

LOUISIANA ENERGY FACTS

Louisiana Department of Natural Resources
Technology Assessment Division

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Highlights SEPTEMBER 2010

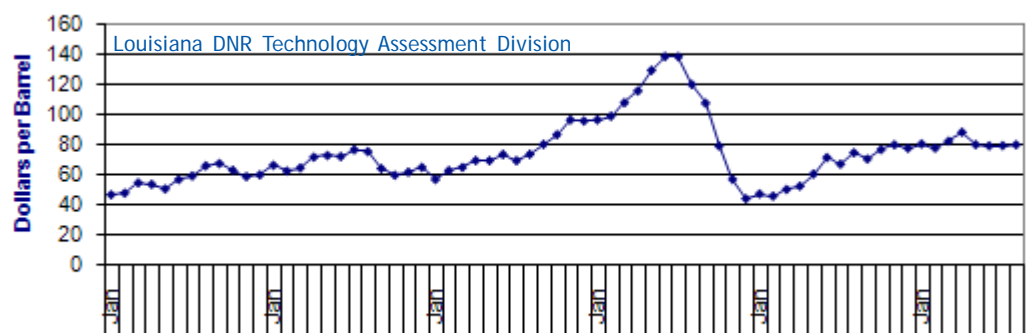
Natural gas prices are falling. The September gas futures price fell to \$3.65 per MMBTU on August 27, 2010. This is the lowest price in the past 11-months, but it is still 28% higher than last year at the same time. The falling price is caused by moderate summer demand, no hurricane activity in the Gulf of Mexico, the slow recovery of the US economy, projected low industrial demand, and global warming. However, drilling for gas in the U. S. is still high. Baker Hughes reported that 973 rigs were active during the week ending August 27, 2010. This active rig count is almost 40% higher than the previous year at the same time. It is also notable that the horizontal rigs count rose to a record of 904 rigs (130 rigs were operating in Louisiana). Horizontal rigs are mostly used in drilling for shale gas.

South Louisiana Sweet Crude Oil Average Spot Price at St. James*

Month	(Dollars per Barrel)						% Change	
	2005	2006	2007	2008	2009	2010	08/09	09/10
January	46.60	66.01	56.72	96.12	47.17	80.16		69.94%
February	47.67	62.22	62.56	98.45	45.63	77.43		69.69%
March	54.49	64.33	64.62	107.45	50.08	82.04 ²		63.82%
April	53.48	71.43	69.19	115.13	52.32	87.90		68.00%
May	50.42	72.51	69.09	128.74	60.29	79.73		32.24%
June	56.64	71.84	73.20	137.91	71.15	78.87		10.85%
July	58.98	76.27	69.14	137.80	66.79	79.00		18.28%
August	65.66	75.05	73.33	119.41	74.31	79.61		7.13%
September	67.19	63.91	79.86	107.07	70.18		-34.45%	
October	62.77	59.52	86.25	78.78	76.43		-2.98%	
November	58.59	61.53	95.97	56.74	79.62		40.32%	
December	59.78	64.67	95.32	43.93	77.33		76.03%	
Year Average	56.86	67.44	74.60	102.29	64.28	80.59 ^{**}		

