# Securing Our Natural Gas Future

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# API Natural Gas STAR Partners

Anadarko
BP
Chevron
ConocoPhillips
Devon
Dominion
Enbridge
EnCana
Enterprise Products
Exxon Mobil

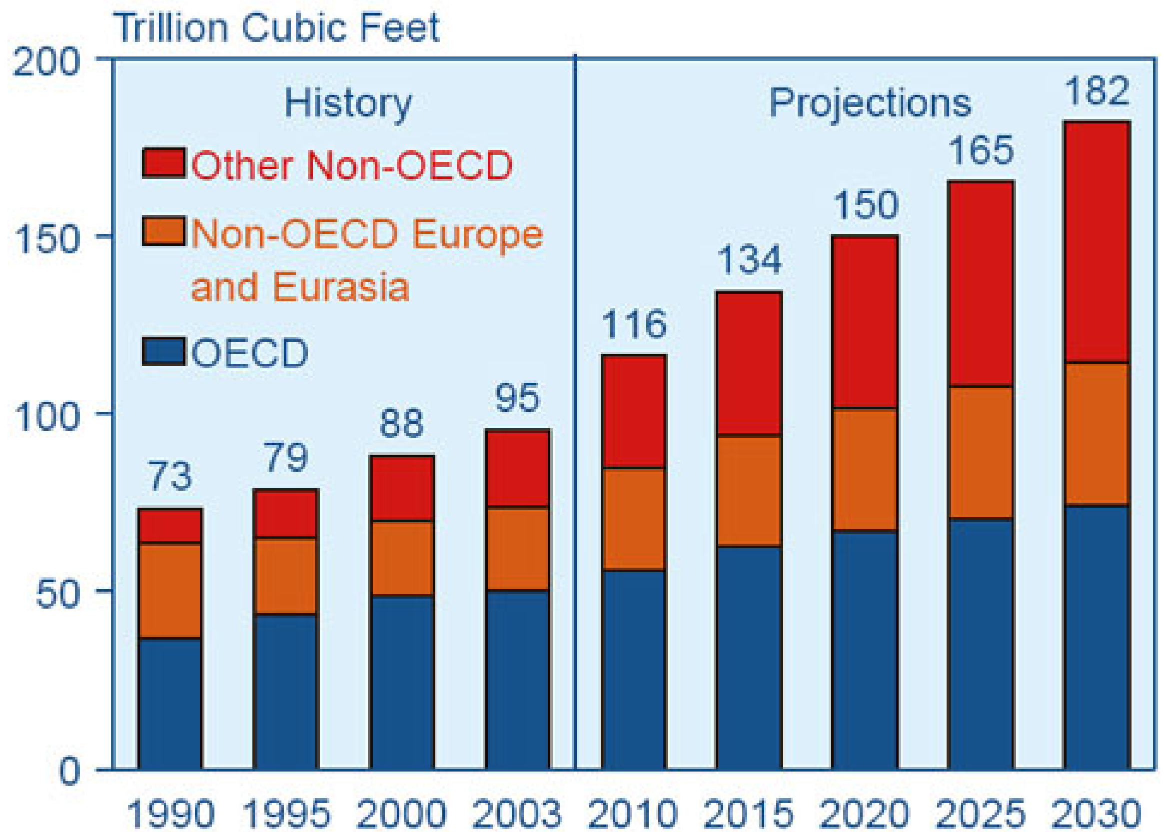
Hunt
Kinder Morgan
Marathon
Murphy
Noble
Occidental
Questar
Shell
Total
Williams

