Outlook for U.S. oil and gas

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By

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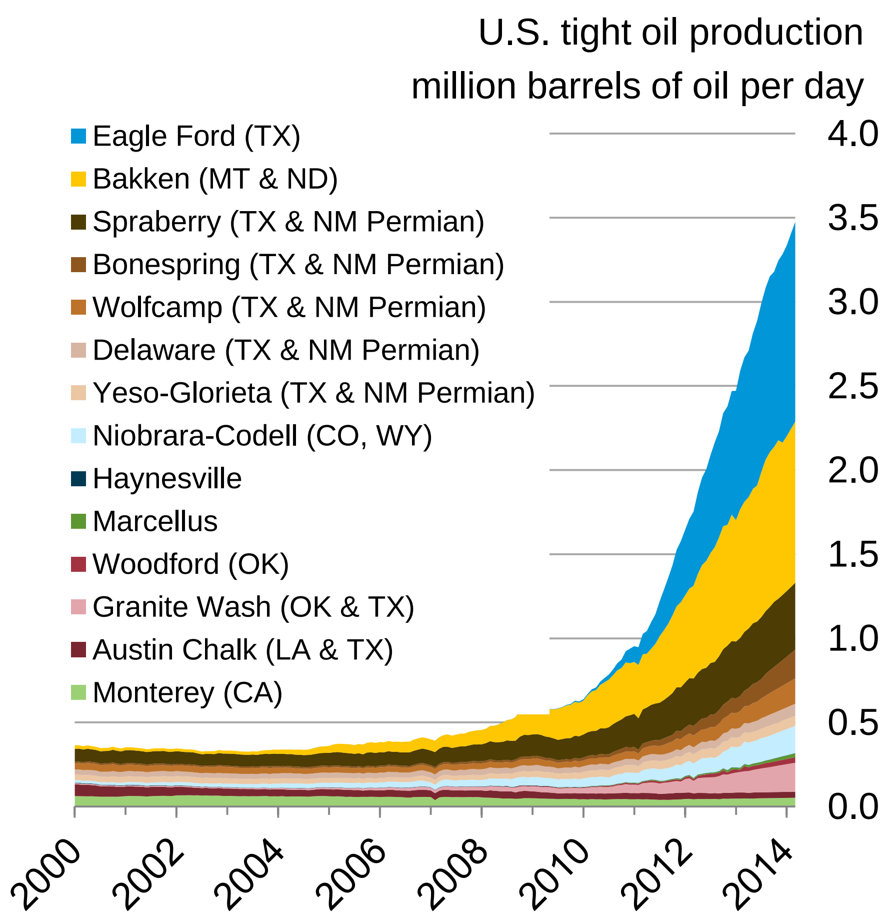
