

May 2004

# Louisiana Energy Facts

Department of Natural Resources

Technology Assessment Division

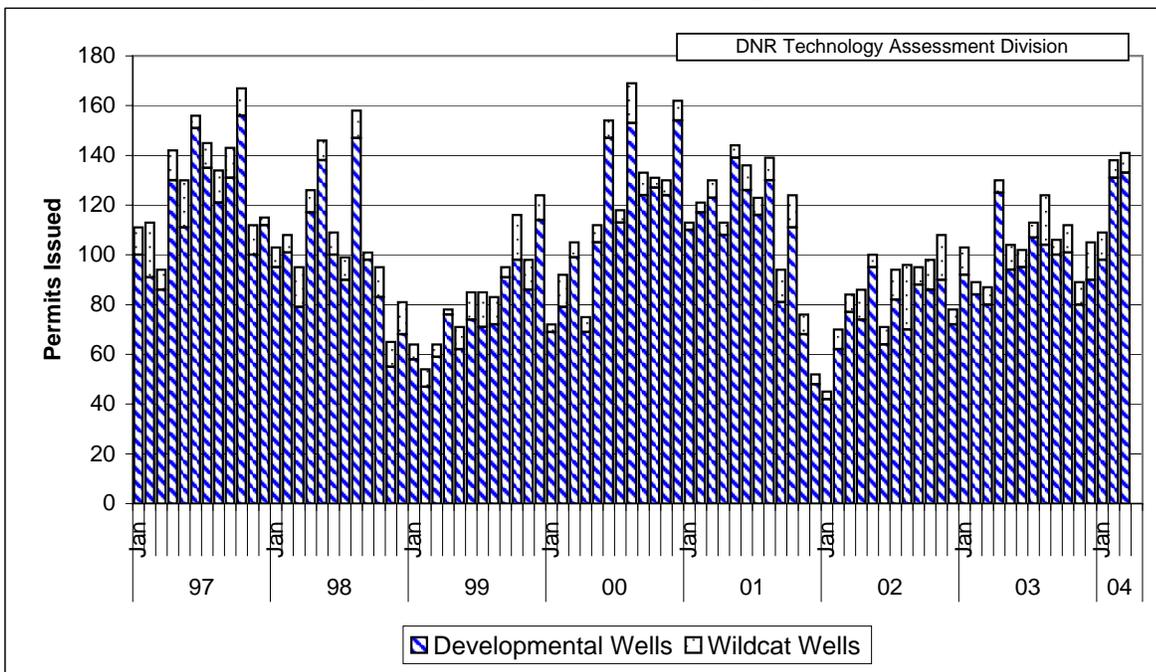
Crude oil prices continue to rise. The spot market price for Louisiana sweet crude oil is around \$40/barrel, 41% higher than the price of \$28.30/barrel in May 2003. The value of crude oil has not reached this level since September 1990 when oil was valued at \$40.80/barrel, prior to the Gulf War. Saudi oil minister, Ali Naimi, cites, “...the market’s unwarranted fear of disruptions in supplies from some oil producing countries and regions at a time when only the kingdom and probably two or three countries have spare production capacity...” as the main reason for higher oil prices. Naimi stated he will ask OPEC to raise its production ceiling by 1.5 million barrels/day, when it meets in June in an effort to ease prices.

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

<u>Month</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>% Change</u>	
							<u>02/03</u>	<u>03/04</u>
January	64	72	113	45	103	109		5.83%
February	54	92	121	70	89	138		55.06%
March	64	105	130	84	87	141		62.07%
April	78	75	113	86	130		51.16%	
May	71	112	144	100	104		4.00%	
June	85	154	136	71	102		43.66%	
July	85	118	123	94	113		20.21%	
August	83	169	139	96	124		29.17%	
September	95	133	94	95	106		11.58%	
October	116	131	124	98	112		14.29%	
November	98	130	76	108	89		-17.59%	
December	124	162	52	78	105		34.62%	
<b>Year Average</b>	<b>85</b>	<b>121</b>	<b>114</b>	<b>85</b>	<b>105</b>	<b>129*</b>		