# Natural Gas Star Is Profitable

84 opportunities and practices payback in less than one year

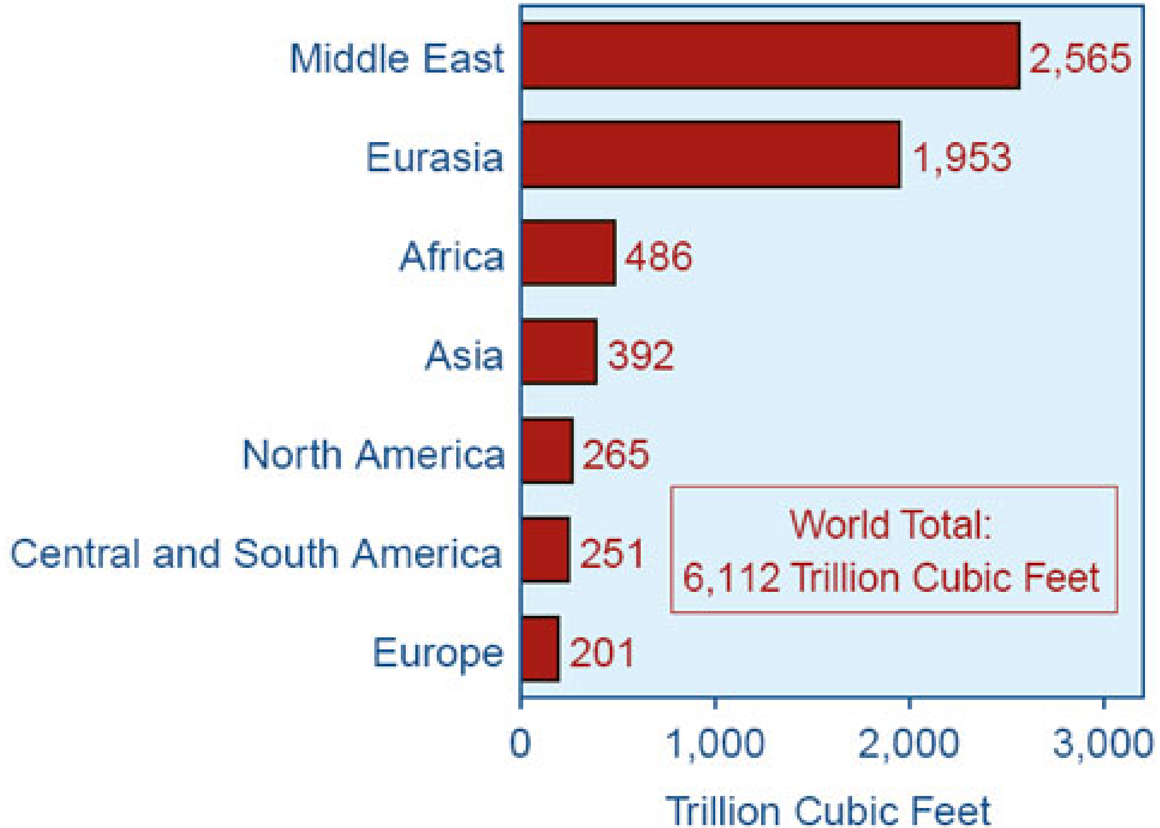
41 payback in one to three years

**Figure 34. World Natural Gas Consumption by Region, 1990-2030**



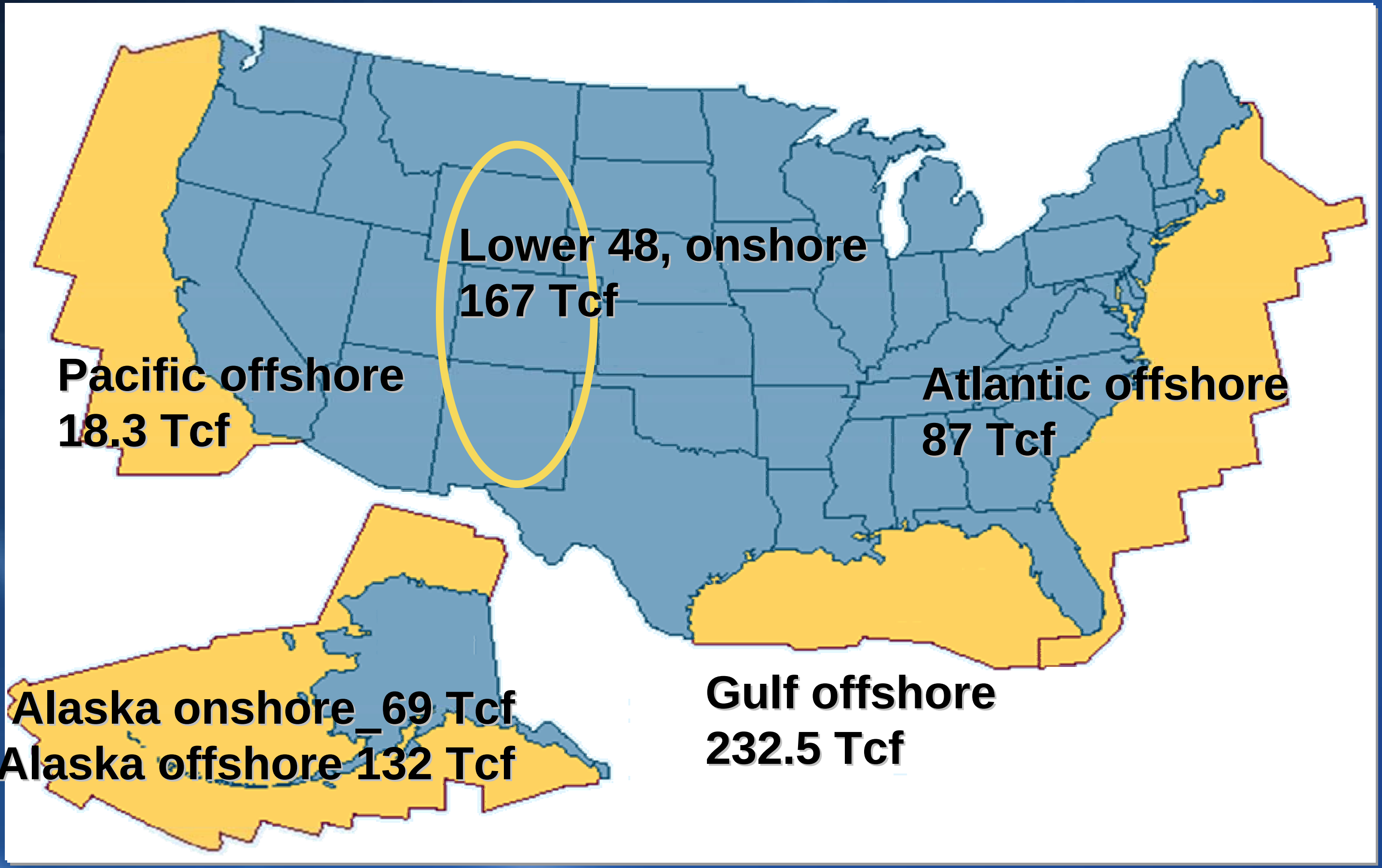

Sources: **History:** Energy Information Administration (EIA), *International Energy Annual 2003* (May-July 2005), web site www.eia.doe.gov/iea/. **Projections:** EIA, System for the Analysis of Global Energy Markets (2006).

