Louisiana Department of Natural Resources **OUISIANA** NERG

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JULY 2015

Technology Assessment Division

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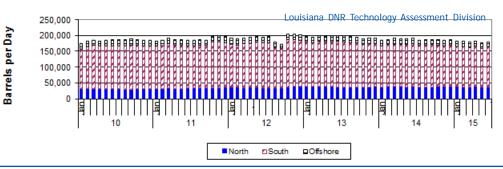
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The Baker Hughes weekly active drilling rigs count in the U.S. increased by 2 rigs on the last week of June 2015 over the previous week. This interrupted the steady decline trend occurring since late last year. On December 5, 2014, there were 1,920 active drilling rigs in the U.S., and by June 26, 2015, there were only 859 active drilling rigs (a 55% decline). The Louisiana active drilling rigs count increased by 6 rigs in the last week of June 2015 over the previous week. Louisiana rig counts showed a lot of up and down trends from week-to-week since late last year. On December 5, 2014, there were 114 active drilling rigs in Louisiana, including federal waters adjacent to the state coastline, and by June 26, 2015, there were only 75 active drilling rigs (a 34% decline). The drilling slowdown was attributed to falling oil and gas prices, and high crude and natural gas inventory in storage.

Louisiana Monthly Crude Oil & Condensate Production

| (Barrels/Day) | | | | | | | | | |
|----------------|---------|---------|----------------------|----------------------|----------------------|----------------------|--------|--------|--|
| | | | | | | % Change | | | |
| Month | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 13/14 | 14/15 | |
| January | 174,156 | 183,628 | 192,955 ² | 199,007 ² | 184,557 ² | 182,695 | | -1.01% | |
| February | 181,648 | 184,198 | 189,968 ² | 195,374 ² | 188,501 ² | 182,318 | | -3.28% | |
| March | 184,735 | 193,617 | 192,724 ² | 199,712 ² | 193,714 ² | 179,762 ¹ | | -7.20% | |
| April | 183,468 | 187,445 | 194,868 ² | 197,273 ² | 190,434 ² | 183,343 ¹ | | -3.72% | |
| May | 186,133 | 187,800 | 198,097 ² | 199,954 ² | 191,092 ² | 177,144 ¹ | | -7.30% | |
| June | 186,855 | 184,942 | 194,745 ² | 201,061 ² | 192,927 ² | 180,892 ¹ | | -6.24% | |
| July | 187,218 | 184,625 | 198,078 ² | 199,567 ² | 186,432 ² | | -6.58% | | |
| August | 187,229 | 187,929 | 179,101 ² | 199,227 ² | 187,243 ² | | -6.02% | | |
| September | 190,211 | 185,828 | 173,053 ² | 196,630 ² | 188,445 ² | | -4.16% | | |
| October | 188,638 | 198,645 | 206,270 ² | 190,054 ² | 187,255 ² | | -1.47% | | |
| November | 185,826 | 199,821 | 206,046 ² | 193,406 ² | 184,834 ² | | -4.43% | | |
| December | 185,859 | 198,938 | 203,433 ² | 192,925 ² | 187,657 ² | | -2.73% | | |
| Year Average | 185,165 | 189,785 | 194,111 ² | 197,016 ² | 188,591 ² | 181,026 * | | | |
| * Partial Year | | | | | | | | | |

**All data are revised; see July 2001 statistic changes explanation



Current Oil & Gas Data

Louisiana DNR Technology Assessment Division

| P | RODUCTION | | | | JAN 15 | DEC 14 | NOV | 14 | JAN 14 |
|-----|----------------------------------|---------------------|--|----|-----------|---------------|------|------|--------------------|
| G | OM CENTRAL FEDER | AL OFFS | HORE ^F (OCS) | | | | | | |
| С | rude Oil & Condensate | e (MMB) | | | 37 | 40 | 3 | 88 | 37 |
| N | atural Gas & Casinghe | ad (BCF |) | | 92 | 95 | ç | 90 | 90 |
| | HE UNITED STATES T | | | | | | | | |
| | rude Oil & Condensate | | | | 286 | 286 | 27 | '1 | 248 ² |
| N | atural Gas & Casinghe | ad ^c (BC | F) | | 2,282 | 2,315 | 2,19 |)2 | 2,102 ² |
| | IPORTS | | | | | | | | |
| U. | .S. Crude Oil ^C (MMB) |) | | | 222 | 223 | 21 | 8 | 235 |
| U. | .S. Natural Gas ^C (BC | F) | | | 280 | 254 | 22 | 28 | 295 |
| B | AKER HUGHES RIG | COUNTS | | | | | | | |
| | .S. Gas ^A | | | | 320 | 342 | 35 | 51 | 362 |
| U. | .S. Oil ^A | | | | 1,362 | 1,539 | 1,57 | '3 | 1,403 |
| U. | .S. Offshore ^A | | | | 53 | 59 | 5 | 53 | 58 |
| U. | .S. Total ^A | | | | 1,683 | 1,882 | 1,92 | 25 | 1,769 |
| P | RICES | | | | | | | | |
| С | RUDE OIL (\$/barrel) | | | | | | | | |
| 0 | PEC Average ^C (F.O.I | B.) | | | 41.92 | 52.49 | 71.1 | 4 | 94.86 |
| | .S. Imports Average ^C | | | | 39.92 | 50.01 | 67.4 | 8 | 90.93 |
| U. | .S. Wellhead Average | С | | | 43.06 | 54.86 | 71.0 |)7 | 89.59 |
| G | ulf OCS Wellhead Ave | rage ^c | | | 51.57 | 66.27 | 80.9 | 8 | 88.11 |
| St | tate Severance Wellhe | ad Avera | je ^E | | N/A | N/A | N/A | | 96.09 |
| N | ATURAL GAS (\$/MCF | -) | | | | | | | |
| U. | .S. City Gates Average | • ^C | | | 4.46 | 5.16 | 4.9 |)2 | 5.55 ² |
| U. | .S. Imports Average ^C | (F.O.B.) | | | 4.79 | 4.44 | 3.9 | 97 | 7.15 ² |
| U. | .S. Spot Market Averag | ge ^D | | | 3.56 | 3.78 | 4.0 | 8 | 6.43 |
| St | tate Royalty Wellhead | Average | | | 3.06 | 3.70 | 3.9 | 96 | 4.53 |
| Ń | YMEX Henry Hub End | of the Mo | onth Settle Gas Price ^B (\$/MMBTU |) | 3.19 | 4.28 | 3.7 | '3 | 4.41 |
| Кеу | | | | Da | ata Sou | rces | | | |
| 1 | Estimated | MCF | Thousand Cubic Feet | A | Oil & Ga | s Journal | D | Natu | ıral Gas Week |
| 2 | Revised | MMB | Million Barrels | В | Wall Stre | et Journal | Е | LA D | ept of Revenue |
| BCF | Billion Cubic Feet | N/A | Not Available | С | U. S. Dep | ot. of Energy | F | BOE | Μ |