\* Partial Year

## Louisiana Drilling Permits Issued for Developmental and Wildcat Wells



	NOV 03	OCT 03	SEP 03	NOV 02
<b>PRODUCTION</b>				
<u>LOUISIANA FEDERAL OFFSHORE (OCS)</u>				
Crude Oil & Condensate <sup>C</sup> (MMB)	43	44	43	46 <sup>2</sup>
Natural Gas & Casinghead <sup>C</sup> (BCF)	261	278 <sup>2</sup>	269 <sup>2</sup>	291 <sup>2</sup>
<u>THE UNITED STATES TOTAL</u>				
Crude Oil & Condensate <sup>C</sup> (MMB)	169	175	170	174
Natural Gas & Casinghead <sup>C</sup> (BCF)	1,545	1,606 <sup>2</sup>	1,568 <sup>2</sup>	1,563 <sup>2</sup>
<b>IMPORTS</b>				
U.S. Crude Oil <sup>C</sup> (MMB)	284	315	312	286
U.S. Natural Gas <sup>C</sup> (BCF)	313	331 <sup>2</sup>	322 <sup>2</sup>	331 <sup>2</sup>
<b>BAKER HUGHES RIG COUNTS</b>				
U.S. Gas <sup>A</sup>	952	941	936	683
U.S. Oil <sup>A</sup>	158	158	154	146
U.S. Offshore <sup>A</sup>	106	106	109	110
U.S. Total <sup>A</sup>	1,111	1,102	1,093	834
<b>PRICES</b>				
<u>CRUDE OIL (\$/barrel)</u>				
OPEC Average <sup>C</sup> (F.O.B.)	26.09	25.84 <sup>2</sup>	23.79 <sup>2</sup>	22.36 <sup>2</sup>
U.S. Imports Average <sup>C</sup> (F.O.B.)	26.03	26.06	24.10	22.42
U.S. Wellhead Average <sup>C</sup>	27.21	26.52	25.23	23.38
Gulf OCS Wellhead Average <sup>C</sup>	28.97	27.40 <sup>2</sup>	26.80	25.54
State Severance Wellhead Average <sup>E</sup>	27.86	29.81	30.25	26.89
<u>NATURAL GAS (\$/MCF)</u>				
U.S. City Gates Average <sup>C</sup>	5.53	5.25 <sup>2</sup>	5.58 <sup>2</sup>	4.65 <sup>2</sup>
U.S. Imports Average <sup>C</sup> (F.O.B.)	4.12	4.12 <sup>2</sup>	5.02 <sup>2</sup>	4.04 <sup>2</sup>
U.S. Wellhead Average <sup>C</sup>	4.34	4.43 <sup>2</sup>	4.58	3.59
State Royalty Wellhead Average	4.81	4.40	4.97	4.21 <sup>2</sup>
NYMEX Henry Hub End of the Month Settle Gas Price <sup>B</sup> (\$/MMBTU)	4.46	4.54 <sup>2</sup>	4.93	4.13

<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: Natural Gas Week
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.	

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**LOUISIANA ESTIMATED CRUDE OIL 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>LOUISIANA TOTAL</u>	<u>TOTAL US</u>
1984	165	585	1,911	N/A	2,661	28,446
1985	196	565	122	1,759	2,642	28,416
1986	160	547	119	1,640	2,466	26,889
1987	175	505	127	1,514	2,321	27,256
1988	154	511	135	1,527	2,327	26,825
1989	123	479	143	1,691	2,436	26,501
1990	120	435	150	1,772	2,477	26,254
1991	127	408	144	1,775	2,454	24,682
1992	125	417	126	1,643	2,311	23,745
1993	108	382	149	1,880	2,519	22,957
1994	108	391	150	1,922	2,571	22,457
1995	108	387	142	2,269	2,906	22,351
1996	128	382	148	2,357	3,015	22,017
1997	136	427	151	2,587	3,301	22,546
1998	101	357	97	2,483	3,038	21,034
1999	108	384	108	2,442	3,042	21,765
2000	97	310	122	2,751	3,280	22,045
2001	87	341	136	3,877	4,441	22,446
2002	75	335	91	4,088	4,589	22,677

Note: Federal OCS is included in the south offshore figure in 1984

**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>LOUISIANA TOTAL</u>	<u>TOTAL US</u>
1984	19	229	269	N/A	517	1,522
1985	18	220	257	N/A	495	1,453
1986	18	208	11	230	467	1,436
1987	17	194	13	223	447	1,402
1988	17	193	13	223	446	1,389
1989	20	196	12	278	506	1,389
1990	20	182	12	258	472	1,302
1991	21	175	9	253	458	1,244
1992	19	151	8	226	404	1,226
1993	19	133	9	235	396	1,192
1994	21	123	9	233	386	1,147
1995	24	136	11	305	476	1,197
1996	24	127	11	422	584	1,307
1997	30	134	12	433	609	1,341
1998	23	138	16	435	612	1,336
1999	25	134	15	435	609	1,295
2000	22	130	17	437	606	1,333
2001	27	141	19	325	512	1,398
2002	19	107	11	300	437	1,346

Note: Federal OCS is included in the south offshore figure from 1984 through 1985

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<b>SPOT MARKET PRICES</b>	<b><u>Apr 04</u></b>	<b><u>Mar 04</u></b>	<b><u>Apr 03</u></b>
Louisiana Natural Gas <sup>D</sup> (\$/MMBTU)	5.67	5.32	5.19
NYMEX Henry Hub Last Settle Gas Price <sup>B</sup> (\$/MMBTU)	5.37	5.15	5.15
Louisiana Sweet Crude - St. James <sup>B</sup> (\$/Barrel)	36.22	36.94	27.92
<b>BAKER HUGHES RIG COUNTS</b>	<b><u>Mar 04</u></b>	<b><u>Feb 04</u></b>	<b><u>Mar 03</u></b>
North Louisiana <sup>A</sup>	36	38	23
South Louisiana Inland Waters <sup>A</sup>	16	17	17
South Louisiana Inland <sup>A</sup>	34	28	30
Louisiana Offshore <sup>A</sup> (State + OCS)	81	84	84
Total Louisiana <sup>A</sup> (OCS included)	167	167	154
<b>PRODUCTION (State Jurisdiction Only)</b>	<b><u>Mar 04</u></b>	<b><u>Feb 04</u></b>	<b><u>Mar 03</u></b>
Louisiana Crude Oil & Condensate (MMB)	7.2	7.3	7.9 <sup>2</sup>
Louisiana Natural Gas & Casinghead (BCF)	104.1	104.6	117.3 <sup>2</sup>
<b>DRILLING PERMITS (State Jurisdiction Only)</b>	<b><u>Mar 04</u></b>	<b><u>Feb 04</u></b>	<b><u>Mar 03</u></b>
Total Louisiana Oil and Gas	141	138	87
Louisiana Wildcats	8	7	7
Louisiana Offshore (Wildcats included)	9	4	8