

LOUISIANA ENERGY FACTS

Louisiana Department of Natural Resources
Technology Assessment Division

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Department of Natural
Resources

Scott A. Angelle, Secretary

Technology Assessment
Division

T. Michael French, Director
Manuel Lam, Senior Analyst

617 North Third Street
Baton Rouge, LA 70802

Tel. (225) 342-1270
Fax. (225) 242-1397
Email: techasmt@la.gov
www.dnr.louisiana.gov/tad

Highlights

APRIL 2009

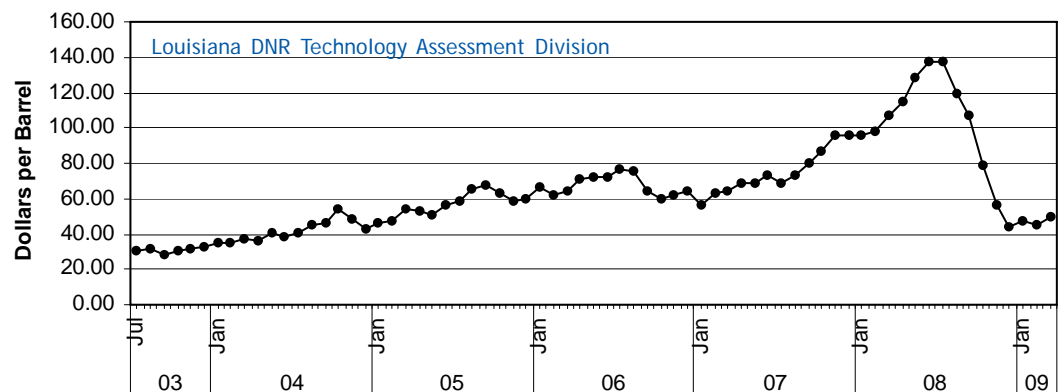
Natural gas spot prices continue to weaken. The April NYMEX futures contract for natural gas was \$3.63 per MMBTU, the lowest monthly settlement price since September 2002. The May futures contract price of \$3.59 per MMBTU (April 7, 2009) continues to show the downward trend. The April 2009 closing settlement price was the fourth consecutive closing settlement price that was lower than the previous one. Gas demand is expected to drop further. The U.S. Department of Energy data projects a 6 percent decline in gas demand in chemical and factory sector usage this year. Bloomberg reported that Ellen Hannan, an energy analyst from Greenwich, Connecticut, estimated a 6.3 percent decline in industrial demand for gas, and a 2 percent decline in natural gas consumption by power generators. Optimistic tropical storm forecasts are also contributing to the expectation that the natural gas supply will not be curtailed. Colorado State University reduced their prediction of named tropical storms in the Atlantic from 14 to 12. They also reduced the number of tropical storms predicted to turn into hurricanes from 7 to 6.

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

(Dollars per Barrel)

| Month | | | | | | | % Change | |
|---------------------|--------------|--------------|--------------|--------------|---------------|-----------------|----------|---------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 07/08 | 08/09 |
| January | 35.09 | 46.60 | 66.01 | 56.72 | 96.12 | 47.17 | 69.46% | -50.93% |
| February | 34.46 | 47.67 | 62.22 | 62.56 | 98.45 | 45.63 | 57.37% | -53.65% |
| March | 36.94 | 54.49 | 64.33 | 64.62 | 107.45 | 50.08 | 66.28% | -53.39% |
| April | 36.22 | 53.48 | 71.43 | 69.19 | 115.13 | | 66.40% | |
| May | 40.03 | 50.42 | 72.51 | 69.09 | 128.74 | | 86.34% | |
| June | 37.81 | 56.64 | 71.84 | 73.20 | 137.91 | | 88.40% | |
| July | 40.95 | 58.98 | 76.27 | 69.14 | 137.80 | | 99.31% | |
| August | 45.03 | 65.66 | 75.05 | 73.33 | 119.41 | | 62.84% | |
| September | 46.34 | 67.19 | 63.91 | 79.86 | 107.07 | | 34.07% | |
| October | 53.67 | 62.77 | 59.52 | 86.25 | 78.78 | | -8.66% | |
| November | 48.14 | 58.59 | 61.53 | 95.97 | 56.74 | | -40.88% | |
| December | 42.97 | 59.78 | 64.67 | 95.32 | 43.93 | | -53.91% | |
| Year Average | 41.47 | 56.86 | 67.44 | 74.60 | 102.29 | 47.63 ** | | |

