

LOUISIANA ENERGY FACTS

Louisiana Department of Natural Resources
Technology Assessment Division

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Highlights

JUNE 2015

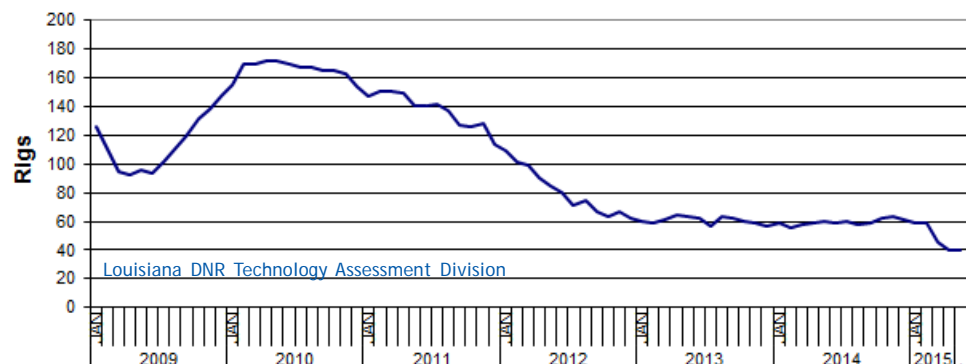
One hundred twenty-seven (127) State drilling permits were issued in the first quarter of 2015. The 2015 first quarter had the lowest number of permits issued in a quarter over the past 50 years. The number of permits issued was 66.5% lower than the 2014 first quarter. The next lowest quarter for number of permits occurred in the first quarter of 1999 when 182 permits were issued. The low number of permits was caused by falling oil and gas prices. The 2015 first quarter average price for Light Louisiana Sweet (LLS) crude oil was \$52.82 per barrel (51.6% lower than the 2014 first quarter average price). The 2015 first quarter average natural gas spot price was \$2.85 per MMBTU (42.7% lower than the 2014 first quarter average price). As oil and gas prices recover, the number of permits issued should increase.

Louisiana Average Active Rigs in Areas Under State Jurisdiction

(Monthly Average)

| Month | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | % Change | |
|---------------------|------------|------------|-----------|-----------|-----------------|------------|----------|---------|
| | | | | | | | 13/14 | 14/15 |
| January | 156 | 148 | 110 | 60 | 59 | 59 | | 0.34% |
| February | 169 | 151 | 102 | 59 | 56 | 59 | | 5.36% |
| March | 170 | 151 | 99 | 61 | 58 | 45 | | -21.39% |
| April | 172 | 149 | 90 | 64 | 59 ² | 40 | | -32.91% |
| May | 172 | 141 | 85 | 64 | 60 | | -5.33% | |
| June | 169 | 140 | 80 | 62 | 59 | | -5.62% | |
| July | 167 | 142 | 71 | 57 | 60 | | 6.17% | |
| August | 167 | 138 | 74 | 63 | 58 | | -8.20% | |
| September | 166 | 127 | 67 | 62 | 59 | | -4.05% | |
| October | 165 | 126 | 63 | 61 | 62 | | 1.31% | |
| November | 162 | 128 | 66 | 59 | 64 | | 8.79% | |
| December | 154 | 114 | 63 | 57 | 61 | | 6.58% | |
| Year Average | 166 | 138 | 81 | 61 | 60 | 51* | | |

