

October 2002

# Louisiana Energy Facts

Department of Natural Resources

Technology Assessment Division

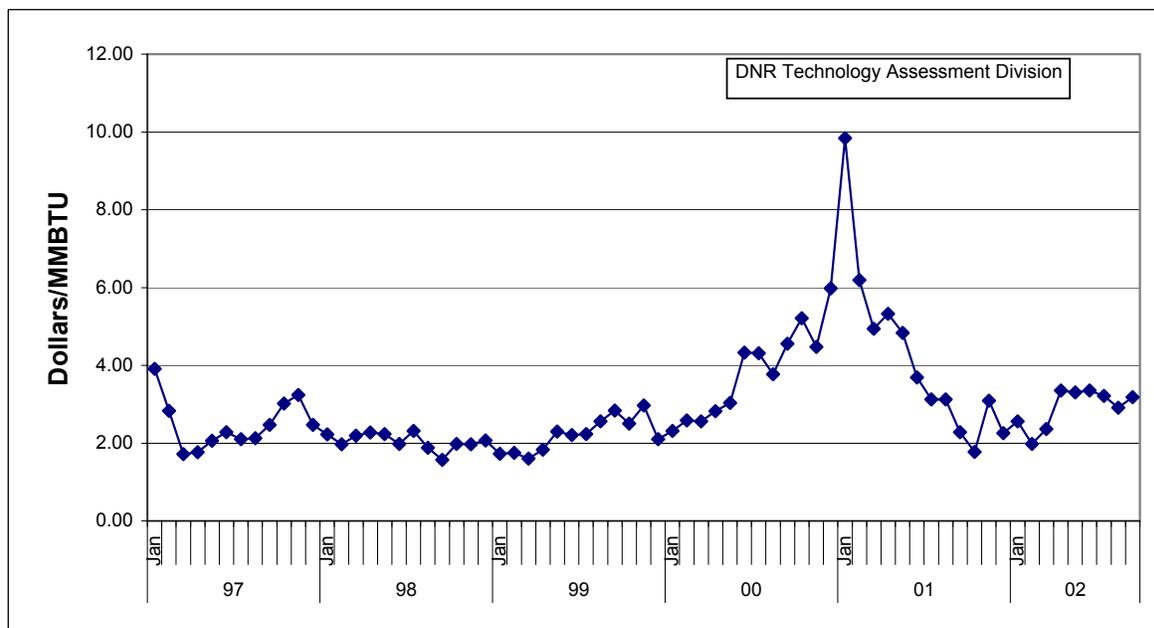
Drilling in the US has historically tracked very closely with energy prices. The current high oil and gas prices have not resulted in increases in drilling. The August, 2002 US rig count was 848 rigs, a 32% decrease from August, 2001, while the Louisiana average spot gas price for September, 2002 was \$3.18 per MMBTU, a 39% increase from September, 2001. Most experts are predicting that the price must remain above \$4.00 per MMBTU during the winter to trigger a recovery in US drilling. The decrease in supply and increase in demand in natural gas should trigger drilling activity at some point in the future, regardless of the winter gas prices.

## Louisiana Natural Gas Average Spot Prices (Dollars/MMBTU)

<u>Month</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>Change</u> <u>00/01</u>	<u>or 01/02</u>
January	3.91	2.22	1.73	2.31	9.84	2.56		-74.02%
February	2.83	1.97	1.75	2.59	6.19	1.98		-68.05%
March	1.71	2.19	1.60	2.56	4.94	2.36		-52.17%
April	1.76	2.27	1.84	2.82	5.32	3.35		-37.05%
May	2.06	2.24	2.30	3.04	4.84	3.31		-31.61%
June	2.28	1.98	2.21	4.33	3.69	3.35		-9.11%
July	2.10	2.31	2.24	4.31	3.13	3.21		2.74%
August	2.13	1.88	2.56	3.77	3.13	2.91		-6.85%
September	2.47	1.57	2.84	4.56	2.28	3.18		39.50%
October	3.02	1.98	2.50	5.21	1.78		-65.89%	
November	3.24	1.97	2.97	4.47	3.09		-30.83%	
December	2.47	2.07	2.10	5.98	2.26		-62.25%	
<b>Year Average</b>	<b>2.50</b>	<b>2.05</b>	<b>2.22</b>	<b>3.83</b>	<b>4.21</b>	<b>2.91</b>	*	

