Louisiana Department of Natural Resources OUISIANA

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Technology Assessment Division

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Builder's Guide to Energy Efficient Homes in Louisiana: Water Heating - Part 2

Wind Resource Maps of Offshore Louisiana



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Highlights_

SEPTEMBER 2008

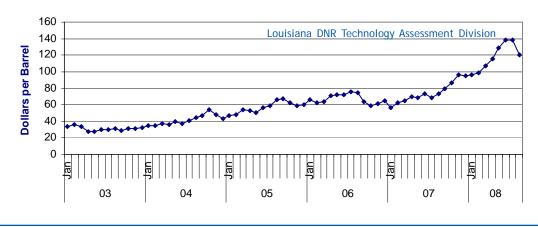
Natural gas spot prices are falling. The price has dropped more than 37%. On July 2, 2008, natural gas prices were at a record high price of \$13.31, and two months later, on August 29, 2008, the price was \$8.35. The decline can be attributed to the growing domestic gas supply from unconventional resources like tight sands, coalbed methane, and shale formations, as well as the decrease in industrial demand due to the high cost of energy. Natural Gas Week is reporting that natural gas production from shale formations increased from less than a billion cubic feet per day in 1998 to about five billion cubic feet per day today. U. S. gas reserves are at the highest level in 30 years and are increasing at a faster rate than annual production.

South Louisiana Sweet Crude Oil Average Spot Price at St. James*

(Dollars per Barrel)									
							% Change		
Month	2003	2004	2005	2006	2007	2008	06/07	07/08	
January	33.57	35.09	46.60	66.01	56.72	96.12		69.46%	
February	35.81	34.46	47.67	62.22	62.56	98.45		57.37%	
March	33.46	36.94	54.49	64.33	64.62	107.45		66.28%	
April	27.92	36.22	53.48	71.43	69.19	115.13		66.40%	
May	28.23	40.03	50.42	72.51	69.09	128.74		86.34%	
June	30.26	37.81	56.64	71.84	73.20	137.91		88.40%	
July	30.44	40.95	58.98	76.27	69.14	137.80		99.31%	
August	31.57	45.03	65.66	75.05	73.33	119.41		62.84%	
September	28.55	46.34	67.19	63.91	79.86		24.96%		
October	30.88	53.67	62.77	59.52	86.25		44.91%		
November	31.13	48.14	58.59	61.53	95.97		55.97%		
December	32.59	42.97	59.78	64.67	95.32		47.39%		
Year Average	31.20	41.47	56.86	67.44	74.60	117.63 ^{**}			

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

^{**} Partial Year



Current Oil & Gas Data

Louisiana DNR Technology Assessment Division

PRODUCTION	MAR 08	FEB 08	JAN 08	MAR 07
LOUISIANA FEDERAL OFFSHORE (OCS)				
Crude Oil & Condensate ^C (MMB)	33 ¹	33 ¹	36 ¹	36 ¹
Natural Gas & Casinghead ^C (BCF)	134 ¹	141 ¹	157 ¹	174 ¹
THE UNITED STATES TOTAL				
Crude Oil & Condensate ^C (MMB)	159	148	158	161
Natural Gas & Casinghead ^C (BCF)	1,750	1,621	1,709	1,614 ²
IMPORTS				
U.S. Crude Oil ^C (MMB)	298	279	310	320 ²
U.S. Natural Gas ^C (BCF)	361	343	383 ²	401
BAKER HUGHES RIG COUNTS				
U.S. Gas ^A	1,444	1,426	1,421	1,461
U.S. Oil ^A	343	331	321	282
U.S. Offshore ^A	60	56	60	81
U.S. Total ^A	1,797	1,756	1,749	1,749
PRICES				
CRUDE OIL (\$/barrel)				
OPEC Average ^C (F.O.B.)	100.22	91.81	85.41	57.79
U.S. Imports Average ^C (F.O.B.)	95.50	87.81	83.43	55.46
U.S. Wellhead Average ^C	98.44	89.41	87.06	54.95
Gulf OCS Wellhead Average ^C	96.68	91.10	89.00	56.15
State Severance Wellhead Average ^E	92.34	90.94	91.05	53.79
NATURAL GAS (\$/MCF)				
U.S. City Gates Average ^C	9.45	8.93	8.38	8.81
U.S. Imports Average ^C (F.O.B.)	9.03	8.35 ²	7.67 ²	7.45
U.S. Wellhead Average ^C	8.29	7.55	6.99	6.56
State Royalty Wellhead Average	7.71	8.95	8.14	7.72
NYMEX Henry Hub End of the Month Settle Gas Price ^B (\$/MMBTU)	7.55	8.00	7.17	7.55