**Figure 37. World Natural Gas Reserves by Geographic Region as of January 1, 2006**



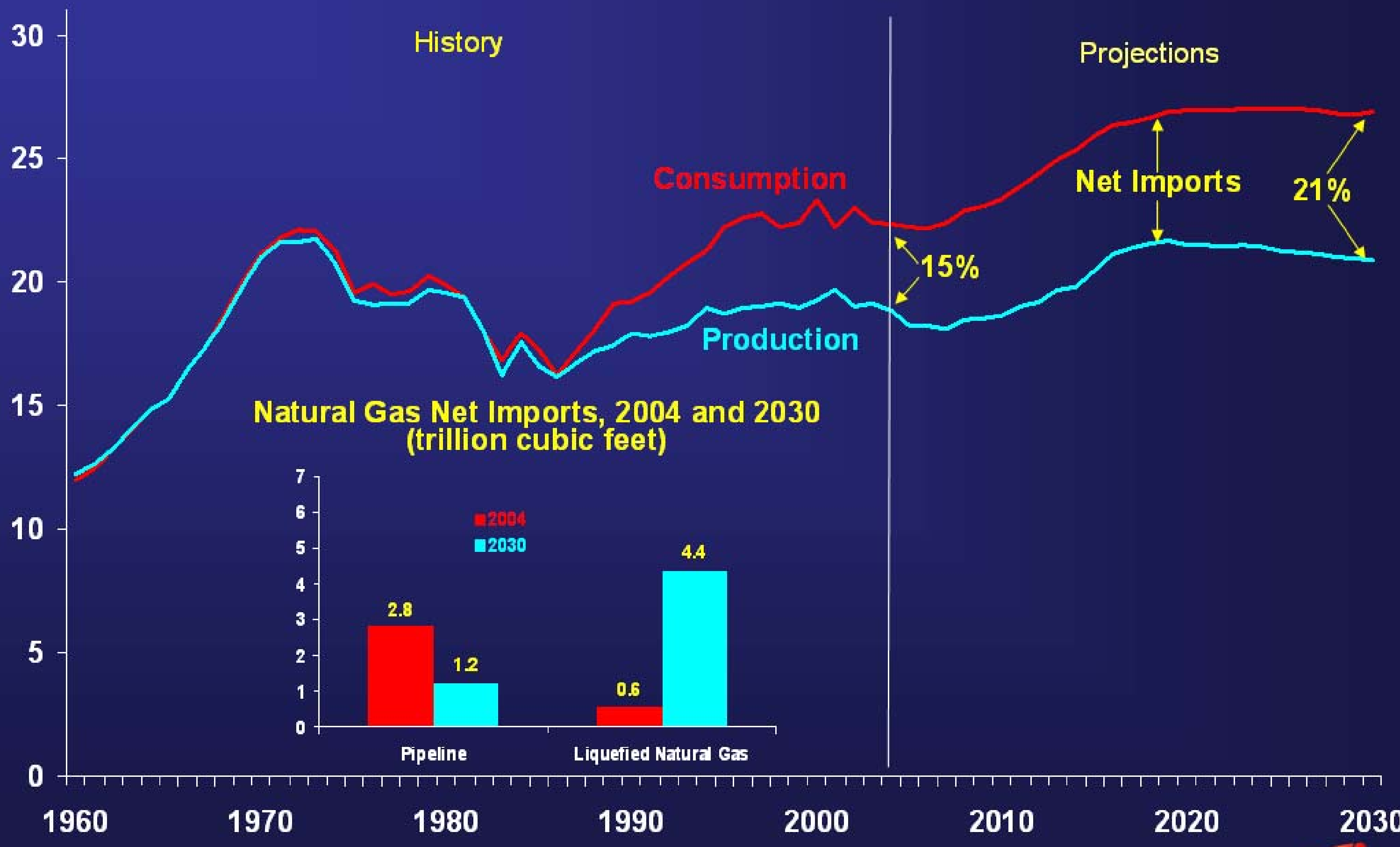

Source: "Worldwide Look at Reserves and Production," *Oil & Gas Journal*, Vol. 103, No. 47 (December 19, 2005), pp. 24-25.