** Partial Year



Current Oil & Gas Data

Louisiana DNR Technology Assessment Division

| PRODUCTION | OCT 08 | SEP 08 | AUG 08 | OCT 07 |
|---|-----------------|-----------------|------------------|--------------------|
| LOUISIANA FEDERAL OFFSHORE (OCS) | | | | |
| Crude Oil & Condensate ^C (MMB) | 18 ¹ | 7 ¹ | 32 ¹ | 36 ¹ |
| Natural Gas & Casinghead ^C (BCF) | 70 ¹ | 32 ¹ | 140 ¹ | 174 ¹ |
| THE UNITED STATES TOTAL | | | | |
| Crude Oil & Condensate ^C (MMB) | 144 | 119 | 152 | 156 |
| Natural Gas & Casinghead ^C (BCF) | 1,727 | 1,540 | 1,781 | 1,640 ² |
| IMPORTS | | | | |
| U.S. Crude Oil ^C (MMB) | 313 | 252 | 319 | 303 ² |
| U.S. Natural Gas ^C (BCF) | 320 | 313 | 326 ² | 347 ² |
| BAKER HUGHES RIG COUNTS | | | | |
| U.S. Gas ^A | 1,542 | 1,585 | 1,581 | 1,435 |
| U.S. Oil ^A | 422 | 417 | 397 | 321 |
| U.S. Offshore ^A | 73 | 72 | 67 | 49 |
| U.S. Total ^A | 1,976 | 2,014 | 1,987 | 1,762 |
| PRICES | | | | |
| CRUDE OIL (\$/barrel) | | | | |
| OPEC Average ^C (F.O.B.) | 62.77 | 91.11 | 108.99 | 82.10 ² |
| U.S. Imports Average ^C (F.O.B.) | 63.15 | 91.65 | 108.10 | 78.51 ² |
| U.S. Wellhead Average ^C | 73.22 | 98.50 | 112.83 | 79.32 |
| Gulf OCS Wellhead Average ^C | 90.11 | 117.29 | 123.56 | 77.75 |
| State Severance Wellhead Average ^E | 118.52 | 132.61 | 123.46 | 71.31 |
| NATURAL GAS (\$/MCF) | | | | |
| U.S. City Gates Average ^C | 7.88 | 8.96 | 10.13 | 7.39 ² |
| U.S. Imports Average ^C (F.O.B.) | 6.40 | 7.54 | 8.67 | 6.35 |
| U.S. Wellhead Average ^C | 6.36 | 7.27 | 8.32 | 5.90 ² |
| State Royalty Wellhead Average | 7.44 | 8.80 | 9.55 | 6.75 ² |
| NYMEX Henry Hub End of the Month Settle Gas Price ^B (\$/MMBTU) | 7.47 | 8.39 | 9.22 | 6.42 |

Key

Data Sources

| | | | | | | | |
|--------------|----------------------|--------------|-------------------------------|---|-----------------------|----------|--------------------|
| 1 | Estimated | MCF | Thousand Cubic Feet | A | Oil & Gas Journal | D | Natural Gas Week |
| 2 | Revised | MMB | Million Barrels | B | Wall Street Journal | E | LA Dept of Revenue |
| BCF | Billion Cubic Feet | NA | Not Available | C | U. S. Dept. of Energy | | |
| BTU | British Thermal Unit | OCS | Outer Continental Shelf | Note: Unless otherwise specified, data is from the Louisiana Department of Natural Resources and excludes Federal OCS. | | | |
| FO.B. | Free on Board | MMBTU | Million British Thermal Units | | | | |

