Louisiana Department of Natural Resources Technology Assessment Division

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An Overview of the Oil and Gas Production and Prices in Louisiana

Energy Efficient Roofing



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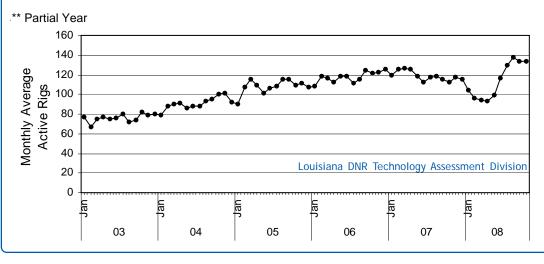
Highlights_

NOVEMBER 2008

Louisiana natural gas average prices continue to decline. From June 2008 to October 2008, natural gas prices fell 44%. The gas price decline can be attributed to higher inventories, falling oil prices, increasing supply, and mild weather. DOE-EIA reported that inventory stocks increased by 46 billion cubic feet (BCF) to 3,393 BCF in the week ended October 24. This is 97 BCF over the 5-year average of 3,296 BCF. Oil prices fell in the futures market on fear of more fallout from the credit and banking crisis. Gas supplies are expected to increase from unconventional sources and from the recovery of the Gulf of Mexico from Hurricanes Gustav and Ike. Furthermore, the national weather forecast predicts moderate winter temperatures. *Natural Gas Week* panelists are forecasting gas prices of \$7.37 per MMBTU for the first quarter of 2009.

Louisiana Average Active Rigs in Areas Under State Jurisdiction

		(M	onthly Av	erage Acti	ive Rigs)			
							% Cł	nange
Month	2003	2004	2005	2006	2007	2008	06/07	07/08
January	77	79	90	108	119	105		-11.97%
February	67	88	107	118	88 ²	97		9.77%
March	75	90	115	116	90	94		4.44%
April	77	91	109	112	91 ²	94		2.91%
May	75	86	102	118	118	99		-16.28%
June	76	88	106	118	112	117		4.02%
July	80	88	109	111	118	129		10.00%
August	72	93	115	115	119	138		16.33%
September	74	95	115	124	115	133		15.62%
October	82	100	109	122	112	134		19.20%
November	79	101	112	123	117		-4.49%	
December	80	92	108	126	115		-8.59%	
Year Average	76	91	108	118	109 ²	114 **		



Current Oil & Gas Data

Louisiana DNR Technology Assessment Division

PRODUCTION	MAY 08	APR 08	MAR 08	MAY 07
LOUISIANA FEDERAL OFFSHORE (OCS)				
Crude Oil & Condensate ^C (MMB)	31 ¹	35 ¹	35 ¹	38 ¹
Natural Gas & Casinghead ^C (BCF)	138 ¹	148 ¹	158 ¹	180 ¹
THE UNITED STATES TOTAL				
Crude Oil & Condensate ^C (MMB)	160	155	159	162
Natural Gas & Casinghead ^C (BCF)	1,743	1,679 ²	1,750	1,608 ²
IMPORTS				
U.S. Crude Oil ^C (MMB)	299	298	298	319
U.S. Natural Gas ^C (BCF)	292	318	361	380
BAKER HUGHES RIG COUNTS				
U.S. Gas ^A	1,478	1,461	1,444	1,464
U.S. Oil ^A	375	358	343	282
U.S. Offshore ^A	68	64	60	77
U.S. Total ^A	1,863	1,829	1,797	1,748
PRICES				
CRUDE OIL (\$/barrel)				
OPEC Average ^C (F.O.B.)	118.15	108.47	100.22	63.82
U.S. Imports Average ^C (F.O.B.)	114.98	104.20	96.42	60.73
U.S. Wellhead Average ^C	118.55	106.64	98.44	58.90
Gulf OCS Wellhead Average ^C	114.81	104.68	96.68	62.35
State Severance Wellhead Average ^E	102.10	92.09	92.34	58.08
NATURAL GAS (\$/MCF)				
U.S. City Gates Average ^C	10.93	9.84	9.45	8.36
U.S. Imports Average ^C (F.O.B.)	N/A	9.90	9.03	7.44 ²
U.S. Wellhead Average ^C	9.81	8.94	8.29	6.98
State Royalty Wellhead Average	10.88	11.78	9.94	8.07 ²
NYMEX Henry Hub End of the Month Settle Gas Price ^B (\$/MMBTU)	11.28	9.58	8.93	7.51

Κe	y Da	t a	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	E	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	Note	: Unless otherwise specifi	ed, da	ata is from the Louisiana

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.

