

LOUISIANA ENERGY FACTS

Louisiana Department of Natural Resources
Technology Assessment Division

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Featured Article
[Observations on
Progress of Electricity
Deregulation in the U.S.](#)



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Hurricane Katrina _____ SEPTEMBER 2005

UPDATE FOR SUBSCRIBERS IN AFFECTED AREAS

In the wake of the Hurricane Katrina disaster, the Technology Assessment Division staff are doing everything we can to anticipate the needs of our subscribers.

The US Postal Service (USPS) is currently not accepting Standard Mail (Letters and Flats) or Periodicals Mail — from any source—addressed for delivery within the following three-digit ZIP Code ranges: 395, 700, 701 and 704. This emergency action has been taken as a result of severe facility damage, evacuations and other issues resulting from Hurricane Katrina. As circumstances warrant, service updates will be available on the USPS web site: www.usps.com/.

All *Louisiana Energy Facts* subscribers may access issues by visiting our web site: <http://www.dnr.louisiana.gov/tad>. In order to supply our subscribers with current or missed issues of *Louisiana Energy Facts*, we encourage those who have either **temporarily relocated** or **experience a loss of power and/or internet access** to contact us to arrange a temporary alternate delivery method until regular services resume. Please call us at (225) 342-1270 or send email to techasmt@la.gov.

Highlights _____

Oil and gas drilling in Louisiana is improving; activity has steadily increased over the past two years. In July 2005, 201 oil and gas drilling permits were issued. This is a 70.3% increase from 118 in July 2004 and a 77.9% increase from 113 in July 2003. The last time the state issued over 200 drilling permits was 16 years ago in August of 1990. This increase in drilling activity can be attributed to high oil and gas prices, the political turmoil in Iraq and Nigeria, a changing of the guard in Saudi Arabia, increased demand in Asian markets, and hostilities between the U.S. and Venezuelan governments.

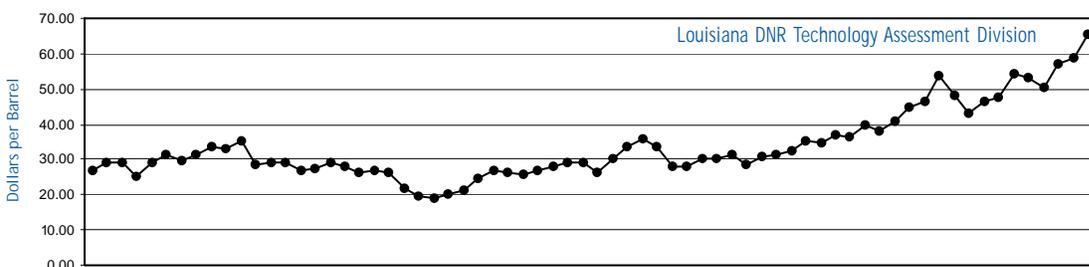
Louisiana Sweet Crude Oil Average Spot Prices at St. James*

Dollars per Barrel

Month	2000	2001	2002	2003	2004	2005	% Change	
							03/04	04/05
January	27.03	29.29	20.10	33.57	35.09	46.60		32.80%
February	29.37	28.96	21.06	35.81	34.46	47.67		38.33%
March	29.24	26.68	24.76	33.46	36.94	54.49		47.51%
April	25.38	27.33	26.65	27.92	36.22	53.48		47.65%
May	29.00	29.05	26.57	28.23	40.03	50.42		25.96%
June	31.62	28.04	25.65	30.26	37.81	56.64		49.80%
July	29.61	26.25	26.97	30.44	40.95	58.98		44.03%
August	31.49	26.84	27.95	31.57	45.03	65.66		45.81%
September	33.78	26.48	29.19	28.55	46.34		62.31%	
October	33.28	22.10	29.02	30.88	53.67		73.80%	
November	35.09	19.82	26.25	31.13	48.14		54.64%	
December	28.62	19.28	30.04	32.59	42.97		31.85%	
Year Average	30.29	25.84	26.18	31.20	41.47	54.24 **		

* All data are revised, see July 2001 statistics changes explanation.

