

LOUISIANA ENERGY FACTS

Louisiana Department of Natural Resources
Technology Assessment Division

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INSIDE

Highlights
page 1

**Louisiana Natural Gas
Average Spot Prices**
page 1

Current Oil & Gas Data
page 2

**Natural Gas
Average Prices**
page 3

Quick Facts
page 4

**Featured Articles
and Inserts**
[AARA 2009 DOE Grants
for State and
Local Governments](#)

[Biofuel Facilities in
Louisiana: March 2009
Update](#)



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Highlights

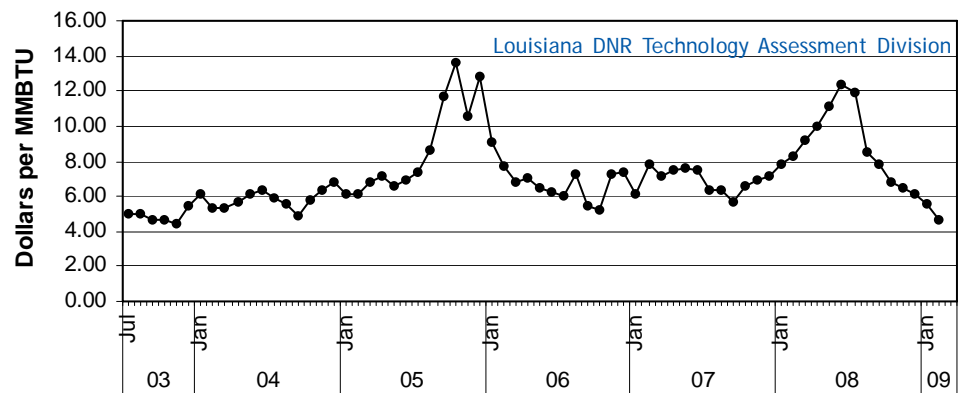
MARCH 2009

Natural gas prices fell below \$4 per MMBTU in trading for the first time in the last six years. Spot market prices have fallen more than 25% since the beginning of the year. Gas prices are down 70% from the all time high price of \$13.31 that was reached on July 2, 2008. The reason for the falling prices is that gas storage areas are filling up fast. The heating season has peaked, the industrial demand is lackluster, oil prices are falling, the Gulf of Mexico is recovering from damage from last summer's hurricanes, and there is potential for increased production from shale geological areas.

Louisiana Natural Gas Average Spot Prices

Month	Dollars per MMBTU						% Change	
	2004	2005	2006	2007	2008	2009	07/08	08/09
January	6.07	6.18	9.11	6.12	7.78	5.55	27.00%	-28.62%
February	5.38	6.10	7.72	7.88	8.24	4.60	4.51%	-44.17%
March	5.32	6.76	6.77	7.15	9.23		29.04%	
April	5.67	7.18	7.05	7.50	9.94		32.47%	
May	6.10	6.55	6.46	7.59	11.14		46.84%	
June	6.33	6.89	6.19	7.51	12.35		64.53%	
July	5.94	7.39	6.00	6.36	11.87		86.57%	
August	5.55	8.65	7.27	6.33	8.52		34.72%	
September	4.91	11.70	5.41	5.70	7.77		36.31%	
October	5.80	13.61	5.17	6.53	6.85		4.94%	
November	6.33	10.55	7.23	6.96	6.51		-6.46%	
December	6.76	12.86	7.33	7.11	6.08		-14.47%	
Year Average	5.85	8.70	6.81	6.89	8.86	5.08		

** Partial Year



Current Oil & Gas Data

Louisiana DNR Technology Assessment Division

PRODUCTION	SEP 08	AUG 08	JUL 08	SEP 07
LOUISIANA FEDERAL OFFSHORE (OCS)				
Crude Oil & Condensate ^C (MMB)	10 ¹	32 ¹	37 ¹	28 ¹
Natural Gas & Casinghead ^C (BCF)	32 ¹	140 ¹	151 ¹	156 ¹
THE UNITED STATES TOTAL				
Crude Oil & Condensate ^C (MMB)	119	152	158	146 ²
Natural Gas & Casinghead ^C (BCF)	1,540	1,781	1,787	1,583 ²
IMPORTS				
U.S. Crude Oil ^C (MMB)	252	319 ²	313	309
U.S. Natural Gas ^C (BCF)	313	313	313	361
BAKER HUGHES RIG COUNTS				
U.S. Gas ^A	1,585	1,581	1,543	1,475
U.S. Oil ^A	417	397	380	302
U.S. Offshore ^A	72	67	67	65
U.S. Total ^A	2,014	1,987	1,932	1,783
PRICES				
CRUDE OIL (\$/barrel)				
OPEC Average ^C (F.O.B.)	91.11	108.99 ²	121.93	75.30 ²
U.S. Imports Average ^C (F.O.B.)	91.65	108.10 ²	122.12	72.21 ²
U.S. Wellhead Average ^C	98.50	112.83	128.08	73.27 ²
Gulf OCS Wellhead Average ^C	117.29	123.56	130.06	72.85 ²
State Severance Wellhead Average ^E	132.61	123.46	124.51	70.90
NATURAL GAS (\$/MCF)				
U.S. City Gates Average ^C	8.96	10.13 ²	12.42 ²	6.97 ²
U.S. Imports Average ^C (F.O.B.)	7.54	8.67	11.79	5.49
U.S. Wellhead Average ^C	7.27	8.32 ²	10.62	5.42 ²
State Royalty Wellhead Average	8.80	9.55 ²	12.64 ²	6.21 ²
NYMEX Henry Hub End of the Month Settle Gas Price ^B (\$/MMBTU)	8.39	9.22	13.11	5.43

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	NA	Not Available	C	U. S. Dept. of Energy		
BTU	British Thermal Unit	OCS	Outer Continental Shelf				
FO.B.	Free on Board	MMBTU	Million British Thermal Units				
				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.