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

** Partial Year



Current Oil & Gas Data

Louisiana DNR Technology Assessment Division

PRODUCTION	MAR 10	FEB 10	JAN 10	MAR 09
LOUISIANA FEDERAL OFFSHORE (OCS)				
Crude Oil & Condensate ^C (MMB)	45 ¹	44 ¹	47 ¹	39 ¹
Natural Gas & Casinghead ^C (BCF)	139 ¹	132 ¹	142 ¹	142 ¹
THE UNITED STATES TOTAL				
Crude Oil & Condensate ^C (MMB)	170	153	168	163
Natural Gas & Casinghead ^C (BCF)	1,838	1,642	1,792	1,801 ²
IMPORTS				
U.S. Crude Oil ^C (MMB)	288	243	262	293 ²
U.S. Natural Gas ^C (BCF)	320	322	382	324
BAKER HUGHES RIG COUNTS				
U.S. Gas ^A	933	892	822	867
U.S. Oil ^A	471	446	433	225
U.S. Offshore ^A	50	45	42	46
U.S. Total ^A	1,419	1,350	1,267	1,105
PRICES				
CRUDE OIL (\$/barrel)				
OPEC Average ^C (F.O.B.)	75.83	71.77 ²	73.42	45.75
U.S. Imports Average ^C (F.O.B.)	75.41	71.50 ²	72.96	44.34
U.S. Wellhead Average ^C	75.77	72.74	72.89	42.46
Gulf OCS Wellhead Average ^C	75.11	76.38	73.91	44.36
State Severance Wellhead Average ^E	74.29	70.18	69.72	39.06
NATURAL GAS (\$/MCF)				
U.S. City Gates Average ^C	6.34	6.56 ²	6.82 ²	6.83 ²
U.S. Imports Average ^C (F.O.B.)	4.87	5.62	5.95	4.34 ²
U.S. Wellhead Average ^C	4.36	4.89	5.14	3.72
State Royalty Wellhead Average	4.80	5.69 ²	5.85 ²	4.24 ²
NYMEX Henry Hub End of the Month Settle Gas Price ^B (\$/MMBTU)	4.82	5.27	5.81	4.06

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				
FO.B.	Free on Board	MMBTU	Million British Thermal Units	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.

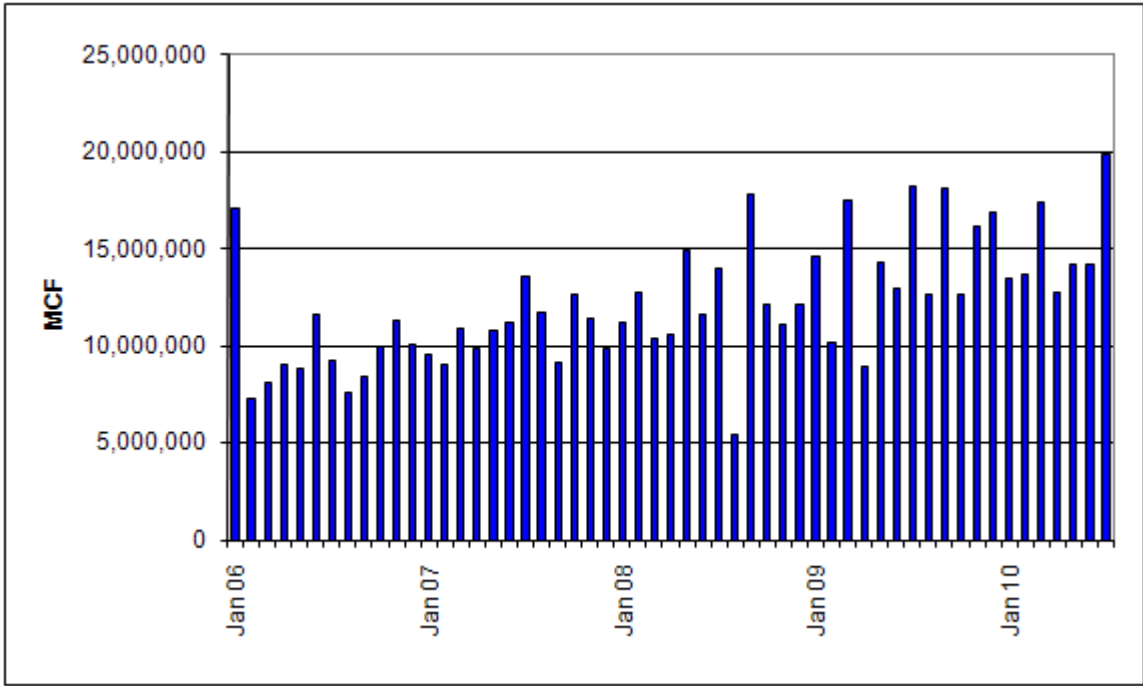
Louisiana Energy Facts articles provide insight and information on subjects of special interest to our readers, and may announce relevant, forthcoming publications.

