21.13	19.41	21.36
1992	16.77	18.63	15.99	19.01	19.31	18.38	20.75
1993	14.72	16.66	14.25	16.72	17.39	16.17	18.56
1994	14.13	15.67	13.19	15.62	15.46	14.73	17.22
1995	15.69	17.33	14.62	17.06	16.98	16.16 ²	18.46
1996	19.30 ²	20.75 ²	18.46 ²	20.87 ²	20.56	20.00 ²	22.32
1997	17.36	19.90	17.50	19.50	19.91	18.86	20.69

Average Crude Oil Prices



Spot Market Price Monthly Average

	April 1998
Louisiana Natural Gas	\$2.27/MMBTU
	March 1998
Louisiana Sweet Crude-St. James	\$14.40/barrel

PERMITS - Louisiana Jurisdiction Only

	February 1998
Total Oil and Gas	108
Wildcats	7
State Offshore (Wildcats included)	5

Department of Natural Resources

Jack C. Caldwell, Secretary

**Technology Assessment Division
Editorial Staff**

T. Michael French, Director
William J. Delmar, Jr., Assistant Director
Manuel L. Lam, Senior Analyst
Phyllis S. Ortego, Editor

Phone: (504) 342-4593 Fax: (504) 342-2707

The Louisiana Energy Facts is also available on DNR's home page. The Internet address is: www.dnr.state.la.us. Go to DNR's home page, click on the Newsletters button and select the issue of the Facts you want to access.

This issue of **Louisiana Energy Facts** is funded 100% (\$220.80) with Petroleum Violation Escrow funds as part of the State Energy Program as approved by the U.S. Department of Energy and the Department of Natural Resources.

This public document was published at a total cost of \$220.80. 1,110 copies of this public document were published in this first printing at a total cost of \$220.80. The total cost of all printings of this document, including reprints, is \$220.80. This document was published by the Department of Natural Resources, P.O. Box 94396, Baton Rouge, LA 70804-9396 to promulgate the State Energy Program developed under authority of P.L. 94-163. This material was printed in accordance with the standards for printing by State agencies established pursuant to R.S. 43:31.

**Louisiana Department of Natural Resources
Technology Assessment Division
P.O. Box 94396
Baton Rouge, LA 70804-9396**

**April 1998
Louisiana Energy Facts**