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 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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Average Crude Oil Prices

(Dollars/Barrel)

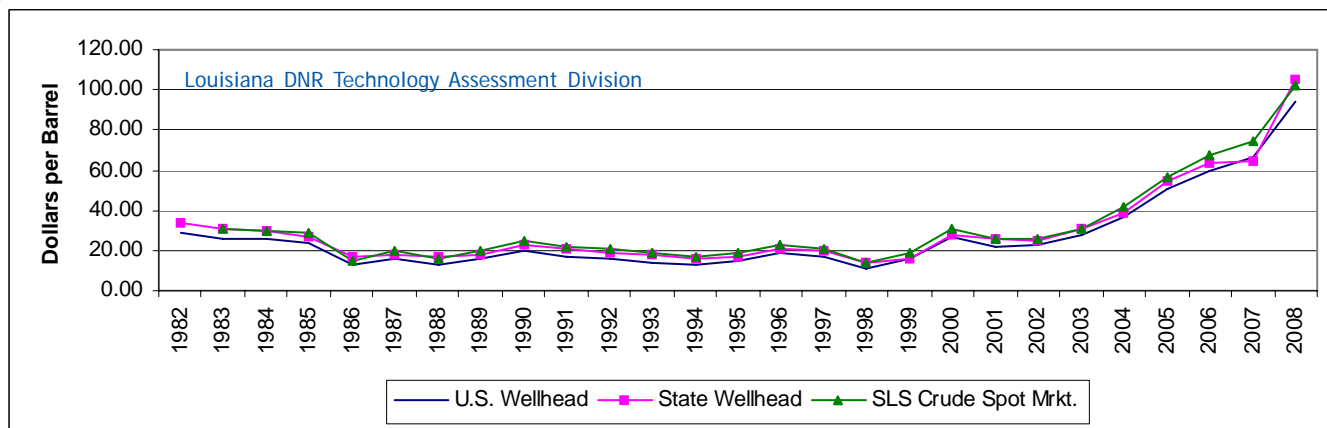
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(Dollars/Barrel)