Kev	Data Sources
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1	Estimated	MCF	Thousand Cubic Feet	Α	Oil & Gas Journal	D	Natural Gas Week
2	Revised	MMB	Million Barrels	В	Wall Street Journal	Ε	LA Dept of Revenue
BCF	Billion Cubic Feet	N/A	Not Available	C	U. S. Dept. of Energy		
BTU	British Thermal Unit	ocs	Outer Continental Shelf				
F.O.B.	Free on Board	MMBTU	Million British Thermal Units		e: Unless otherwise specifical artment of Natural Resource		

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.

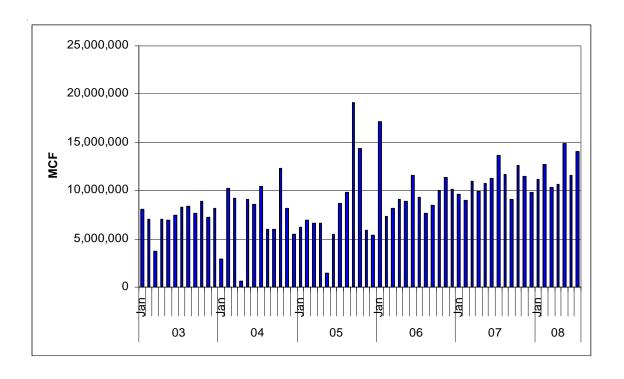
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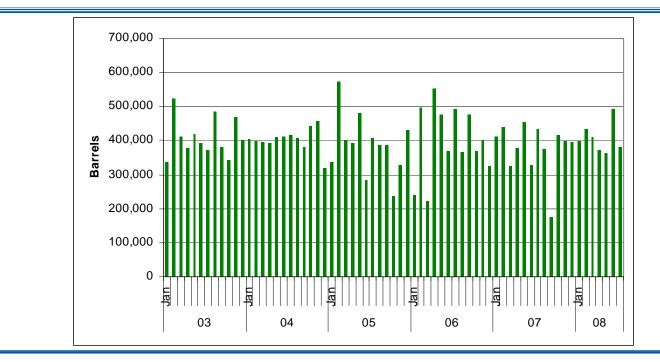
Louisiana Natural Gas Production from Incapable Oil and Gas Wells^E

Louisiana DNR Technology Assessment Division



Louisiana Crude Oil Production from Stripper Wells

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	Louisiana DNR	Technology Ass	essment Division
SPOT MARKET PRICES	Aug 08	Jul 08	Aug 07
Louisiana Natural Gas ^D (\$/MMBTU)	8.52	11.87	6.33
NYMEX Henry Hub Last Settle Gas Price ^B (\$/MMBTU)	9.22	13.11	5.94
Louisiana Sweet Crude - St. James ^B (\$/Barrel)	119.41	137.80	73.20
BAKER HUGHES RIG COUNTS	Jul 08	Jun 08	Jul 07
North Louisiana ^A	72	65	59
South Louisiana Inland Waters ^A	23	22	21
South Louisiana Inland ^A	29	26	35
Louisiana State Offshore	6	4	3
Louisiana Federal OCS Offshore	50	51	65
Total Louisiana ^A (OCS included)	180	168	183
PRODUCTION (State Jurisdiction Only)	Jul 08	Jun 08	Jul 07
Louisiana Crude Oil & Condensate (MMB)	6.3	6.3 ¹	6.5 ²
Louisiana Natural Gas & Casinghead (BCF)	110.9	111.1 ¹	117.5 ²
DRILLING PERMITS (State Jurisdiction Only)	Jul 08	Jun 08	Jul 07
Total Louisiana Oil and Gas	292	230	195
Louisiana Wildcats	9	11	8
Louisiana Offshore (Wildcats included)	1	5	2