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AUGUST 2005

Technology Assessment Division

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Featured Article Alternative Motor Vehicle Fuels in Louisiana: June 2005 Update



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Highlights _____

Oil prices continue to rise. For the first time since NYMEX started trading oil commodities in 1983, crude oil spot market prices remained above \$61 per barrel for an entire week. Prices increased by 40 percent over the past year and traded at \$63.80 per barrel on August 8. This high price reflects market fears that oil supplies will become scarce due to the power transition in Saudi Arabia following the death of King Fahd, the closure of the U.S. embassy in Saudi Arabia in response to security threats, and the possible shutdown of US oil refineries due to earlier accidents.

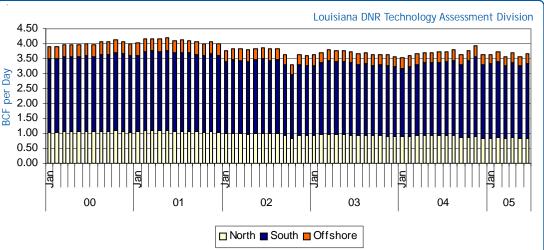
Louisiana Natural Gas & Casinghead Production* **Excluding Federal OCS**

| BCF Per Day | | | | | % Change | | | |
|--------------|------|------|------|------|--------------------------|---------|-------|--------|
| Month | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 03/04 | 04/05 |
| January | 3.90 | 4.02 | 3.78 | 3.63 | 3.52 | 3.64 | | 3.37% |
| February | 3.91 | 4.16 | 3.84 | 3.71 | 3.59 | 3.73 | | 3.75% |
| March | 3.97 | 4.17 | 3.83 | 3.78 | 3.66 | 3.58 | | -2.27% |
| April | 3.96 | 4.17 | 3.78 | 3.78 | 3.71 | 3.70 | | -0.25% |
| May | 3.98 | 4.19 | 3.84 | 3.76 | 3.71 | 3.57 | | -4.01% |
| June | 4.01 | 4.12 | 3.88 | 3.73 | 3.73 ² | 3.67 | | -1.49% |
| July | 3.98 | 4.12 | 3.82 | 3.67 | 3.75 ² | | 2.11% | |
| August | 4.06 | 4.11 | 3.84 | 3.70 | 3.79 ² | | 2.50% | |
| September | 4.06 | 4.05 | 3.65 | 3.63 | 3.64 ² | | 0.23% | |
| October | 4.12 | 4.00 | 3.28 | 3.65 | 3.75 ² | | 2.83% | |
| November | 4.06 | 4.07 | 3.64 | 3.62 | 3.92 ² | | 8.37% | |
| December | 4.00 | 3.99 | 3.61 | 3.57 | 3.63 ² | | 1.59% | |
| Year Average | 4.00 | 4.10 | 3.73 | 3.69 | 3.70 ² | 3.65 ** | | |

* All data are revised, see July 2001 statistics changes explanation.

** Partial Year

Louisiana Natural Gas & Casinghead Production **Excluding Federal OCS**



Current Oil & Gas Data

Louisiana DNR Technology Assessment Division

| | | | 550.04 | |
|---|--------|--------|--------------------|--------------------|
| PRODUCTION | FEB 05 | JAN 05 | DEC 04 | FEB 04 |
| LOUISIANA FEDERAL OFFSHORE (OCS) | | | | |
| Crude Oil & Condensate ^C (MMB) | 39 | 41 | 42 ² | 40 |
| Natural Gas & Casinghead ^C (BCF) | 232 | 257 | 243 ² | 264 ² |
| THE UNITED STATES TOTAL | | | | |
| Crude Oil & Condensate ^C (MMB) | 160 | 167 | 169 | 162 |
| Natural Gas & Casinghead ^C (BCF) | 1,486 | 1,597 | 1,596 ² | 1,512 ² |
| IMPORTS | | | | |
| U.S. Crude Oil ^C (MMB) | 284 | 305 | 311 | 268 |
| U.S. Natural Gas ^C (BCF) | 356 | 402 | 413 ² | 346 ² |
| BAKER HUGHES RIG COUNTS | | | | |
| U.S. Gas ^A | 1,083 | 1,075 | 1,064 ² | 961 |
| U.S. Oil ^A | 192 | 178 | 180 | 153 |
| U.S. Offshore ^A | 104 | 103 | 106 | 99 |
| U.S. Total ^A | 1,276 | 1,255 | 1,246 | 1,119 |
| PRICES | | | | |
| CRUDE OIL (\$/barrel) | | | | |
| OPEC Average ^C (F.O.B.) | 41.03 | 37.51 | 32.52 ² | 28.70 |
| U.S. Imports Average ^C (F.O.B.) | 39.05 | 35.65 | 31.67 ² | 28.50 |
| U.S. Wellhead Average ^C | 42.06 | 40.18 | 38.22 ² | 31.21 |
| Gulf OCS Wellhead Average ^C | 42.44 | 41.02 | 42.13 ² | 32.56 |
| State Severance Wellhead Average ^E | 49.14 | 47.82 | 48.32 | 30.00 ² |
| NATURAL GAS (\$/MCF) | | | | |
| U.S. City Gates Average ^C | 7.13 | 7.06 | 7.51 | 6.34 |
| U.S. Imports Average ^C (F.O.B.) | 6.12 | 6.02 | 6.96 ² | 5.68 |
| U.S. Wellhead Average ^C | 5.59 | 5.52 | 6.25 | 5.15 |
| State Royalty Wellhead Average | 6.61 | 6.36 | 7.70 ² | 6.23 |
| NYMEX Henry Hub End of the Month Settle Gas Price ^B (\$/MMBTU) | 6.29 | 6.21 | 7.98 | 5.78 |