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

Note from the Editors

Outer Continental Shelf

Million British Thermal Units

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.

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British Thermal Unit OCS

MMBTU

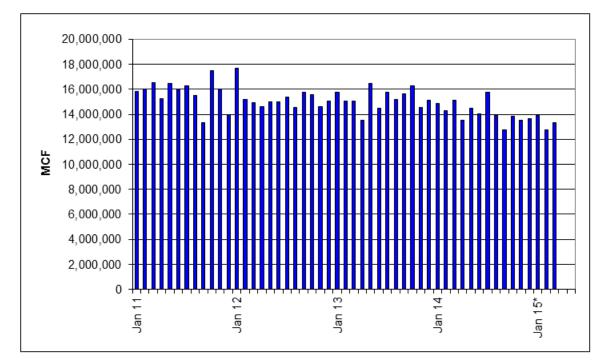
Free on Board

BTU

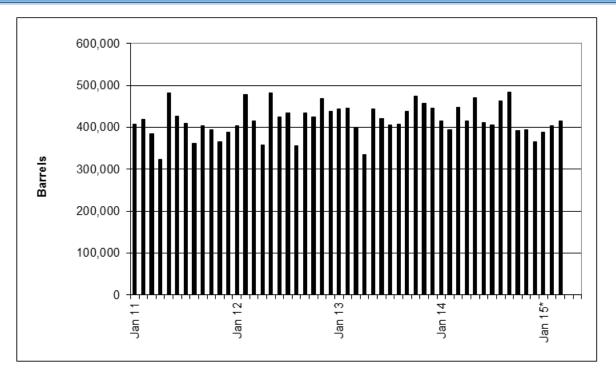
F.O.B.

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

Louisiana DNR Technology Assessment Division



Louisiana Crude Oil Production from Stripper Wells^E Louisiana DNR Technology Assessment Division



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|---|--------------------|--------------------|--------------------|
| SPOT MARKET PRICES | Jun 15 | May 15 | Jun 14 |
| Louisiana Natural Gas ^D (\$/MMBTU) | 2.70 | 2.69 | 4.51 |
| NYMEX Henry Hub Last Settle Gas Price ^B (\$/MMBTU) | 2.82 | 2.52 | 4.62 |
| Louisiana Sweet Crude - St. James ^B (\$/Barrel) | 63.23 | 64.96 | 108.22 |
| BAKER HUGHES RIG COUNTS | May 15 | Apr 15 | May 14 |
| North Louisiana ^A | 27 | 26 | 28 |
| South Louisiana Inland Waters ^A | 3 | 4 | 14 |
| South Louisiana Inland ^A | 10 | 10 | 19 |
| Louisiana State Offshore | 0 | 0 | 0 |
| Louisiana Federal OCS Offshore | 30 | 30 ² | 53 |
| Total Louisiana ^A (OCS included) | 70 | 70 | 114 |
| PRODUCTION (State Jurisdiction Only) | May 15 | Apr 15 | May 14 |
| Louisiana Crude Oil & Condensate (MMB) | 5.5 ¹ | 5.5 ¹ | 5.9 ² |
| Louisiana Natural Gas & Casinghead (BCF) | 135.1 ¹ | 138.0 ¹ | 169.8 ² |
| DRILLING PERMITS (State Jurisdiction Only) | May 15 | Apr 15 | May 14 |
| Total Louisiana Oil and Gas | 64 | 53 | 122 |
| Louisiana Wildcats | 2 | 4 | 1 ² |
| Louisiana Offshore (Wildcats included) | 1 | 0 | 0 |

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