** Partial Year



Current Oil & Gas Data

Louisiana DNR Technology Assessment Division

PRODUCTION	MAR 05	FEB 05	JAN 05	MAR 04
LOUISIANA FEDERAL OFFSHORE (OCS)				
Crude Oil & Condensate ^C (MMB)	41	39	41	43
Natural Gas & Casinghead ^C (BCF)	242	232	257	270
THE UNITED STATES TOTAL				
Crude Oil & Condensate ^C (MMB)	165	160	167	174
Natural Gas & Casinghead ^C (BCF)	1,605	1,464 ²	1,613 ²	1,617 ²
IMPORTS				
U.S. Crude Oil ^C (MMB)	314	284	305	312
U.S. Natural Gas ^C (BCF)	325	342 ²	376 ²	348 ²
BAKER HUGHES RIG COUNTS				
U.S. Gas ^A	1,118	1,083	1,075	968
U.S. Oil ^A	186	192	178	164
U.S. Offshore ^A	96	104	103	94
U.S. Total ^A	1,306	1,276	1,255	1,135
PRICES				
CRUDE OIL (\$/barrel)				
OPEC Average ^C (F.O.B.)	45.83	41.03	37.51	30.08
U.S. Imports Average ^C (F.O.B.)	44.42	39.05	35.65	30.02
U.S. Wellhead Average ^C	47.39	42.06	40.18	32.83 ²
Gulf OCS Wellhead Average ^C	47.93	42.44	41.02	33.01
State Severance Wellhead Average ^E	48.79	49.14	47.82	22.12 ²
NATURAL GAS (\$/MCF)				
U.S. City Gates Average ^C	7.21	7.13	7.06	6.22
U.S. Imports Average ^C (F.O.B.)	6.50	6.12	6.02	5.14
U.S. Wellhead Average ^C	5.98	5.59	5.52	4.97
State Royalty Wellhead Average	7.04	6.61	6.36	5.92
NYMEX Henry Hub End of the Month Settle Gas Price ^B (\$/MMBTU)	6.30	6.29	6.21	5.15

Key

1	Estimated	MCF	Thousand Cubic Feet
2	Revised	MMB	Million Barrels
BCF	Billion Cubic Feet	N/A	Not Available
BTU	British Thermal Unit	OCS	Outer Continental Shelf
F.O.B.	Free on Board		

Data Sources

A	Oil & Gas Journal	D	Natural Gas Week
B	Wall Street Journal	E	LA Dept of Revenue
C	U. S. Dept. of Energy		

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

Note from the Editors

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.

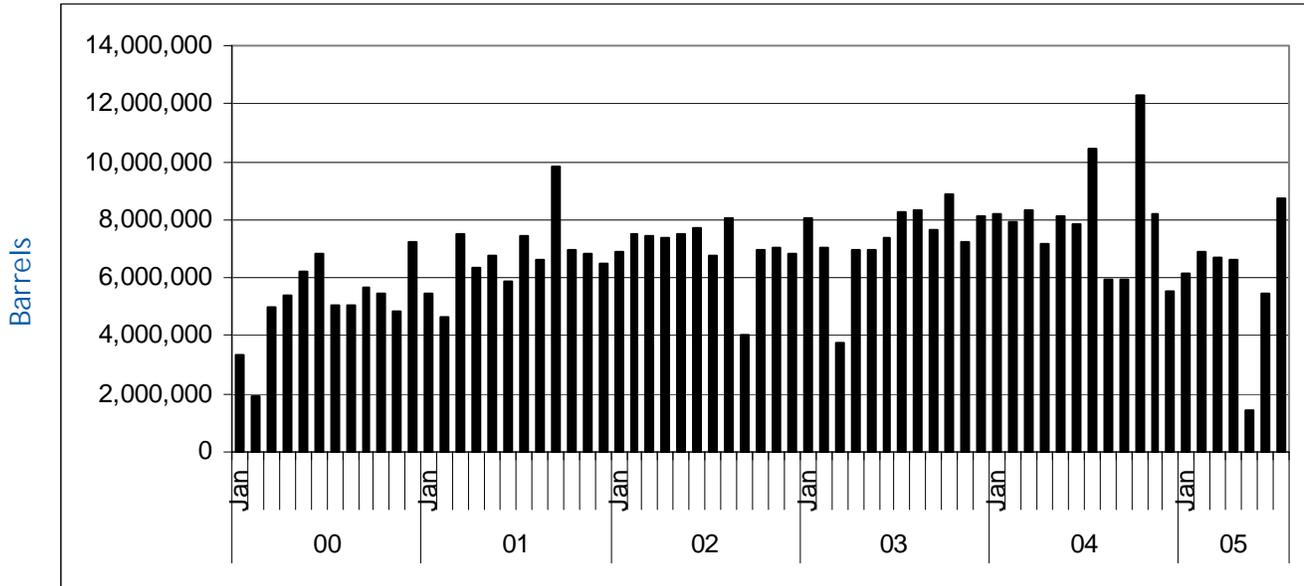
Louisiana Energy Facts featured articles provide insight and information on subjects of special interest to our readers, and may announce relevant, forthcoming publications.