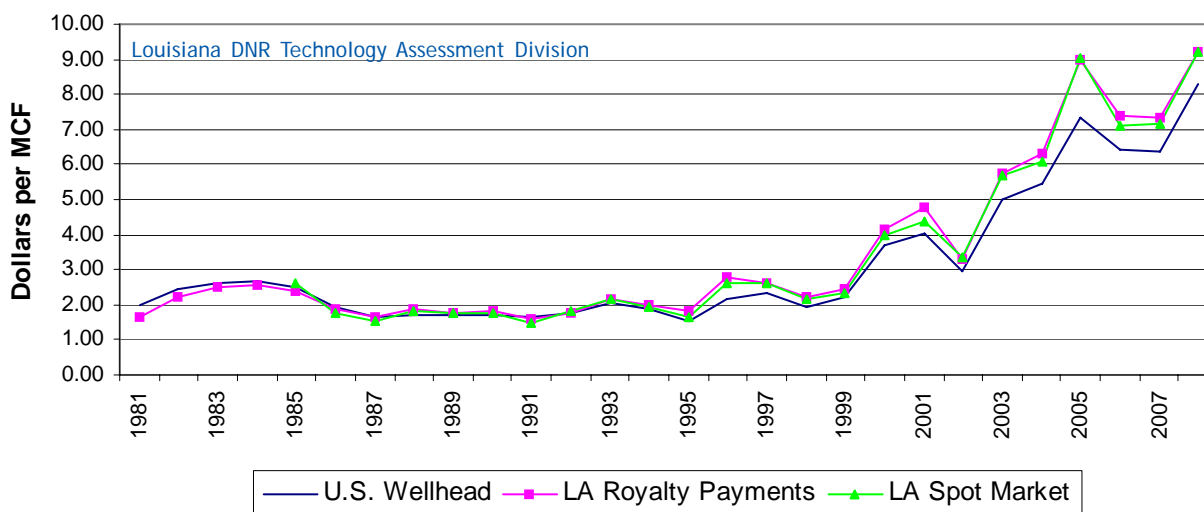
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Natural Gas Average Prices

(Dollars per MCF)

Louisiana DNR Technology Assessment Division

	UNITED STATES			LOUISIANA	
	<u>Wellhead</u> ^C	<u>Foreign Imports</u> ^C	<u>City Gate</u> ^C	<u>Royalty Payments</u>	<u>Spot Market</u> ^D
1985	2.51	3.19	3.75	2.37	2.61
1986	1.94	2.53	3.22	1.87	1.76
1987	1.67	2.17	2.87	1.65	1.55
1988	1.69	2.00	2.92	1.86	1.79
1989	1.69	2.04	3.01	1.77	1.76
1990	1.71	1.94	3.03	1.79	1.77
1991	1.64	1.83	2.90	1.57	1.50
1992	1.74	1.85	3.01	1.77	1.80
1993	2.04	2.03	3.21	2.14	2.15
1994	1.85	1.87	3.07	1.98	1.91
1995	1.55	1.49	2.78	1.82	1.65
1996	2.17	1.97	3.27	2.78	2.60
1997	2.32	2.15	3.66	2.62	2.60
1998	1.96	1.97	3.07	2.22	2.14
1999	2.19	2.23	3.10	2.42	2.31
2000	3.69	3.88	4.62	4.16	3.98
2001	4.02	4.36	5.24	4.55 ²	4.38
2002	2.95	3.14	4.10	3.29 ²	3.37
2003	4.98	5.18	5.84	5.74	5.66
2004	5.45	5.78	6.61	6.29	6.08
2005	7.32	8.09	8.72	9.00 ²	9.05
2006	6.40	6.87	8.28	7.38	7.08
2007	6.38	6.87 ²	8.02 ²	7.35 ²	7.17
2008	8.27	9.46	9.68	9.22	9.21



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INSIDE

Highlights
page 1

**Louisiana Natural Gas
Average Spot Prices**
page 1

Current Oil & Gas Data
page 2

**Natural Gas
Average Prices**
page 3

Quick Facts
page 4

**Featured Articles
and Inserts**
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MARCH 2009

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SPOT MARKET PRICES

	Feb 09	Jan 09	Feb 08
Louisiana Natural Gas ^D (\$/MMBTU)	4.60	5.55	8.24
NYMEX Henry Hub Last Settle Gas Price ^B (\$/MMBTU)	4.48	6.14	8.00
Louisiana Sweet Crude - St. James ^B (\$/Barrel)	45.42	47.17	98.45

BAKER HUGHES RIG COUNTS

	Jan 09	Dec 08	Jan 08
North Louisiana ^A	90	90	52
South Louisiana Inland Waters ^A	9	11	22
South Louisiana Inland ^A	23	22	27
Louisiana State Offshore	3	4	4
Louisiana Federal OCS Offshore	51	49	44
Total Louisiana ^A (OCS included)	177	176	149

PRODUCTION (State Jurisdiction Only)

	Jan 09	Dec 08	Jan 08
Louisiana Crude Oil & Condensate (MMB)	6.5	6.0 ¹	6.4
Louisiana Natural Gas & Casinghead (BCF)	110.0	111.8 ¹	115.4 ²

DRILLING PERMITS (State Jurisdiction Only)

	Jan 09	Dec 08	Jan 08
Total Louisiana Oil and Gas	123	130	172
Louisiana Wildcats	3	3	5
Louisiana Offshore (Wildcats included)	0	1	0