

May 1999

# Louisiana Energy Facts

Department of Natural Resources

Technology Assessment Division

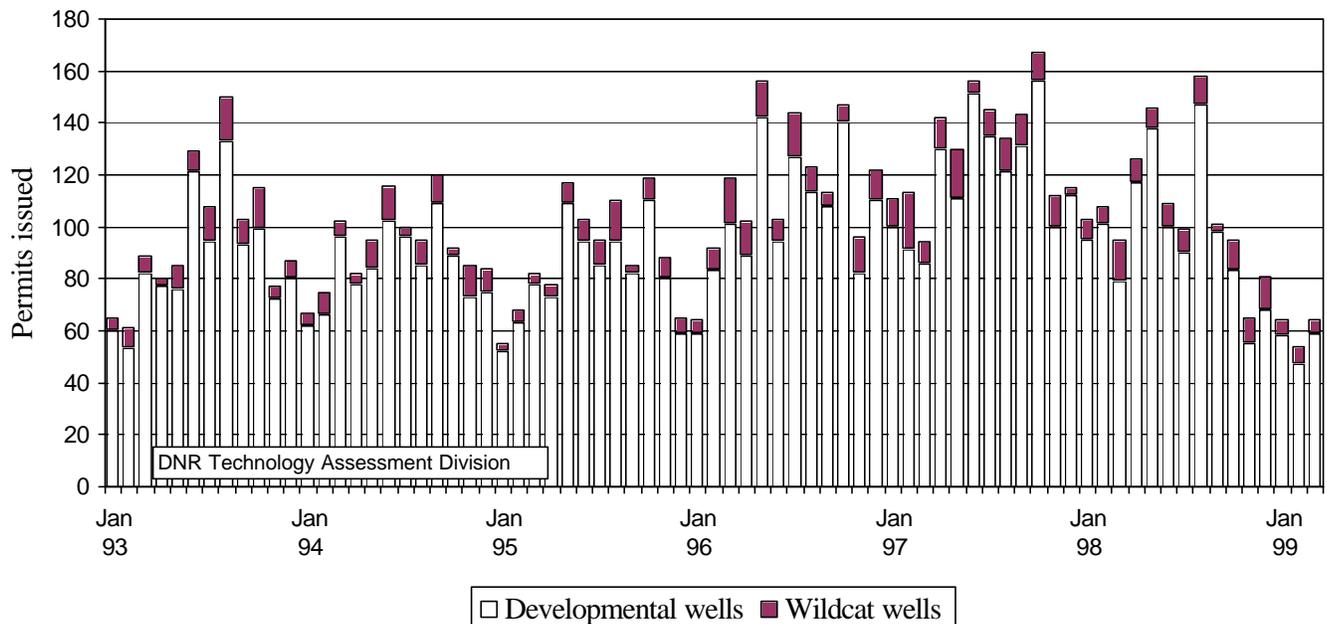
The South Louisiana Sweet crude oil spot market price has risen steadily in the past few weeks. Low levels of crude in storage, lower production rates from OPEC countries, and an expected increase in demand for gasoline during the summer months are the driving forces behind the price increase. However, this high price is very unstable, and will drop if the U.S. demand for gasoline falls short of U.S. Department of Energy's forecast, or if producing countries increase their oil output and abandon their self imposed production limits.

## Louisiana Oil and Gas Drilling Permits Issued by State of Louisiana

<u>Month</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>Percentage Change 97/98 or 98/99</u>
January	67	55	64	111	103	64	-37.86%
February	75	68	92	113	108	54	-50.00%
March	102	82	119	94	95	64	-32.63%
April	82	78	102	142	126		-11.27%
May	95	117	156	130	146		12.31%
June	116	103	103	156	109		-30.13%
July	100	95	144	145	99		-31.72%
August	95	110	123	134	158		17.91%
September	120	85	113	143	101		-29.37%
October	92	119	147	167	95		-43.11%
November	85	88	96	112	65		-41.96%
December	84	65	122	115	81		-29.57%
<b>Year Average</b>	<b>93</b>	<b>89</b>	<b>115</b>	<b>130</b>	<b>107</b>	<b>61 *</b>	