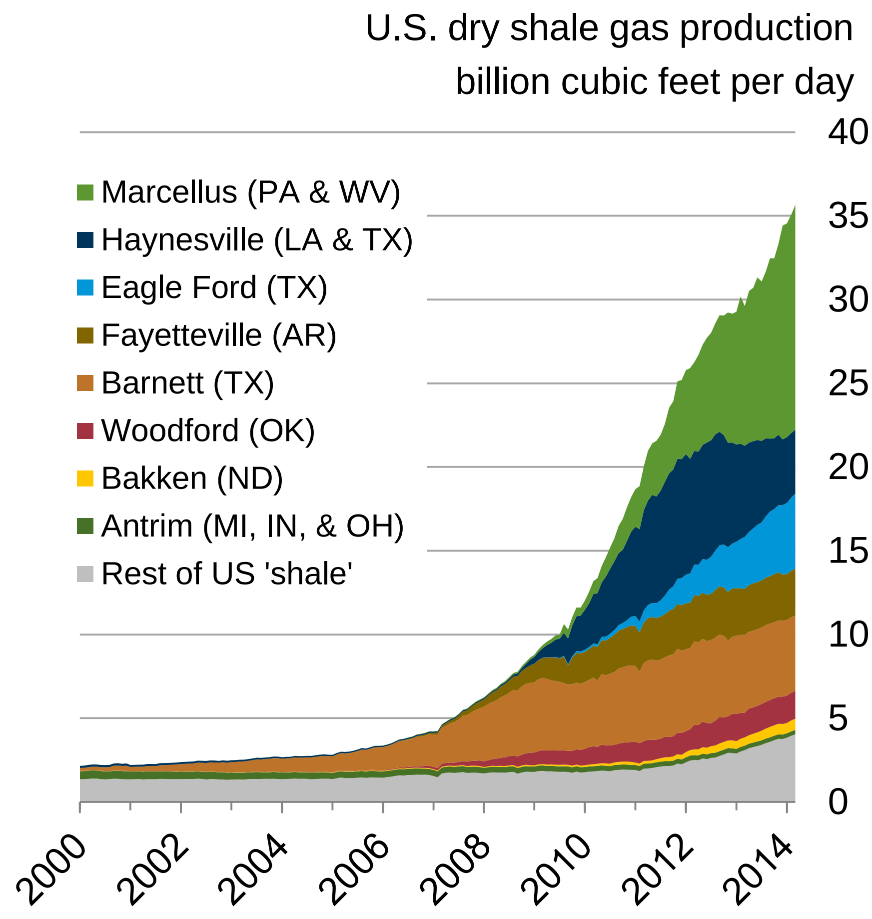
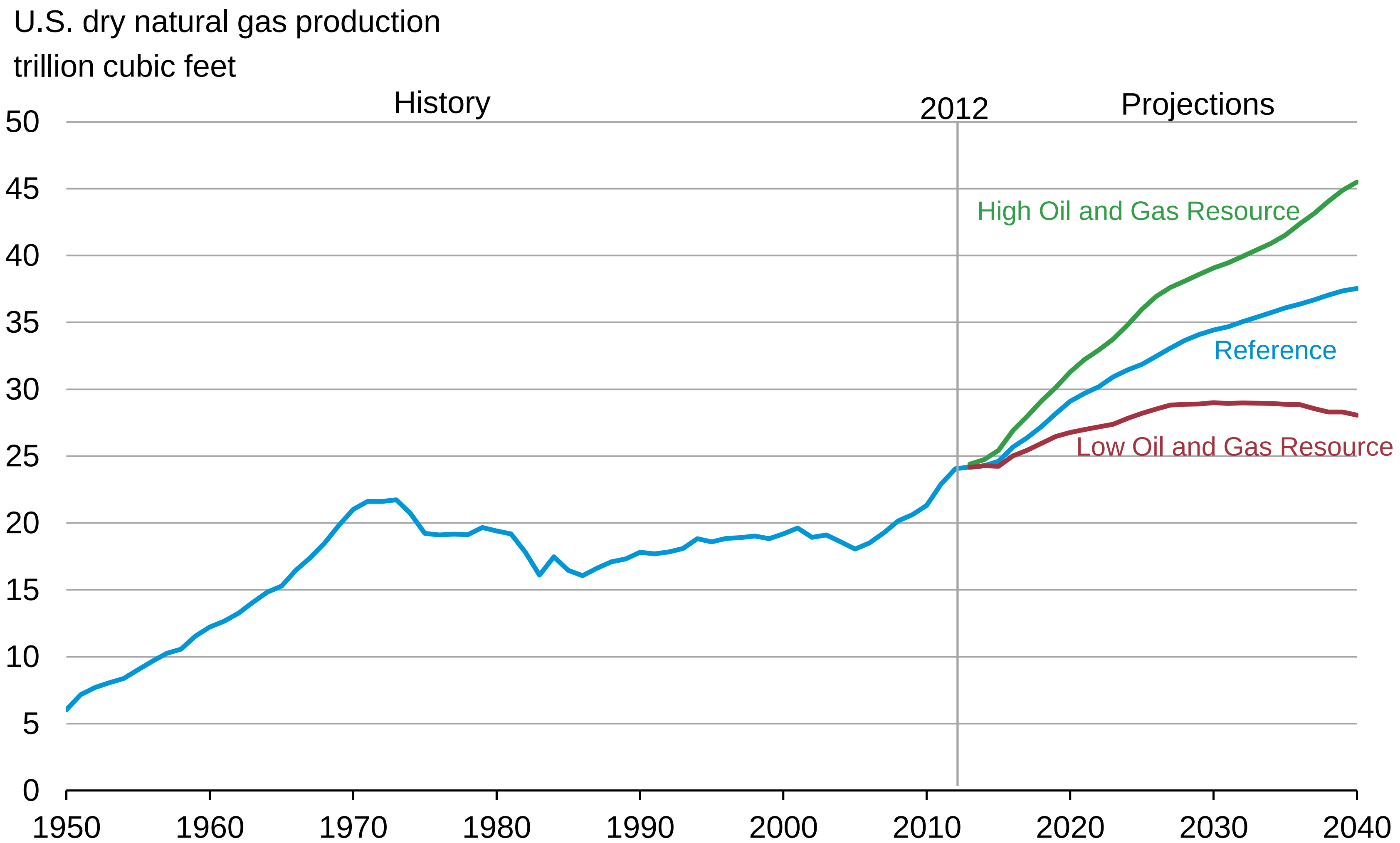
The U.S. has experienced a rapid increase in natural gas and oil production from shale and other tight resources