## Undiscovered Technically Recoverable Natural Gas Reserves on Federal Lands



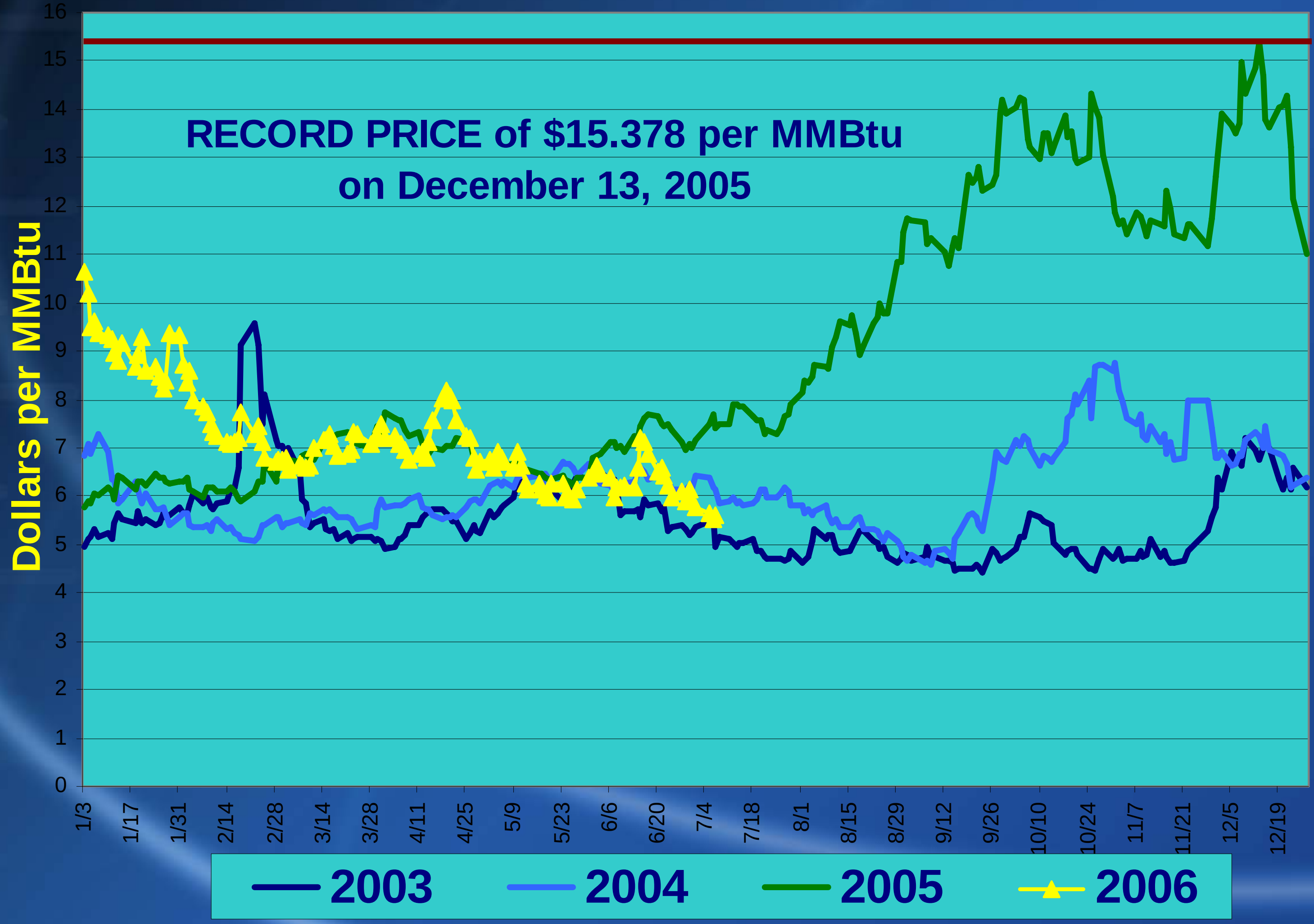

**656 Tcf Natural gas = heat 60 million homes for 160 years**

# U.S. Natural Gas Production, Consumption, and Net Imports, 1960-2030 (trillion cubic feet)




*Annual Energy Outlook 2006*

# Daily Natural Gas Futures Prices



# Government Policies Limit Gas Supply

Lease moratoria on Atlantic OCS, Pacific OCS and Eastern Gul
- *Block access to 70+ Tcf natural gas resources*