* Partial Year



Current Oil & Gas Data

Louisiana DNR Technology Assessment Division

| PRODUCTION | DEC 14 | NOV 14 | OCT 14 | DEC 13 |
|---|--------|--------------------|-------------------|--------------------|
| GOM CENTRAL FEDERAL OFFSHORE^F (OCS) | | | | |
| Crude Oil & Condensate (MMB) | 40 | 38 ² | 41 ² | 36 ² |
| Natural Gas & Casinghead (BCF) | 95 | 90 ² | 101 ² | 94 ² |
| THE UNITED STATES TOTAL | | | | |
| Crude Oil & Condensate ^C (MMB) | 286 | 271 | 280 | 244 ² |
| Natural Gas & Casinghead ^C (BCF) | 2,315 | 2,192 | 2,237 | 2,064 ² |
| IMPORTS | | | | |
| U.S. Crude Oil ^C (MMB) | 223 | 218 | 221 | 241 |
| U.S. Natural Gas ^C (BCF) | 254 | 228 ² | 221 | 273 |
| BAKER HUGHES RIG COUNTS | | | | |
| U.S. Gas ^A | 342 | 351 | 331 | 373 |
| U.S. Oil ^A | 1,539 | 1,573 | 1,593 | 1,396 |
| U.S. Offshore ^A | 59 | 53 | 57 | 61 |
| U.S. Total ^A | 1,882 | 1,925 | 1,925 | 1,771 |
| PRICES | | | | |
| CRUDE OIL (\$/barrel) | | | | |
| OPEC Average ^C (F.O.B.) | 52.49 | 71.14 ² | 79.29 | 94.41 |
| U.S. Imports Average ^C (F.O.B.) | 50.01 | 67.48 ² | 76.73 | 89.90 |
| U.S. Wellhead Average ^C | 54.86 | 71.07 | 78.83 | 91.85 |
| Gulf OCS Wellhead Average ^C | 66.27 | 80.98 | 87.47 | 93.94 |
| State Severance Wellhead Average ^E | N/A | N/A | 65.77 | 106.02 |
| NATURAL GAS (\$/MCF) | | | | |
| U.S. City Gates Average ^C | 5.16 | 4.92 | 5.18 | 4.91 |
| U.S. Imports Average ^C (F.O.B.) | 4.44 | 3.97 | 3.87 | 4.75 |
| U.S. Spot Market Average ^D | 3.78 | 4.08 | 3.73 | 4.69 |
| State Royalty Wellhead Average | 3.70 | 3.96 ² | 3.85 ² | 4.05 ² |
| NYMEX Henry Hub End of the Month Settle Gas Price ^B (\$/MMBTU) | 4.28 | 3.73 | 3.98 | 3.82 |

| Key | | Data Sources | | | | | |
|--------------|----------------------|--------------|-------------------------------|---|-----------------------|----------|--------------------|
| 1 | Estimated | MCF | Thousand Cubic Feet | A | Oil & Gas Journal | D | Natural Gas Week |
| 2 | Revised | MMB | Million Barrels | B | Wall Street Journal | E | LA Dept of Revenue |
| BCF | Billion Cubic Feet | N/A | Not Available | C | U. S. Dept. of Energy | F | BOEM |
| BTU | British Thermal Unit | OCS | Outer Continental Shelf | Note: Unless otherwise specified, data is from the Louisiana Department of Natural Resources and excludes Federal OCS. | | | |
| FO.B. | Free on Board | MMBTU | Million British Thermal Units | | | | |

Note from the Editors

Louisiana Energy Facts is published monthly by the Louisiana Department of Natural Resources, Technology Assessment Division as a public service to individuals interested in Louisiana energy activities. Content includes recent oil, gas and other energy statistics and a brief analysis of current trends.

Louisiana Energy Facts articles provide insight and information on subjects of special interest to our readers, and may announce relevant, forthcoming publications.

These documents are available on the Louisiana Department of Natural Resources, Technology Assessment Division home page: <http://www.dnr.louisiana.gov/tad>. From the menu, select **Newsletters**. Our current online holdings include issues dating from 1998 through the present. If the issue you are seeking is unavailable, please contact us.

To request a subscription or update your mailing address, contact us with your information. Please specify print or electronic subscription. **We value your feedback.** Please send your comments and suggestions for improving and enhancing the newsletter to: techasmt@la.gov.