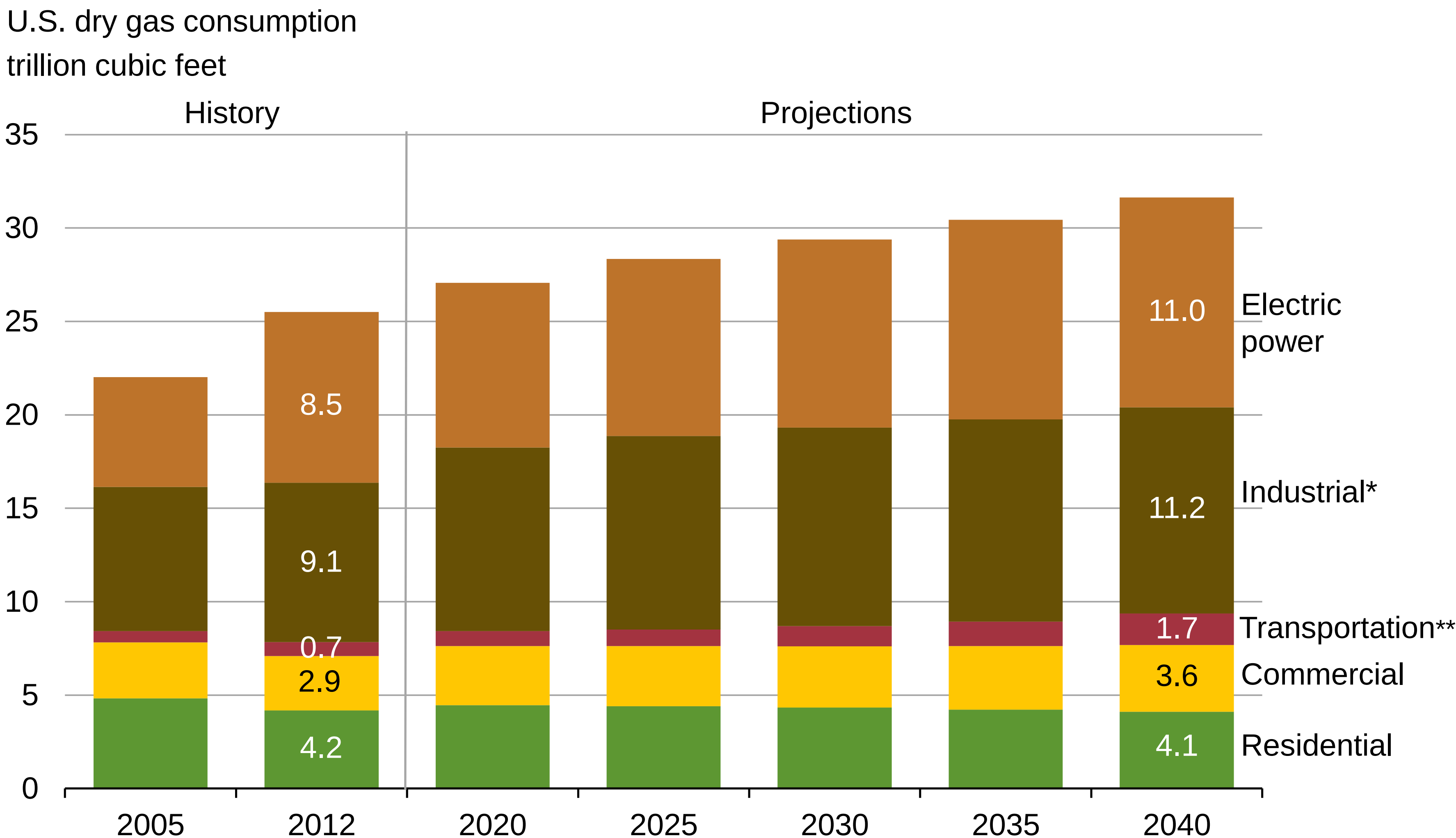
Sources: EIA derived from state administrative data collected by DrillingInfo Inc. Data are through March 2014 and represent EIA's official tight oil & shale gas estimates, but are not survey data. State abbreviations indicate primary state(s).