Key

| K O J | | | |
|--------|----------------------|-----|-------------------------|
| 1 | Estimated | MCF | Thousand Cubic Feet |
| 2 | Revised | MMB | Million Barrels |
| BCF | Billion Cubic Feet | N/A | Not Available |
| BTU | British Thermal Unit | OCS | Outer Continental Shelf |
| F.O.B. | Free on Board | | |
| | | | |

Data Sources

| Α | Oil & Gas Journal | D | Natural Gas Week |
|---|-----------------------|---|--------------------|
| в | Wall Street Journal | E | LA Dept of Revenue |
| С | U. S. Dept. of Energy | F | LA Dept of Labor |

Note: Unless otherwise specified, data is from the Louisiana Department of Natural Resources and excludes Federal OCS.

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.

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We value your feedback. Please send your comments and suggestions for improving and enhancing the newsletter to: techasmt@la.gov.

Louisiana Nonagricultural Employment^F

Louisiana DNR Technology Assessment Division

| | Oil & Gas | Chemical | Oil | | Total |
|--|------------|----------|----------|--------------------|------------|
| Year | Production | Industry | Refining | Pipelines | Employment |
| 1960 | 39,833 | 16,382 | 13,374 | 1,250 * | 1,099,800 |
| 1961 | 39,838 | 16,229 | 12,812 | 1,230 | 1,099,800 |
| 1962 | 40,021 | 16,036 | | 950 * | |
| | | | 11,993 | | 1,099,800 |
| 1963 | 39,950 | 16,450 | 11,417 | 1,000 * | 1,120,800 |
| 1964 | 42,575 | 16,948 | 10,352 | 950 * | 1,160,700 |
| 1965 | 45,365 | 17,414 | 10,205 | 900 * | 1,199,400 |
| 1966 | 46,676 | 19,490 | 9,653 | 900 * | 1,248,100 |
| 1967 | 46,432 | 21,357 | 9,717 | 900 * | 1,286,100 |
| 1968 | 46,463 | 22,165 | 10,456 | 900 * | 1,300,100 |
| 1969 | 47,696 | 23,572 | 10,290 | 900 * | 1,300,500 |
| 1970 | 46,334 | 23,649 | 10,355 | 900 * | 1,203,000 |
| 1971 | 46,081 | 23,848 | 10,384 | 900 * | 1,230,000 |
| 1972 | 48,779 | 23,954 | 10,216 | 900 * | 1,241,000 |
| 1973 | 49,794 | 25,045 | 10,798 | 900 * | 1,287,000 |
| 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 ² | 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 |
| * Natural Gas Pipeline data was excluded | | | | | |

This issue of *Louisiana Energy Facts* is funded 100% (\$967.52) with Petroleum Violation Escrow funds as part of the State Energy Program as approved by the U.S. Department of Energy and Department of Natural Resources. This public document was published at a total cost of \$967.52. 1,000 copies of this public document were published in this first printing at a total cost of \$967.52. The total cost of all printing of this document, including reprints, is \$967.52. This document was published by the Department of Natural Resources, P.O. Box 44156, Baton Rouge, LA 70804-4156 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 44156 Baton Rouge, LA 70804-4156 PRST STD U.S. POSTAGE PAID BATON ROUGE, LA PERMIT NO. 936

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Louisiana Energy Facts 4

Quick Facts

| | Louisiana DNR Technology Assessment Division | | |
|---|--|---------------|--------------------|
| SPOT MARKET PRICES | JUL 05 | JUN 05 | JUL 04 |
| Louisiana Natural Gas ^D (\$/MMBTU) | 7.39 | 6.89 | 5.94 |
| NYMEX Henry Hub Last Settle Gas Price ^B (\$/MMBTU) | 6.98 | 6.12 | 6.14 |
| Louisiana Sweet Crude - St. James ^B (\$/Barrel) | 58.98 | 56.64 | 40.95 |
| BAKER HUGHES RIG COUNTS | JUN 05 | MAY 05 | JUN 04 |
| North Louisiana ^A | 50 | 45 | 38 |
| South Louisiana Inland Waters ^A | 23 | 24 | 19 |
| South Louisiana Inland ^A | 29 | 28 | 28 |
| Louisiana State Offshore | 4 | 5 | 3 |
| Louisiana Federal OCS Offshore | 81 | 75 | 80 |
| Total Louisiana ^A (OCS included) | 187 | 177 | 168 |
| PRODUCTION (State Jurisdiction Only) | JUN 05 | MAY 05 | JUN 04 |
| Louisiana Crude Oil & Condensate (MMB) | 6.7 | 6.7 | 6.9 ² |
| Louisiana Natural Gas & Casinghead (BCF) | 110.1 | 110.5 | 111.8 ² |
| DRILLING PERMITS (State Jurisdiction Only) | JUN 05 | MAY 05 | JUN 04 |
| Total Louisiana Oil and Gas | 189 | 198 | 161 |
| Louisiana Wildcats | 16 | 7 | 6 |
| Louisiana Offshore (Wildcats included) | 5 | 10 | 12 |

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