\* Partial Year

## Louisiana Drilling Permits Issued for Developmental and Wildcat Wells



	MAR 99	FEB 99	MAR 98	SOURCE
<b>SPOT MARKET PRICES</b>				
Louisiana Natural Gas Average (\$/MMBTU)	1.60	1.75	2.19	E
Louisiana Sweet Crude - St. James (\$/barrel)	13.97	11.43	14.59	B
<b>BAKER HUGHES RIG COUNTS</b>				
North Louisiana	16	14	15 <sup>2</sup>	A
South Louisiana Inland Waters	11	15	24 <sup>2</sup>	A
South Louisiana Inland	19	21	57 <sup>2</sup>	A
Louisiana Offshore (State + OCS)	88	85	116 <sup>2</sup>	A
Total Louisiana (OCS included)	134	135	212 <sup>2</sup>	A
The United States Total	526	544	928 <sup>2</sup>	A
<b>PRODUCTION</b>				
<u>LOUISIANA STATE JURISDICTION ONLY</u>				
Crude Oil & Condensate (MMB)	10.1	10.4	11.0 <sup>2</sup>	
Natural Gas & Casinghead (BCF)	118.9	115.5	120.4 <sup>2</sup>	

	NOV 98	OCT 98	NOV 97	SOURCE
<b>PRODUCTION</b>				
<u>LOUISIANA FEDERAL OFFSHORE (OCS)</u>				
Crude Oil & Condensate (MMB)	35	37 <sup>2</sup>	30 <sup>2</sup>	C
Natural Gas & Casinghead (BCF)	335	343	317 <sup>2</sup>	C
<u>THE UNITED STATES TOTAL</u>				
Crude Oil & Condensate (MMB)	182	191 <sup>2</sup>	193	C
Natural Gas & Casinghead (BCF)	1,567	1,592 <sup>2</sup>	1,547 <sup>2</sup>	C
<b>IMPORTS</b>				
<u>THE UNITED STATES TOTAL</u>				
Crude Oil (MMB)	265	262	243	C
Natural Gas (BCF)	258	271	272 <sup>2</sup>	C
<b>PERMITS</b>				
<u>LOUISIANA STATE JURISDICTION ONLY</u>				
Total Oil and Gas	65	95	112	
Wildcats	10	12	12	
State Offshore (Wildcats included)	6	5	6	
<b>PRICES</b>				
<u>CRUDE OIL (\$/barrel)</u>				
OPEC Average (F.O.B.)	8.04	10.22 <sup>2</sup>	15.00	C
U.S. Imports Average (F.O.B.)	9.36	11.00 <sup>2</sup>	16.13	C
U.S. Wellhead Average	9.65	11.32	16.48	C
Gulf OCS Wellhead Average	10.90	12.29	18.40	C
State Severance Wellhead Average	15.73	13.08	19.74	D
<u>NATURAL GAS (\$/MCF)</u>				
U.S. City Gates Average	3.01	3.02 <sup>2</sup>	3.92 <sup>2</sup>	C
U.S. Imports Average	1.81	1.75	2.72 <sup>2</sup>	C
U.S. Wellhead Average	1.94	1.84	2.92 <sup>2</sup>	C
State Royalty Wellhead Average	2.27	2.52	3.24 <sup>2</sup>	

<sup>1</sup> Estimated

<sup>2</sup> Revised

BCF: Billion Cubic Feet

BTU: British thermal unit

F.O.B.: Free on board

MCF: Thousand Cubic Feet

MMB: Million Barrels

MMBTU: Million BTU

OCS: Outer Continental Shelf

N/A: Not Available

**DATA SOURCES**

A: Oil and Gas Journal

B: Wall Street Journal

C: U.S. Department of Energy

D: Louisiana Department of Revenue and Taxation

E: DYNEGY Inc.

