Louisiana Energy Facts

Department of Natural Resources

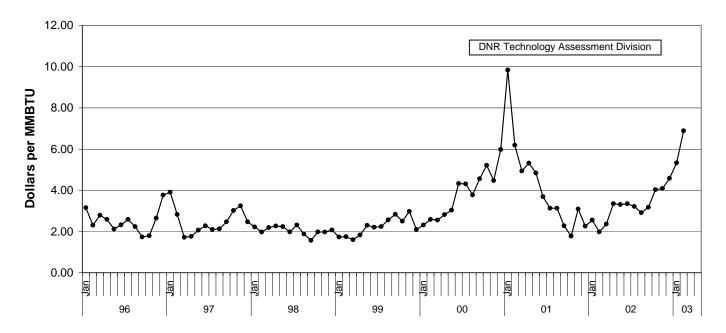
Technology Assessment Division

At the end of February, the gas spot market price reached over \$19 per MCF for a brief period. Gas prices are now around \$5 per MCF, but the psychological effect of prices over \$10 per MCF was significant. Some gas intensive industries have shut down plants, some plants with switching capabilities are using alternate fuels, and residential users have curtailed their consumption. Prices could return to last summer's level if gas intensive industries do not restart soon, weather patterns become warmer, and surplus liquifed natural gas (LNG) in the world available from low demand in Europe, comes to the U.S. Help from domestic production to fill low gas inventory is not expected, because the high price spikes have not increased drilling.

Louisiana Natural Gas Average Spot Prices (Dollars per MMBTU)

Month	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	% Change 01/02
January	2.22	1.73	2.31	9.84	2.56	-74.02%
February	1.97	1.75	2.59	6.19	1.98	-68.05%
March	2.19	1.60	2.56	4.94	2.36	-52.17%
April	2.27	1.84	2.82	5.32	3.35	-37.05%
May	2.24	2.30	3.04	4.84	3.31	-31.61%
June	1.98	2.21	4.33	3.69	3.35	-9.11%
July	2.31	2.24	4.31	3.13	3.21	2.74%
August	1.88	2.56	3.77	3.13	2.91	-6.85%
September	1.57	2.84	4.56	2.28	3.18	39.50%
October	1.98	2.50	5.21	1.78	4.03	126.53%
November	1.97	2.97	4.47	3.09	4.08	31.98%
December	2.07	2.10	5.98	2.26	4.58	103.01%
Year Average	2.05	2.22	3.83	4.21	3.24	-22.93%

Louisiana Natural Gas Average Spot Prices



	SEP 02	AUG 02	JUL 02	SEP 01
PRODUCTION				
LOUISIANA FEDERAL OFFSHORE (OCS)				
Crude Oil & Condensate ^C (MMB)	45	46	47	44
Natural Gas & Casinghead ^C (BCF) THE UNITED STATES TOTAL	330	340	342	305 ²
Crude Oil & Condensate ^C (MMB)	161	181	179	175
Natural Gas & Casinghead ^C (BCF)	1,565	1,595	1,680	1,575 2
IMPORTS				
U.S. Crude Oil ^C (MMB)	264	296	279	272
U.S. Natural Gas ^C (BCF)	335	351	329	317 2
BAKER HUGHES RIG COUNTS				
U.S. Gas ^A	736	721	716	972
U.S. Oil ^A	122	125	133	220
U.S. Offshore ^A	114	112	111	143
U.S. Total ^A	860	848	851	1,193
PRICES CRUDE OIL (\$/barrel)				
OPEC Average ^C (F.O.B.)	25.12	24.12	23.44	18.88^{-2}
U.S. Imports Average ^C (F.O.B.)	25.20	24.57	23.71	20.54 ²
U.S. Wellhead Average ^C	26.08	24.76^{-2}	23.51	22.37
Gulf OCS Wellhead Average ^C	26.65	25.97	24.45	23.95
State Severance Wellhead Average ^E	24.11	33.06	23.90	25.73
NATURAL GAS (\$/MCF)				
U.S. City Gates Average ^C	3.75	3.59	3.90	3.66
U.S. Imports Average ^C (F.O.B.)	3.05	2.90	3.11	2.63
U.S. Wellhead Average ^C	2.95	2.77	2.89	2.55
State Royalty Wellhead Average	3.24	3.00	3.26	2.32^{-2}