U.S. natural gas production is nearly double current level in High Oil and Gas Resource case



Source: EIA, Annual Energy Outlook 2014 Reference case, High Oil and Gas Resource case, and Low Oil and Gas Resource case

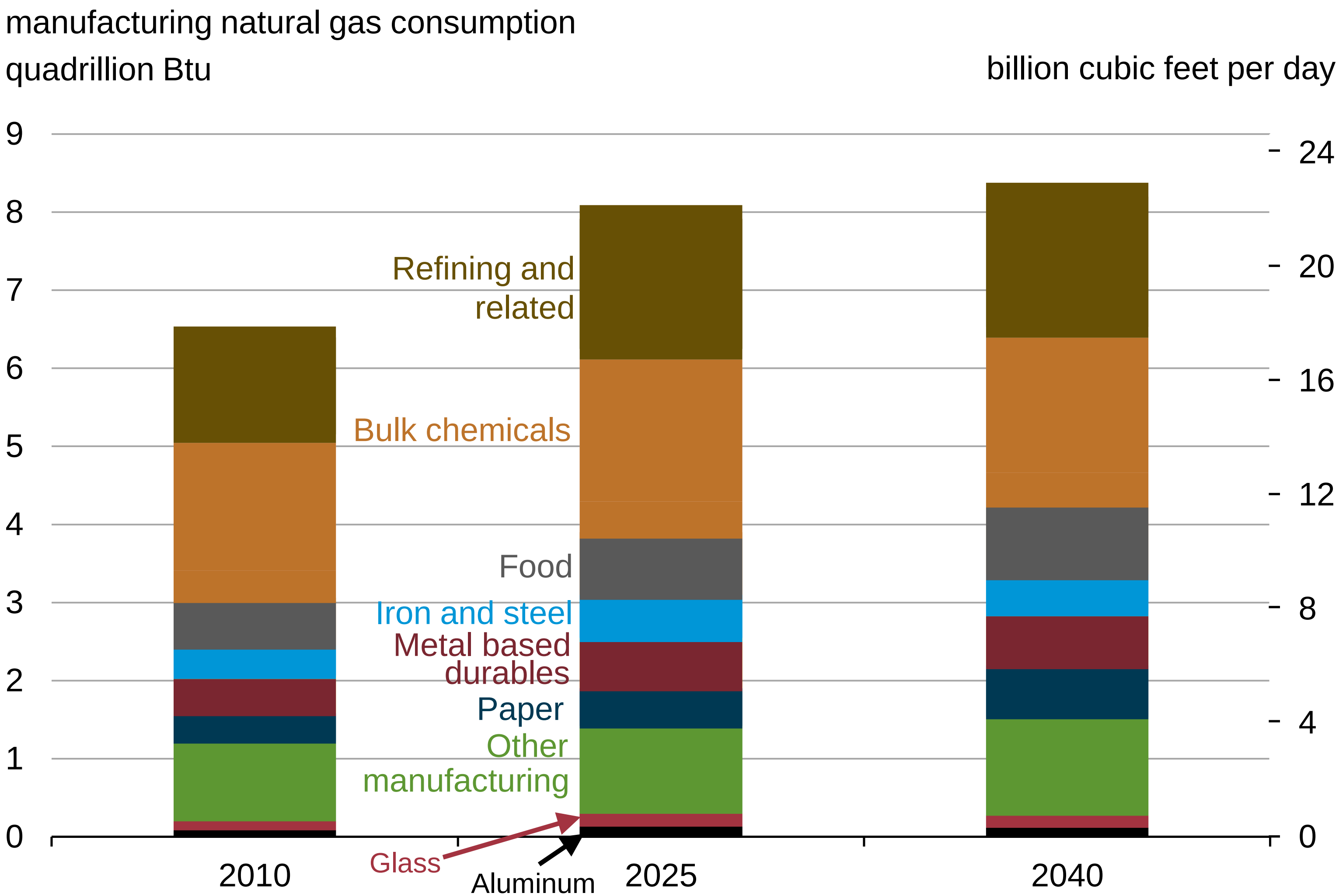
U.S. natural gas consumption growth is driven by electric power, industrial, and transportation use