\* Partial Year

## Louisiana Natural Gas Average Spot Prices



	APR 02	MAR 02	FEB 02	APR 01
<b>PRODUCTION</b>				
<u>LOUISIANA FEDERAL OFFSHORE (OCS)</u>				
Crude Oil & Condensate <sup>C</sup> (MMB)	44	45	43	42
Natural Gas & Casinghead <sup>C</sup> (BCF)	324	335 <sup>2</sup>	289	348
<u>THE UNITED STATES TOTAL</u>				
Crude Oil & Condensate <sup>C</sup> (MMB)	177	183	166	176 <sup>2</sup>
Natural Gas & Casinghead <sup>C</sup> (BCF)	1,604	1,674 <sup>2</sup>	1,501 <sup>2</sup>	1,616 <sup>2</sup>
<b>IMPORTS</b>				
U.S. Crude Oil <sup>C</sup> (MMB)	274	268	240	295 <sup>2</sup>
U.S. Natural Gas <sup>C</sup> (BCF)	300	322 <sup>2</sup>	307 <sup>2</sup>	321 <sup>2</sup>
<b>BAKER HUGHES RIG COUNTS</b>				
U.S. Gas <sup>A</sup>	612	624	686	957
U.S. Oil <sup>A</sup>	136	143	144	247
U.S. Offshore <sup>A</sup>	105	116	123	169
U.S. Total <sup>A</sup>	750	768	825	1,206
<b>PRICES</b>				
<u>CRUDE OIL (\$/barrel)</u>				
OPEC Average <sup>C</sup> (F.O.B.)	22.60	21.54	17.65	21.91
U.S. Imports Average <sup>C</sup> (F.O.B.)	22.95	21.68	17.68	21.89
U.S. Wellhead Average <sup>C</sup>	22.09	20.04	16.92	23.41
Gulf OCS Wellhead Average <sup>C</sup>	22.11	19.44	17.95	23.90
State Severance Wellhead Average <sup>E</sup>	20.19	19.11	17.59	27.57
<u>NATURAL GAS (\$/MCF)</u>				
U.S. City Gates Average <sup>C</sup>	4.09	3.87	3.86	6.38 <sup>2</sup>
U.S. Imports Average <sup>C</sup> (F.O.B.)	2.85	2.62	2.32	5.35 <sup>2</sup>
U.S. Wellhead Average <sup>C</sup>	3.02	2.52	2.14	5.21
State Royalty Wellhead Average	2.58	2.68	2.21	5.73

<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
<b>DATA SOURCES</b>	
A: Oil and Gas Journal	B: Wall Street Journal
C: U.S. Department of Energy	D: DYNEGY Inc.
E: Louisiana Department of Revenue and Taxation	
<b>Note:</b> Unless otherwise specified, data is from the Louisiana Department of Natural Resources and excludes Federal OCS.	

<b>DEPARTMENT OF NATURAL RESOURCES</b>	
Jack C. Caldwell, Secretary	
<b>Technology Assessment Division</b>	
T. Michael French, Director	
617 North 3rd Street Rm 1150	Manuel Lam, Senior Analyst
Baton Rouge, LA 70802-5428	
<b>Mail:</b> P.O. Box 44156	
Baton Rouge, LA 70804-4156	
<b>Phone:</b> (225) 342-1270	
<b>Fax:</b> (225) 342-1397	
<b>E-mail:</b> techasmt@dnr.state.la.us	



