

LOUISIANA ENERGY FACTS

Louisiana Department of Natural Resources
Technology Assessment Division

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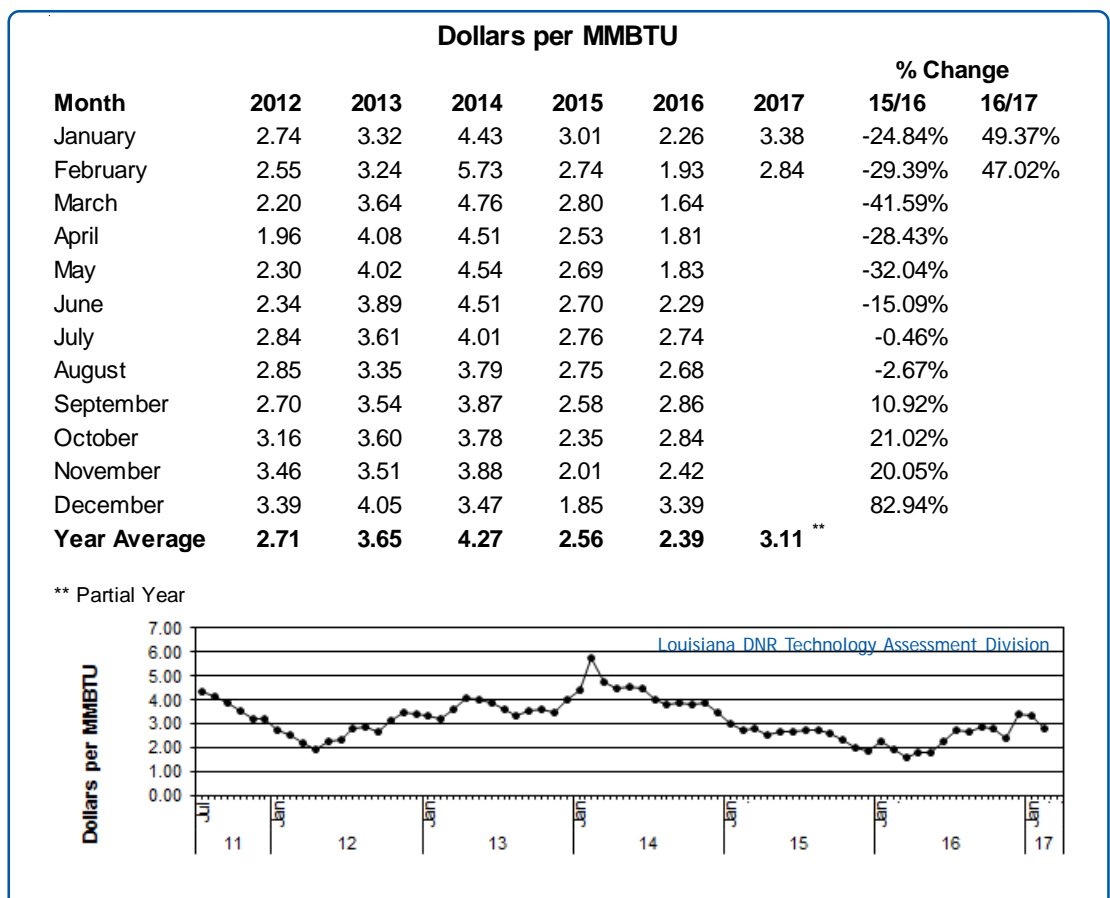
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Highlights

MARCH 2017

United States drilling activities continue to increase, with the exception in the Federal OCS areas. Baker Hughes Inc. (BHI) rig report shows the average U.S. drilling rig count for February 2017 was 744 rigs, up 212 rigs over last year at this time, or a 40% increase. Rigs targeting crude oil were up by 165 rigs, and rigs targeting gas were up by 47 rigs. Drilling in the Louisiana jurisdiction area also showed a steady increase, and BHI reported a February 2017 average rig count of 35 rigs, up 11 rigs over last year at this time, or a 48% increase. Rigs targeting gas went up by 14, while the ones targeting oil came down by three. Most of the Federal OCS drilling is done in the Central Gulf of Mexico, which is next to the Louisiana Coastal boundary. BHI reported a February 2017 average rig count of 19 rigs for the Gulf of Mexico, down 7 rigs over last year at this time, all of them targeting oil. The drilling recovery is driven by the increase in oil and gas prices and the downturn in the offshore areas is caused by cheaper onshore production cost.