Source: EIA, Annual Energy Outlook 2014 Reference case

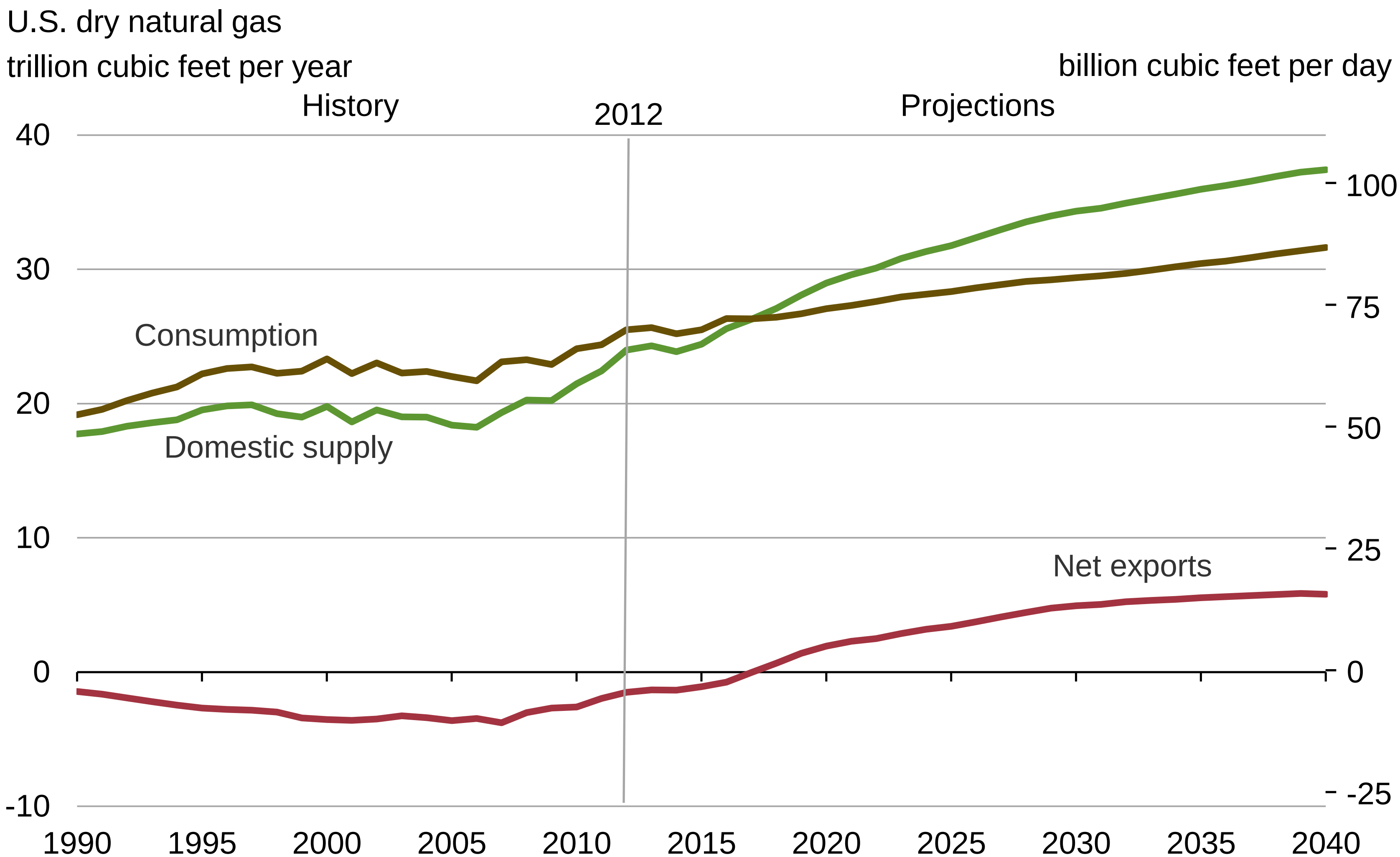
**Includes combined heat-and-power and lease and plant fuel*
***Includes pipeline fuel*