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 Energy Data & Reports; choose Louisiana Energy Facts Newsletter. 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 Estimated Crude Oil Imports and Exports (Barrels)

Louisiana DNR Technology Assessment Division

	Domestic	Foreign	Total	Total	
<u>YEAR</u>	<u>Imports</u>	<u>Imports</u>	<u>Imports</u>	Exports	
1988	205,028,652	529,899,220	734,927,872	467,059,125	
1989	167,202,571	651,198,742	818,401,313	429,406,577	
1990	294,094,671	834,189,106	1,128,283,777	752,551,218	
1991	187,915,979	674,005,459	861,921,438	473,824,717	
1992	158,361,091	692,524,108	850,885,199	469,615,507	
1993	144,077,100	715,722,168	859,799,268	492,922,559	
1994	190,310,250	691,495,161	881,805,411	506,060,502	
1995	144,250,902	733,156,547	877,407,449	477,054,280	
1996	154,720,304	791,181,725	945,902,027	533,052,305	
1997	146,741,590	783,595,396	930,336,986	536,338,306	
1998	137,695,483	797,792,440	935,487,923	537,711,242	
1999	145,884,207	825,714,387	971,598,594	539,440,653	
2000	157,483,978	794,652,031	952,136,009	568,406,926	
2001	140,926,202	824,180,124	965,106,326	703,319,850	
2002	150,358,173	693,057,439	843,415,612	618,283,678	
2003	191,660,152	879,937,921	1,071,598,073	651,542,085	
2004	235,860,964	1,096,071,025	1,331,931,989	780,965,917	
2005	157,001,235	850,125,218	1,007,126,453	494,032,441	
2006	178,801,461	823,410,311	1,002,211,772	557,047,242	
2007	174,554,670	816,896,435	991,451,105	481,788,044	

Louisiana Estimated Natural Gas Imports and Exports (MCF)

Louisiana DNR Technology Assessment Division

	Domestic	Foreign	Total	Total	
<u>YEAR</u>	<u>Imports</u>	<u>Imports</u>	<u>Imports</u>	Exports	
1988	925,004,594	963,154	925,967,748	4,515,467,200	
1989	589,680,148	0	589,680,148	4,127,367,526	
1990	771,083,558	1,217,065	772,300,623	4,845,135,424	
1991	1,121,020,621	n/a	1,121,020,621	4,702,890,863	
1992	1,223,664,865	n/a	1,223,664,865	4,527,272,744	
1993	1,226,192,071	558,800	1,226,750,871	4,593,742,024	
1994	1,221,821,839	n/a	1,221,821,839	4,872,981,031	
1995	1,462,995,886	n/a	1,462,995,886	4,651,404,764	
1996	1,579,977,000	n/a	1,579,977,000	5,399,393,372	
1997	1,371,278,339	n/a	1,371,278,339	5,131,283,334	
1998	1,153,978,580	n/a	1,153,978,580	5,183,436,594	
1999	1,009,655,437	n/a	1,009,655,437	4,439,709,229	
2000	1,112,790,171	n/a	1,112,790,171	4,352,108,151	
2001	960,897,346	21,216,546	982,113,892	4,194,465,094	
2002	1,290,858,071	n/a	1,290,858,071	4,184,377,435	
2003	1,495,060,203	29,931,334	1,524,991,537	5,219,716,623	
2004	1,373,686,290	153,699,903	1,527,386,193	5,022,037,236	
2005	1,425,160,508	9,423,438	1,434,583,946	3,443,758,247	
2006	1,495,315,465	n/a	1,495,315,465	3,333,525,104	
2007	1,799,629,628	n/a	1,799,629,628	3,816,135,033	

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Quick Facts	NOVE	MBER	2008
	Louisiana DNR	Technology Ass	essment Division
SPOT MARKET PRICES	Oct 08	Sep 08	Oct 07
Louisiana Natural Gas ^D (\$/MMBTU)	6.85	7.77	6.53
NYMEX Henry Hub Last Settle Gas Price ^B (\$/MMB	TU) 7.47	8.39	6.42
Louisiana Sweet Crude - St. James ^B (\$/Barrel)	78.78	107.07	86.25
BAKER HUGHES RIG COUNTS	Sep 08	Aug 08	Sep 07
North Louisiana ^A	85	80	62
South Louisiana Inland Waters ^A	19	26	25
South Louisiana Inland ^A	26	28	25
Louisiana State Offshore	3	4	3
Louisiana Federal OCS Offshore	52	50	56
Total Louisiana ^A (OCS included)	185	188	171
PRODUCTION (State Jurisdiction Only)	Sep 08	Aug 08	Sep 07
Louisiana Crude Oil & Condensate (MMB)	6.0	6.3	6.3 ²
Louisiana Natural Gas & Casinghead (BCF)	107.2	112.6	111.3 ²
DRILLING PERMITS (State Jurisdiction Only)	Sep 08	Aug 08	Sep 07
Total Louisiana Oil and Gas	216	308	164
Louisiana Wildcats	7	8	5
Louisiana Offshore (Wildcats included)	2	4	0