Louisiana Natural Gas Average Spot Prices



Current Oil & Gas Data

Louisiana DNR Technology Assessment Division

PRODUCTION	SEP 16	AUG 16	JUL 16	SEP 15
GOM CENTRAL FEDERAL OFFSHORE (OCS)				
Crude Oil & Condensate ^F (MMB)	35	36	40	46 ²
Natural Gas & Casinghead ^F (BCF)	80	86	88	106
THE UNITED STATES TOTAL				
Crude Oil & Condensate ^C (MMB)	257	272	269	283 ²
Natural Gas & Casinghead ^C (BCF)	2,155	2,242	2,213	2,249 ²
IMPORTS				
U.S. Crude Oil ^C (MMB)	242	249	251	217
U.S. Natural Gas ^C (BCF)	237	261	265	209
BAKER HUGHES RIG COUNTS				
U.S. Gas ^A	91	82	88	199
U.S. Oil ^A	416	397	359	651
U.S. Offshore ^A	18	17	20	32
U.S. Total ^A	509	481	449	848
PRICES				
CRUDE OIL (\$/barrel)				
OPEC Average ^C (F.O.B.)	40.01	40.04 ²	39.61	39.81
U.S. Imports Average ^C (F.O.B.)	38.29	38.27	38.76	36.90
U.S. Wellhead Average ^C	40.54	40.46	40.70	41.60
Gulf OCS Wellhead Average ^C	40.94	41.29	42.54	42.66
State Severance Wellhead Average ^E	N/A	36.54	43.94	48.92
NATURAL GAS (\$/MCF)				
U.S. City Gates Average ^C	4.59	4.37	4.45	4.56 ²
U.S. Imports Average ^C (F.O.B.)	2.47	2.42	2.35	2.75
U.S. Spot Market Average ^D	2.74	2.66	2.70	2.62
State Royalty Wellhead Average	2.84	2.63	2.72	2.55
NYMEX Henry Hub End of the Month Settle Gas Price ^B (\$/MMBTU)	2.85	2.67	2.92	2.64

Key

Data Sources

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	MMBTU	Million British Thermal Units

A	Oil & Gas Journal	D	Natural Gas Week
B	Wall Street Journal	E	LA Dept of Revenue
C	U. S. Dept. of Energy	F	BOEM

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 **Newsletters**. Our current online holdings include issues dating from 1998 through the present. If the issue you are seeking is unavailable, please contact us.

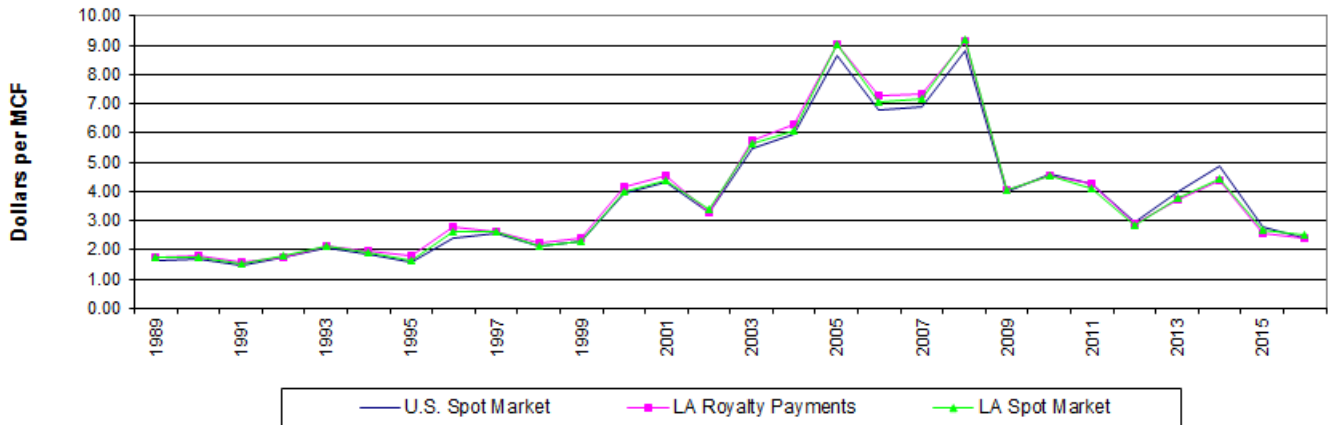
To request notification of when the Louisiana Energy Facts is available online, contact us at techasmt@la.gov with your name, title, company name, email address, and phone number. Please specify that you would like to be added to our email notification database for an electronic subscription.