U.S. manufacturing output and natural gas use grows with low natural gas prices, particularly in the near term



Source: EIA, Annual Energy Outlook 2014 Reference case

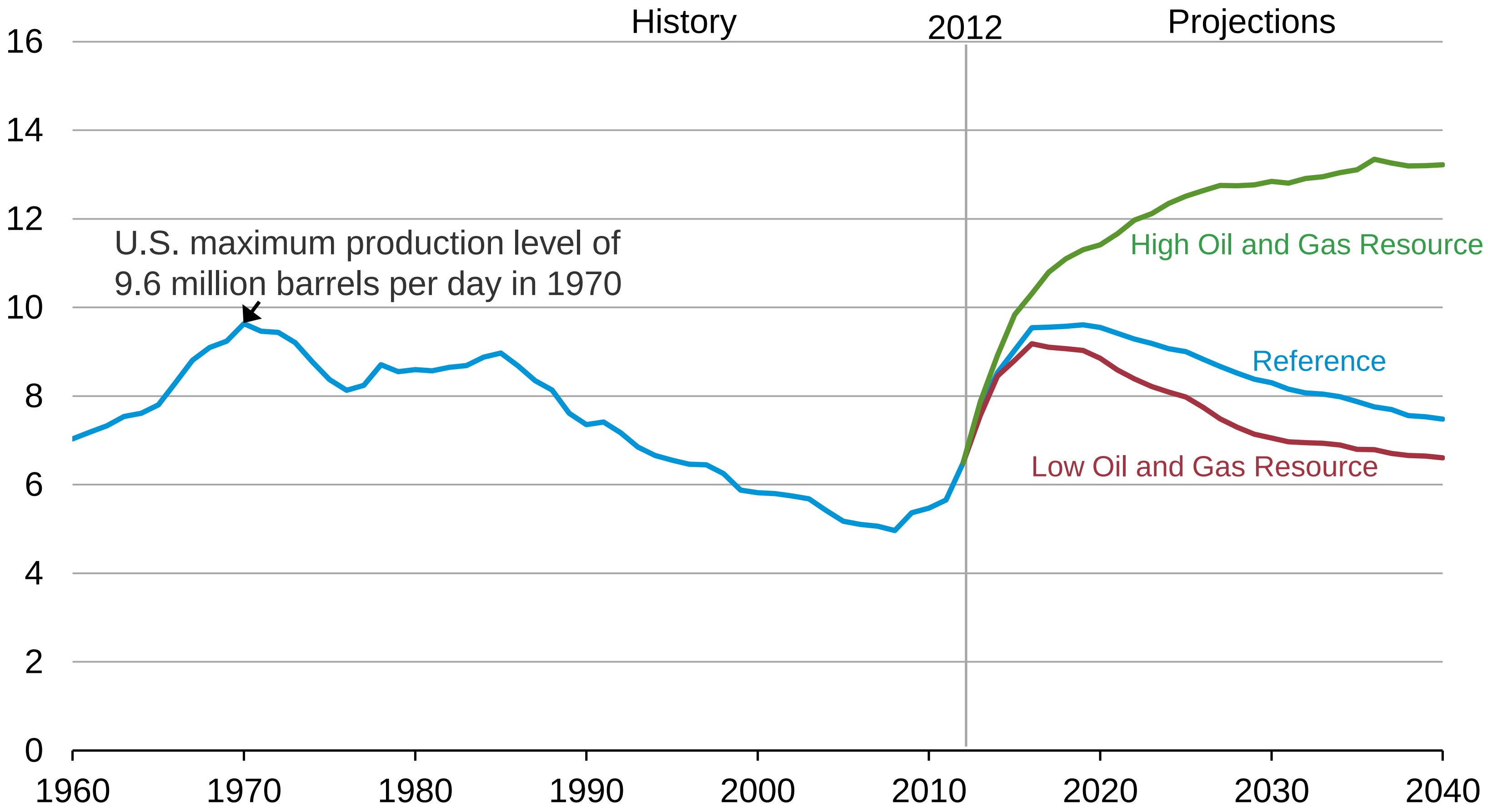
U.S. becomes a net exporter of natural gas in the near future