Louisiana Non-Agricultural Employment^F

Louisiana DNR Technology Assessment Division

| <u>Year</u> | <u>Oil & Gas Production</u> | <u>Chemical Industry</u> | <u>Oil Refining</u> | <u>Pipelines</u> | <u>Total Employment</u> |
|-------------|-------------------------------------|------------------------------|-------------------------|--------------------|-----------------------------|
| 1974 | 56,254 | 26,133 | 10,946 | 900 * | 1,280,000 |
| 1975 | 59,950 | 26,419 | 10,570 | 950 * | 1,336,000 |
| 1976 | 62,678 | 28,904 | 10,499 | 900 * | 1,285,500 |
| 1977 | 64,032 | 30,446 | 10,678 | 900 * | 1,444,600 |
| 1978 | 70,678 | 31,627 | 11,599 | 1,000 * | 1,509,100 |
| 1979 | 74,017 | 31,831 | 12,608 | 1,100 * | 1,554,370 |
| 1980 | 85,778 | 33,490 | 13,287 | 1,200 * | 1,599,600 |
| 1981 | 94,772 | 32,711 | 16,314 | 1,200 * | 1,627,796 |
| 1982 | 92,225 | 33,984 | 13,111 | 1,033 * | 1,571,017 |
| 1983 | 77,283 | 30,272 | 13,140 | 1,282 * | 1,531,480 |
| 1984 | 78,032 | 29,104 | 13,053 | 1,247 * | 1,568,064 |
| 1985 | 77,781 | 28,093 | 12,458 | 1,144 * | 1,550,443 |
| 1986 | 58,888 | 25,998 | 12,233 | 1,168 * | 1,475,318 |
| 1987 | 52,117 | 25,345 | 12,225 | 1,051 * | 1,438,793 |
| 1988 | 54,565 | 26,957 | 11,258 | 1,039 * | 1,468,508 |
| 1989 | 52,556 | 28,146 | 11,325 | 1,016 * | 1,494,181 |
| 1990 | 54,063 | 29,083 | 11,535 | 1,041 * | 1,546,820 |
| 1991 | 54,412 | 29,412 | 12,268 | 1,073 * | 1,567,139 |
| 1992 | 45,869 | 30,349 | 12,543 | 1,095 * | 1,583,423 |
| 1993 | 44,422 | 30,419 | 12,728 | 1,078 * | 1,613,577 |
| 1994 | 44,885 | 30,014 | 13,037 | 1,014 * | 1,671,087 |
| 1995 | 44,279 | 30,168 | 11,603 | 932 * | 1,721,651 |
| 1996 | 46,885 | 30,096 | 11,262 | 789 * | 1,757,710 |
| 1997 | 51,559 | 29,935 | 11,038 | 792 * | 1,797,225 |
| 1998 | 54,766 | 30,315 | 10,939 | 702 * | 1,838,319 |
| 1999 | 44,684 | 28,877 | 11,070 | 693 * | 1,847,841 |
| 2000 | 45,714 | 28,335 | 10,345 | 724 * | 1,872,494 |
| 2001 | 47,009 | 27,337 | 10,643 | 2,417 | 1,868,902 |
| 2002 | 43,839 | 25,694 | 10,566 | 2,306 | 1,848,656 |
| 2003 | 42,339 | 24,558 | 10,395 | 2,334 | 1,851,570 |
| 2004 | 40,249 | 23,516 | 9,958 | 2,122 | 1,866,870 |
| 2005 | 41,179 | 23,269 | 10,240 | 2,179 | 1,843,237 |
| 2006 | 44,394 | 22,188 | 10,310 | 2,347 | 1,810,667 |
| 2007 | 46,764 | 22,612 | 10,764 | 2,454 | 1,869,965 |
| 2008 | 50,541 | 22,788 | 11,287 | 2,553 | 1,889,576 |
| 2009 | 46,956 | 22,478 | 11,363 | 2,456 | 1,849,395 |
| 2010 | 47,916 | 22,533 | 11,423 | 2,667 | 1,833,888 |
| 2011 | 49,239 | 23,141 | 11,163 | 2,771 | 1,844,578 ² |
| 2012 | 50,963 | 23,029 | 11,276 | 2,862 | 1,868,317 |
| 2013 | 50,242 ² | 23,345 ² | 11,575 ² | 2,857 ² | 1,891,851 ² |
| 2014 | 50,090 ¹ | 24,004 ¹ | 11,912 ¹ | 2,984 ¹ | 1,913,394 ¹ |

^F Louisiana Workforce Commission

* Natural Gas Pipeline data was excluded

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Quick Facts

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Louisiana DNR Technology Assessment Division

SPOT MARKET PRICES

| | May 15 | Apr 15 | May 14 |
|---|--------|--------|--------|
| Louisiana Natural Gas ^D (\$/MMBTU) | 2.69 | 2.53 | 4.54 |
| NYMEX Henry Hub Last Settle Gas Price ^B (\$/MMBTU) | 2.52 | 2.59 | 4.80 |
| Louisiana Sweet Crude - St. James ^B (\$/Barrel) | 64.96 | 60.67 | 104.27 |

BAKER HUGHES RIG COUNTS

| | Apr 15 | Mar 15 | Apr 14 |
|---|--------|--------|--------|
| North Louisiana ^A | 26 | 27 | 24 |
| South Louisiana Inland Waters ^A | 4 | 6 | 16 |
| South Louisiana Inland ^A | 10 | 12 | 20 |
| Louisiana State Offshore | 0 | 0 | 0 |
| Louisiana Federal OCS Offshore | 40 | 30 | 47 |
| Total Louisiana ^A (OCS included) | 70 | 85 | 107 |

PRODUCTION (State Jurisdiction Only)

| | Apr 15 | Mar 15 | Apr 14 |
|--|--------------------|--------------------|--------------------|
| Louisiana Crude Oil & Condensate (MMB) | 5.5 ¹ | 5.6 | 5.7 ² |
| Louisiana Natural Gas & Casinghead (BCF) | 138.0 ¹ | 143.0 ² | 164.4 ² |

DRILLING PERMITS (State Jurisdiction Only)

| | Apr 15 | Mar 15 | Apr 14 |
|--|--------|--------|--------|
| Total Louisiana Oil and Gas | 53 | 50 | 102 |
| Louisiana Wildcats | 4 | 1 | 0 |
| Louisiana Offshore (Wildcats included) | 0 | 0 | 2 |