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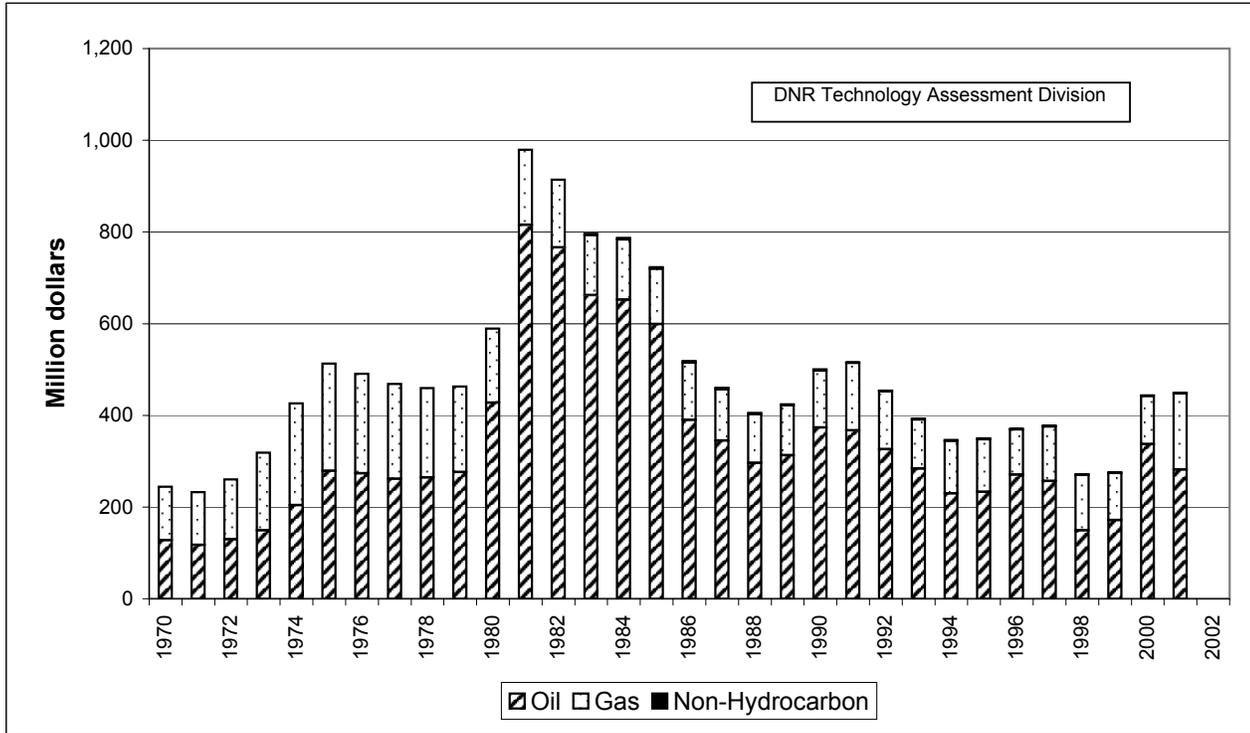
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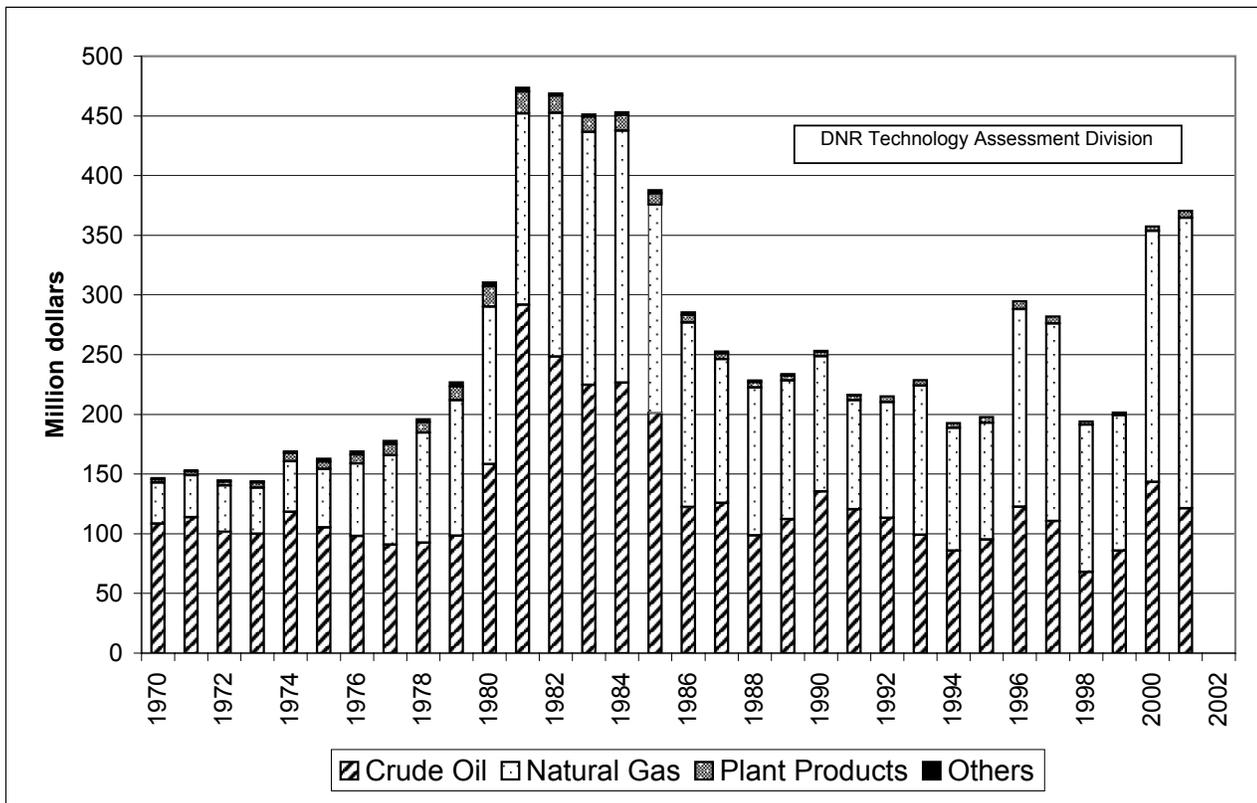
This issue of Louisiana Energy Facts is funded 100% (\$967.52) with Petroleum Violation Escrow funds as part of the State Energy Program as approved by the U.S. Department of Energy and the Department of Natural Resources