BCF: Billion Cubic Feet BCF: Billion Cubic Feet BTU: British thermal unit F.O.B.: Free on board MCF: Thousand Cubic Feet				
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: Natural Gas Week				
E: Louisiana Department of Revenue and Taxation				
Note: Unless otherwise specified, data is from the Louisiana Department				
of Natural Resources and excludes Federal OCS.				

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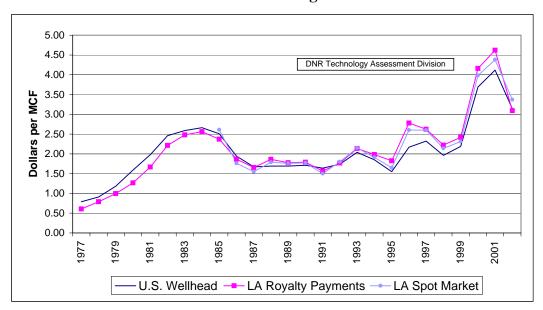
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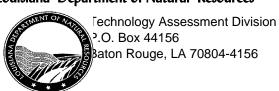
NATURAL GAS AVERAGE PRICES (Dollars per MCF)

	UN	UNITED STATES			LOUISIANA		
<u>Year</u>	Wellhead ^C	Foreign <u>Imports^C</u>	City <u>Gate^C</u>	Royalty Payments	Spot <u>Market^D</u>		
1977	0.79	1.99	1.31	0.61	N/A		
1978	0.91	2.21	1.47	0.79	N/A		
1979	1.18	2.60	1.81	1.00	N/A		
1980	1.59	4.42	2.41	1.27	N/A		
1981	1.98	4.84	2.89	1.67	N/A		
1982	2.46	4.94	3.60	2.21	N/A		
1983	2.59	4.51	4.04	2.48	N/A		
1984	2.66	4.08	3.95^{-2}	2.56	N/A		
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 ²	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	2.60		
1997	2.32	2.17	3.66	2.62^{2}	2.60		
1998	1.96	1.97	3.07	2.22^{2}	2.14		
1999	2.19	2.24	3.10	2.42^{-2}	2.31		
2000	3.69 ²	3.94 ²	4.62	4.16 ²	3.98		
2001	4.12^{-2}	4.34 ²	5.77 ²	4.62 2	4.38		
2002^{1}	3.14	3.07	4.26	3.09	3.37		

Natural Gas Average Prices



Louisiana Department of Natural Resources



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SPOT MARKET PRICES	<u>Feb 03</u>	<u>Jan 03</u>	Feb 02
Louisiana Natural Gas ^D (\$/MMBTU)	6.89	5.33 r	1.98
Louisiana Sweet Crude - St. James ^B (\$/Barrel)	35.81	33.57	21.06
BAKER HUGHES RIG COUNTS	<u>Jan 03</u>	<u>Dec 02</u>	<u>Jan 02</u>
North Louisiana ^A	22	25	24
South Louisiana Inland Waters ^A	19	14	15
South Louisiana Inland ^A	31	32	32
Louisiana Offshore ^A (State + OCS)	90	90	98
Total Louisiana ^A (OCS included)	163	160	169
PRODUCTION (State Jurisdiction Only)	<u>Jan 03</u>	<u>Dec 02</u>	<u>Jan 02</u>
Louisiana Crude Oil & Condensate (MMB)	7.7	7.8	8.2
Louisiana Natural Gas & Casinghead (BCF)	110.7	108.6	117.1 r
DRILLING PERMITS (State Jurisdiction Only)	<u>Jan 03</u>	<u>Dec 02</u>	<u>Jan 02</u>
Total Louisiana Oil and Gas	103	78	45
Louisiana Wildcats	11	6	3
Louisiana Offshore (Wildcats included)	6	11	3