Natural Gas Average Prices (Dollars per MCF)

Louisiana DNR Technology Assessment Division

(Dollars per MCF)

	UNITED STATES			LOUISIANA	
	<u>Spot Market</u> ^D	<u>Foreign Imports</u> ^C	<u>City Gate</u> ^C	<u>Royalty Payments</u>	<u>Spot Market</u> ^D
1994	1.84	1.87	3.07	1.98	1.91
1995	1.56	1.49	2.78	1.78	1.65
1996	2.39	1.97	3.27	2.78	2.60
1997	2.54	2.17	3.66	2.62	2.60
1998	2.11	1.97	3.07	2.22	2.14
1999	2.28	2.24	3.10	2.42	2.31
2000	3.94	3.95	4.62	4.16	3.98
2001	4.34	4.43	5.72	4.55	4.38
2002	3.26	3.15	4.12	3.29	3.37
2003	5.48	5.17	5.85	5.74	5.66
2004	5.94	5.81	6.65	6.29	6.08
2005	8.67	8.12	8.67	9.03	9.05
2006	6.81	6.88	8.61	7.30	7.08
2007	6.89	6.87	8.16	7.34	7.17
2008	8.80	8.70	9.18	9.16	9.21
2009	4.00	4.19	6.48	4.05	4.07
2010	4.58	4.52	6.18	4.54	4.55
2011	4.26	4.24	5.63	4.24	4.11
2012	2.93	2.88	4.73	2.88	2.82
2013	3.98	3.83	4.88	3.71	3.80
2014	4.89	5.30	5.71	4.35	4.44
2015	2.76	2.99 ^r	4.26 ^r	2.55 ^r	2.67
2016	2.39	2.23	3.86	2.39	2.49





LOUISIANA DEPARTMENT OF NATURAL RESOURCES

Technology Assessment Division

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Quick Facts

MARCH 2017

Louisiana DNR Technology Assessment Division

SPOT MARKET PRICES

	Feb 17	Jan 17	Feb 16
Louisiana Natural Gas ^D (\$/MMBTU)	2.84	3.38 ²	1.93 ²
NYMEX Henry Hub Last Settle Gas Price ^B (\$/MMBTU)	3.39	3.93	2.19
Louisiana Sweet Crude - St. James ^B (\$/Barrel)	55.07	54.04	32.48

BAKER HUGHES RIG COUNTS

	Jan 17	Dec 16	Jan 16
North Louisiana ^A	24	23	24
South Louisiana Inland Waters ^A	1	1	1
South Louisiana Inland ^A	5	3	7
Louisiana State Offshore	1	1	0
Louisiana Federal OCS Offshore	20	20	23
Total Louisiana ^A (OCS included)	51	48	55

PRODUCTION (State Jurisdiction Only)

	Jan 17	Dec 16	Jan 16
Louisiana Crude Oil & Condensate (MMB)	4.6 ¹	4.6 ¹	4.9 ²
Louisiana Natural Gas & Casinghead (BCF)	139.1 ¹	141.0 ¹	149.0 ²

DRILLING PERMITS (State Jurisdiction Only)

	Jan 17	Dec 16	Jan 16
Total Louisiana Oil and Gas	77	32	28
Louisiana Wildcats	1	1	0
Louisiana Offshore (Wildcats included)	0	0	0