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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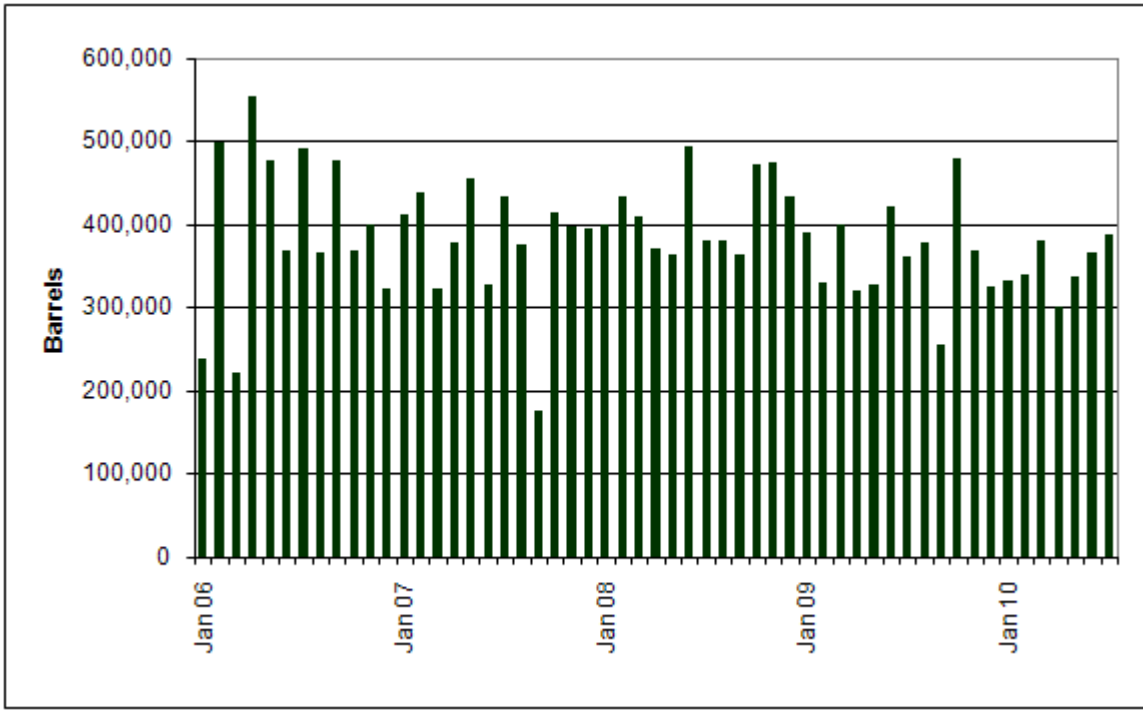
Louisiana Natural Gas Production From Incapable Oil and Gas Wells^E

Louisiana DNR Technology Assessment Division



Louisiana Crude Oil Production From Stripper Wells

Louisiana DNR Technology Assessment Division



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Quick Facts

SEPTEMBER 2010

Louisiana DNR Technology Assessment Division

SPOT MARKET PRICES

	Aug 10	Jul 10	Aug 09
Louisiana Natural Gas ^D (\$/MMBTU)	4.45	4.58	3.18
NYMEX Henry Hub Last Settle Gas Price ^B (\$/MMBTU)	4.77	4.72	3.38
Louisiana Sweet Crude - St. James ^B (\$/Barrel)	79.61	79.00	74.31

BAKER HUGHES RIG COUNTS

	Jul 10	Jun 10	Jul 09
North Louisiana ^A	138	139	81
South Louisiana Inland Waters ^A	12	13	8
South Louisiana Inland ^A	16	17	11
Louisiana State Offshore	1	1	1
Louisiana Federal OCS Offshore	13	15	32
Total Louisiana ^A (OCS included)	180	185	133

PRODUCTION (State Jurisdiction Only)

	Jul 10	Jun 10	Jul 09
Louisiana Crude Oil & Condensate (MMB)	5.7	5.6 ¹	5.7
Louisiana Natural Gas & Casinghead (BCF)	141.5	138.1 ¹	128.0 ²

DRILLING PERMITS (State Jurisdiction Only)

	Jul 10	Jun 10	Jul 09
Total Louisiana Oil and Gas	169	186	123
Louisiana Wildcats	6	5	1
Louisiana Offshore (Wildcats included)	1	0	2