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

## Louisiana Energy Facts

**Louisiana Estimated Crude Oil Proved Reserves<sup>c</sup>**  
**Excluding Lease Condensate**  
**As of December 31st of Each Year**  
**(Million Barrels)**

<u>YEAR</u>	<u>NORTH</u>	<u>SOUTH ONSHORE</u>	<u>SOUTH OFFSHORE</u>	<u>FEDERAL OCS</u>	<u>TOTAL STATE</u>
1980	248	682	1,821	N/A	2,751
1981	317	642	2,026	N/A	2,985
1982	240	611	1,677	N/A	2,528
1983	223	569	1,915	N/A	2,707
1984	165	585	1,911	N/A	2,661
1985	196	565	122	1,759	2,642
1986	160	547	119	1,640	2,466
1987	175	505	127	1,514	2,321
1988	154	511	135	1,527	2,327
1989	123	479	143	1,691	2,436
1990	120	435	150	1,772	2,477
1991	127	408	144	1,775	2,454
1992	125	417	126	1,643	2,311
1993	108	382	149	1,880	2,519
1994	108	391	150	1,922	2,571
1995	108	387	142	2,269	2,906
1996	128	382	148	2,357	3,015
1997	136	427	151	2,587	3,301

Note: Federal OCS is included in the south offshore figure from 1980 through 1985

**Louisiana Estimated Lease Condensate Proved Reserves<sup>c</sup>**  
**As of December 31st of Each Year**  
**(Million Barrels)**

<u>YEAR</u>	<u>NORTH</u>	<u>SOUTH ONSHORE</u>	<u>SOUTH OFFSHORE</u>	<u>FEDERAL OCS</u>	<u>TOTAL STATE</u>
1980	36	267	296	N/A	599
1981	36	253	280	N/A	569
1982	26	243	310	N/A	579
1983	24	238	300	N/A	562
1984	19	229	269	N/A	517
1985	18	220	257	N/A	495
1986	18	208	11	230	467
1987	17	194	13	223	447
1988	17	193	13	223	446
1989	20	196	12	278	506
1990	20	182	12	258	472
1991	21	175	9	253	458
1992	19	151	8	226	404
1993	19	133	9	235	396
1994	21	123	9	233	386
1995	24	136	11	305	476
1996	24	127	11	422	584
1997	30	134	12	433	609

Note: Federal OCS is included in the south offshore figure from 1980 through 1985

<b>Spot Market Price Monthly Average</b>	
	<u>May 1999</u>
Louisiana Natural Gas (\$/MMBTU)	2.10
	<u>April 1999</u>
Louisiana Sweet Crude-St. James (\$/Barrel)	16.80
<b>PERMITS - Louisiana Jurisdiction Only</b>	
	<u>March 1999</u>
Total Oil and Gas	64
Wildcats	5
State Offshore (Wildcats included)	3

## Department of Natural Resources

Jack C. Caldwell, Secretary



### Technology Assessment Division Editorial Staff

T. Michael French, Director  
William J. Delmar, Jr., Assistant Director  
Manuel L. Lam, Senior Analyst

E-mail: [techasmt@dnr.state.la.us](mailto:techasmt@dnr.state.la.us)  
Phone:(225) 342-4593 Fax:(225) 342-2707

**The Louisiana Energy Facts is also available on DNR's home page. <http://www.dnr.state.la.us>**

[Go to DNR's home page, click on the Newsletters button and select the Facts' issue.]

This issue of **Louisiana Energy Facts** is funded 100% (\$220.80) with Petroleum Violation Escrow funds as part of the State Energy Program as approved by the U.S. Department of Energy and the Department of Natural Resources

This public document was published at a total cost of \$220.80. 1,100 copies of this public document were published in this first printing at a total cost of \$220.80. The total cost of all printing of this document, including reprints, is \$220.80. This document was published by the Department of Natural Resources, P.O. Box 94396, Baton Rouge, LA 70804-9396 to promulgate the State Energy Program developed under authority of P.L. 94-163. This material was printed in accordance with the standards for printing by State agencies established pursuant to R.S. 43:31.

**Louisiana Department of Natural Resources  
Technology Assessment Division  
P.O. Box 94396  
Baton Rouge, LA 70804-9396**

May 1999  
**Louisiana Energy Facts**