UNITED STATES

LOUISIANA

| YEAR | REFINERY | | | DOE WELLHEAD ^C | STATE WELLHEAD ^D | FEDERAL OCS ^C | SPOT MARKET |
|------|--------------------------------|--------------------------------------|-------------------------------|------------------------------|--------------------------------|-----------------------------|----------------|
| | IMPORTS F.O.B. ^C | DOMESTIC ACQUISITION ^C | U.S. WELLHEAD ^C | | | | |
| 1985 | 25.84 | 26.66 | 24.09 | 27.22 | 27.18 | 27.33 | 28.42 |
| 1986 | 12.52 | 14.82 | 12.51 | 15.32 | 17.23 | 15.27 | 14.72 |
| 1987 | 16.69 | 17.76 | 15.40 | 17.97 | 17.55 | 17.54 | 19.38 |
| 1988 | 13.25 | 14.74 | 12.58 | 15.22 | 16.38 | 14.71 | 16.13 |
| 1989 | 16.89 | 17.87 | 15.86 | 18.39 | 17.87 | 17.83 | 19.75 |
| 1990 | 20.37 | 22.59 | 20.03 | 23.04 | 22.54 | 22.40 | 25.11 |
| 1991 | 16.91 ² | 19.35 | 16.53 | 20.15 | 21.13 | 19.40 | 21.70 |
| 1992 | 16.66 ² | 18.62 | 16.00 | 19.01 | 19.31 | 18.38 | 20.77 |
| 1993 | 14.72 | 16.66 | 14.24 | 16.72 | 17.39 | 16.17 | 18.56 |
| 1994 | 14.13 | 15.64 | 13.19 | 15.61 | 15.46 | 14.72 | 17.25 |
| 1995 | 15.69 | 17.32 | 14.62 | 17.06 | 16.98 | 16.16 | 18.60 |
| 1996 | 19.24 ² | 20.81 | 18.46 | 20.87 | 20.56 | 20.00 | 22.32 |
| 1997 | 16.98 ² | 19.65 | 17.23 | 19.23 | 19.80 | 18.63 | 20.69 |
| 1998 | 10.75 | 13.15 | 10.93 | 12.52 | 13.68 | 12.03 | 14.21 |
| 1999 | 16.48 | 17.64 | 15.53 | 17.55 | 16.09 | 16.46 | 19.00 |
| 2000 | 26.26 ² | 29.08 | 26.72 | 29.14 ² | 28.10 | 27.57 ² | 30.29 |
| 2001 | 20.45 ² | 24.34 | 21.90 ² | 24.70 ² | 26.23 | 23.36 ² | 25.84 |
| 2002 | 22.57 ² | 24.56 | 22.50 ² | 24.92 ² | 25.17 | 23.36 ² | 26.18 |
| 2003 | 26.06 ² | 29.78 ² | 27.54 ² | 30.50 ² | 30.28 | 28.69 ² | 31.20 |
| 2004 | 33.75 | 38.97 | 38.86 ² | 40.43 ² | 38.34 | 37.54 ² | 41.47 |
| 2005 | 47.47 | 53.05 ² | 50.53 ² | 54.68 ² | 54.62 | 50.97 ² | 56.86 |
| 2006 | 57.03 ² | 62.50 ² | 59.65 ² | 64.17 ² | 63.55 | 60.62 ² | 67.44 |
| 2007 | 66.12 ² | 69.56 ² | 66.55 | 71.98 ² | 64.14 | 67.42 ² | 74.60 |
| 2008 | 89.53 | 98.33 | 94.22 | 99.53 | 104.86 | 100.00 | 102.29 |



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LOUISIANA DEPARTMENT OF NATURAL RESOURCES
 Technology Assessment Division
 P. O. Box 94396
 Baton Rouge, LA 70804-9396

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Quick Facts

APRIL 2009

Louisiana DNR Technology Assessment Division

| SPOT MARKET PRICES | Mar 09 | Feb 09 | Mar 08 |
|---|---------------|--------------------|--------------------|
| Louisiana Natural Gas ^D (\$/MMBTU) | 3.97 | 4.60 | 9.23 |
| NYMEX Henry Hub Last Settle Gas Price ^B (\$/MMBTU) | 4.06 | 4.48 | 8.93 |
| Louisiana Sweet Crude - St. James ^B (\$/Barrel) | 50.08 | 45.63 ² | 107.45 |
| BAKER HUGHES RIG COUNTS | Feb 09 | Jan 09 | Feb 08 |
| North Louisiana ^A | 80 | 90 | 47 |
| South Louisiana Inland Waters ^A | 6 | 9 | 19 |
| South Louisiana Inland ^A | 22 | 23 | 28 |
| Louisiana State Offshore | 2 | 3 | 3 |
| Louisiana Federal OCS Offshore | 47 | 51 | 46 |
| Total Louisiana ^A (OCS included) | 157 | 177 | 143 |
| PRODUCTION (State Jurisdiction Only) | Feb 09 | Jan 09 | Feb 08 |
| Louisiana Crude Oil & Condensate (MMB) | 5.9 | 6.5 | 6.1 ² |
| Louisiana Natural Gas & Casinghead (BCF) | 98.5 | 110.0 | 107.8 ² |
| DRILLING PERMITS (State Jurisdiction Only) | Feb 09 | Jan 09 | Feb 08 |
| Total Louisiana Oil and Gas | 118 | 129 ² | 153 |
| Louisiana Wildcats | 1 | 6 ² | 6 |
| Louisiana Offshore (Wildcats included) | 0 | 0 | 3 |