Lease restrictions in Rocky Mountain West,
- affect 36 percent of public lands
- and *limit access to 15 Tcf additional* natural gas

Many resource management plans for public lands are outdatec
- limiting US BLM ability to lease these lands

Permit delays and backlogs common

# OCS Legislation – Will Congress Reach Agreement?

House (H.R. 4761)

– No Moratoria 100 miles from coastline
– Access provisions – opt in; opt out for states
– Royalty conservation fee

Senate (S. 3711)

– Only opens up Sale 181 and South of Sale 181
– No leasing within 125 miles of Florida until 2022

# MMS 5-Year Plan (2007-12)

Nov ‘05: 12,000 comments; 80% favorability

April ‘06:  39,000 comments; 70% favorability

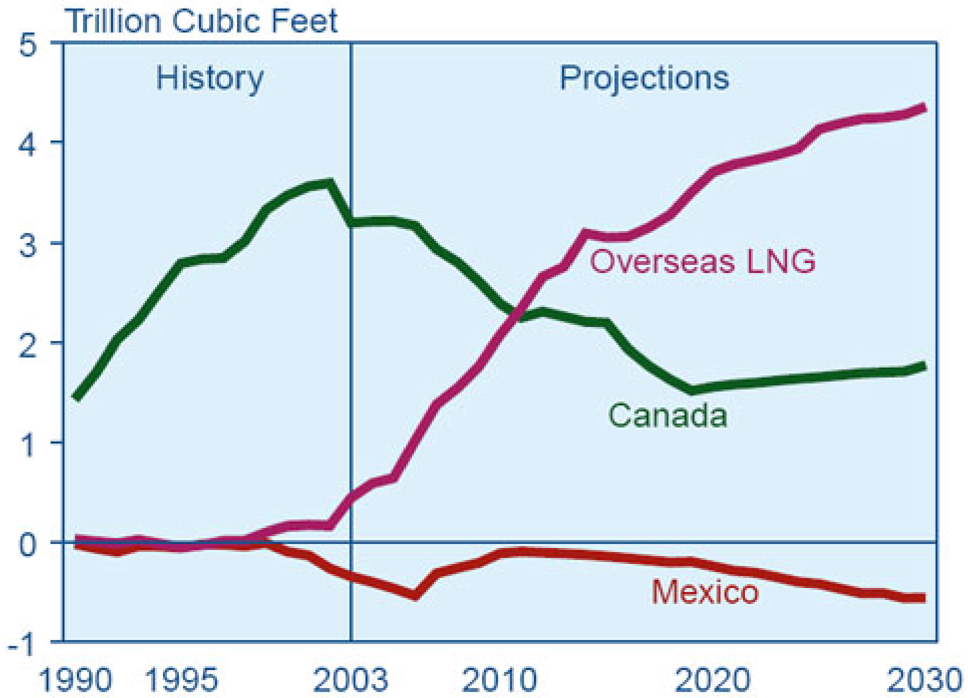
Proposed Plan comments due Nov. 22

26 Public Hearings (Oct.-Nov.)

Comments – www.apialert.com

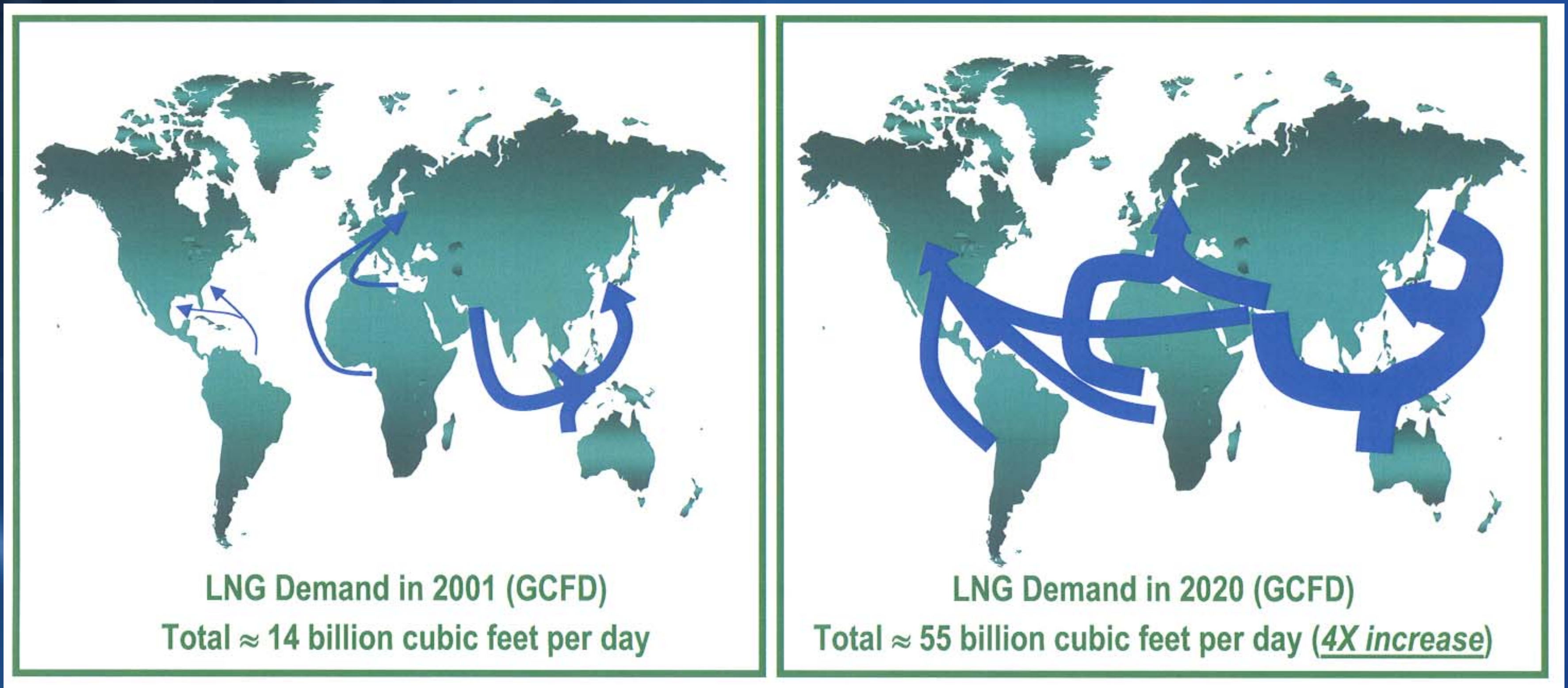
energy API

**Figure 41. U.S. Natural Gas Supply by Source, 1990-2030**

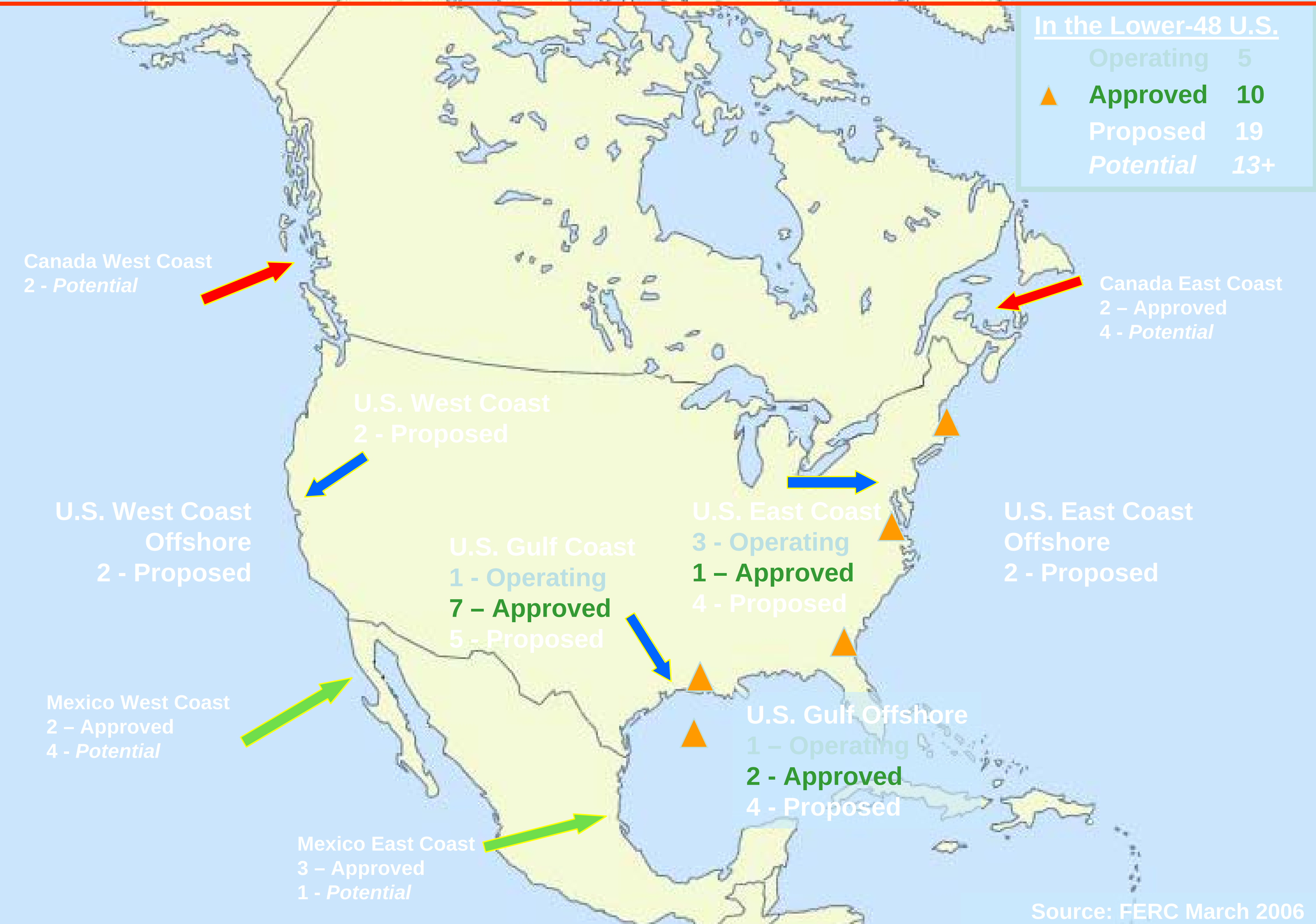



Sources: **History:** Energy Information Administration (EIA), *Annual Energy Review 2004*, DOE/EIA-0384(2004) (Washington, DC, August 2005), web site www.eia.doe.gov/emeu/aer/. **Projections:** EIA, *Annual Energy Outlook 2006*, DOE/EIA-0383(2006) (Washington, DC, February 2006), web site www.eia.doe.gov/oiaf/aeo/.

# GROWING GLOBAL LNG TRADING



# Bringing LNG to America:  Import Terminal Status




Source: FERC March 2006

"… When it comes to natural gas, rising demand and constrained supplies mean that North America can no longer be self-reliant, and so the United States is joining the new global market in natural gas that will link countries, continents, and prices together in an unprecedented way."

Daniel Yergin
President
Cambridge Energy Research Associates.

# Global Natural Gas Flaring

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