These documents are available on the Louisiana Department of Natural Resources, Technology Assessment Division home page: <http://www.dnr.louisiana.gov/tad>. From the menu, select **Energy Data & Reports**; choose **Louisiana Energy Facts Newsletter**. Our current online holdings include issues dating from 1998 through the present. If the issue you are seeking is unavailable, please contact us.

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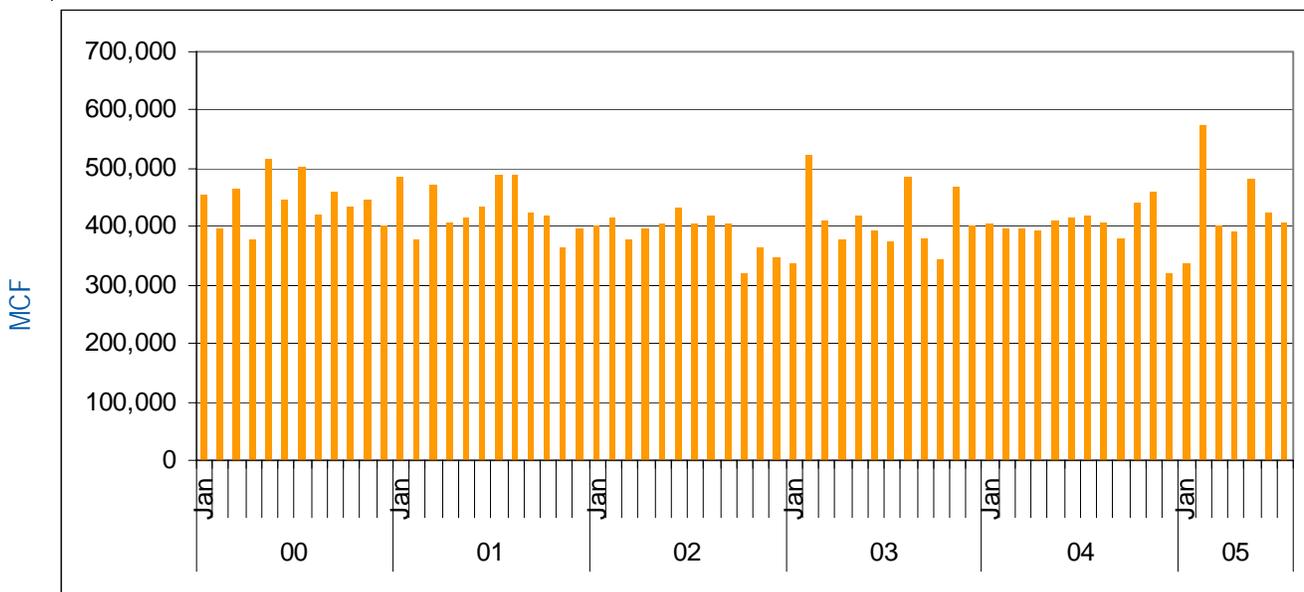
Louisiana Crude Oil Production from Stripper Wells

Louisiana DNR Technology Assessment Division



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

Louisiana DNR Technology Assessment Division



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Quick Facts		SEPTEMBER 2005		
		<i>Louisiana DNR Technology Assessment Division</i>		
SPOT MARKET PRICES		Aug 05	Jul 05	Aug 04
Louisiana Natural Gas ^D (\$/MMBTU)		8.65	7.39	5.55
NYMEX Henry Hub Last Settle Gas Price ^B (\$/MMBTU)		7.65	6.98	6.05
Louisiana Sweet Crude - St. James ^B (\$/Barrel)		65.66	58.98	45.03
BAKER HUGHES RIG COUNTS		Jul 05	Jun 05	Jul 04
North Louisiana ^A		50	50	36
South Louisiana Inland Waters ^A		25	23	17
South Louisiana Inland ^A		31	29	32
Louisiana State Offshore		3	4	3
Louisiana Federal OCS Offshore		87	81	79
Total Louisiana ^A (OCS included)		196	187	167
PRODUCTION (State Jurisdiction Only)		Jul 05	Jun 05	Jul 04
Louisiana Crude Oil & Condensate (MMB)		6.7	6.7	7.2 ²
Louisiana Natural Gas & Casinghead (BCF)		109.2	110.1	116.1 ²
DRILLING PERMITS (State Jurisdiction Only)		Jul 05	Jun 05	Jul 04
Total Louisiana Oil and Gas		201	189	118
Louisiana Wildcats		14	16	3
Louisiana Offshore (Wildcats included)		5	5	4