This public document was published at a total cost of \$967.52. 1,050 copies of this public document were published in this first printing at a total cost of \$967.52. The total cost of all printing of this document, including reprints, is \$967.52. This document was published by the Department of Natural Resources, P.O. Box 44156, Baton Rouge, LA 70804-4156 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 Mineral Severance Tax Revenue by Source Excluding Federal OCS



## Louisiana Mineral Royalty Revenue by Source Excluding Federal OCS



**Louisiana Department of Natural Resources**



Technology Assessment Division  
 P.O. Box 44156  
 Baton Rouge, La 70804-4156

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<b>SPOT MARKET PRICES</b>	<b>Sep 02</b>	<b>Aug 02</b>	<b>Sep 01</b>
Louisiana Natural Gas <sup>D</sup> (\$/MMBTU)	3.18	2.91	2.28
Louisiana Sweet Crude - St. James <sup>B</sup> (\$/Barrel)	29.19	27.95	26.48
<b>BAKER HUGHES RIG COUNTS</b>	<b>Aug 02</b>	<b>Jul 02</b>	<b>Aug 01</b>
North Louisiana <sup>A</sup>	23	21	36
South Louisiana Inland Waters <sup>A</sup>	17	19	21
South Louisiana Inland <sup>A</sup>	33	29	49
Louisiana Offshore <sup>A</sup> (State + OCS)	94	91	115
Total Louisiana <sup>A</sup> (OCS included)	167	160	221
<b>PRODUCTION (State Jurisdiction Only)</b>	<b>Aug 02</b>	<b>Jul 02</b>	<b>Aug 01</b>
Louisiana Crude Oil & Condensate (MMB)	8.4	8.4	8.7 <sup>2</sup>
Louisiana Natural Gas & Casinghead (BCF)	118.2	118.7	127.7 <sup>2</sup>
<b>DRILLING PERMITS (State Jurisdiction Only)</b>	<b>Aug 02</b>	<b>Jul 02</b>	<b>Aug 01</b>
Total Louisiana Oil and Gas	90	94	139
Louisiana Wildcats	10	12	9
Louisiana Offshore (Wildcats included)	9	11	4