Source: EIA, Annual Energy Outlook 2014 Reference case

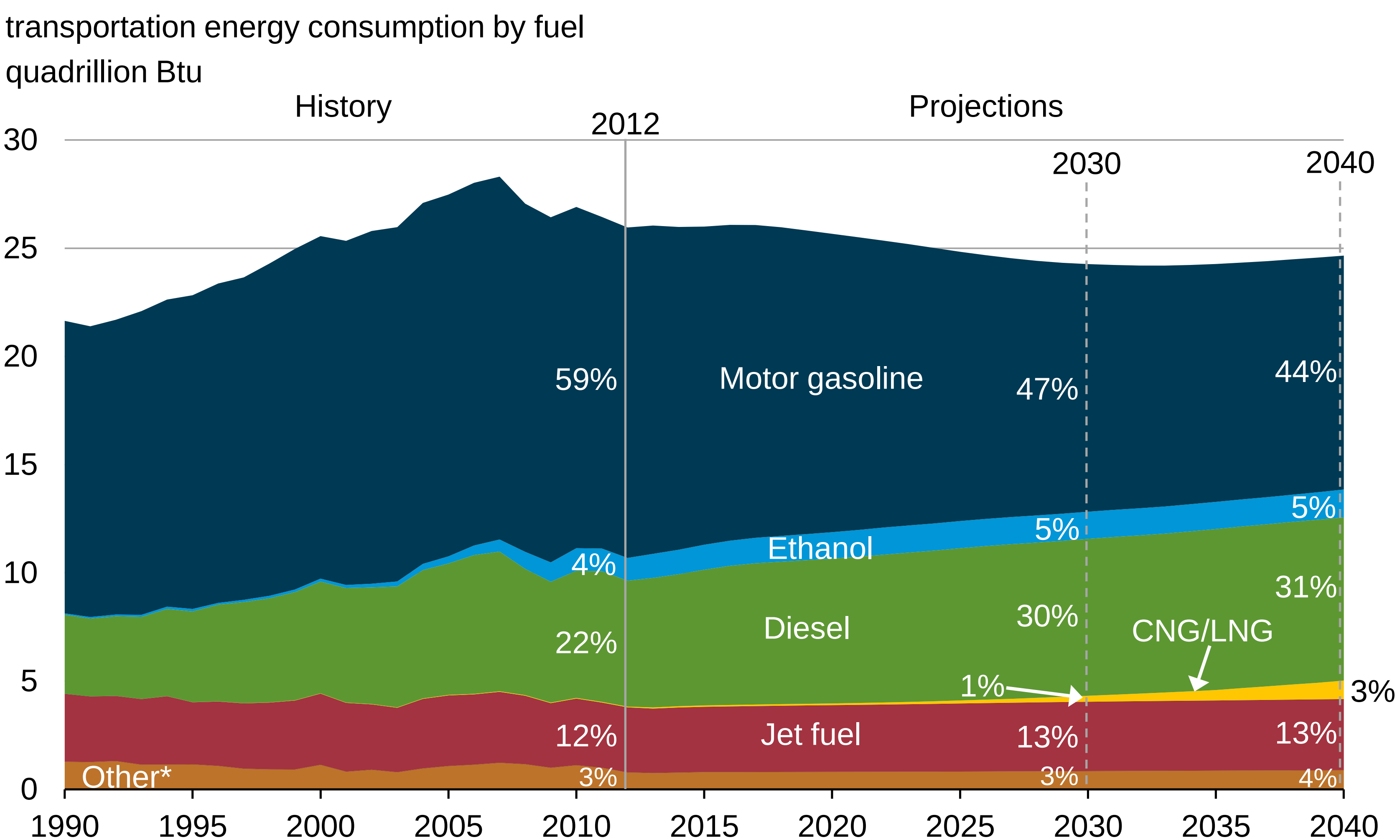
U.S. crude oil production exceeds 13 million bbl/d in High Oil and Gas Resource case

U.S. crude oil production in three cases
million barrels per day



Source: EIA, Annual Energy Outlook 2014 Reference case, High Oil and Gas Resource case, and Low Oil and Gas Resource case

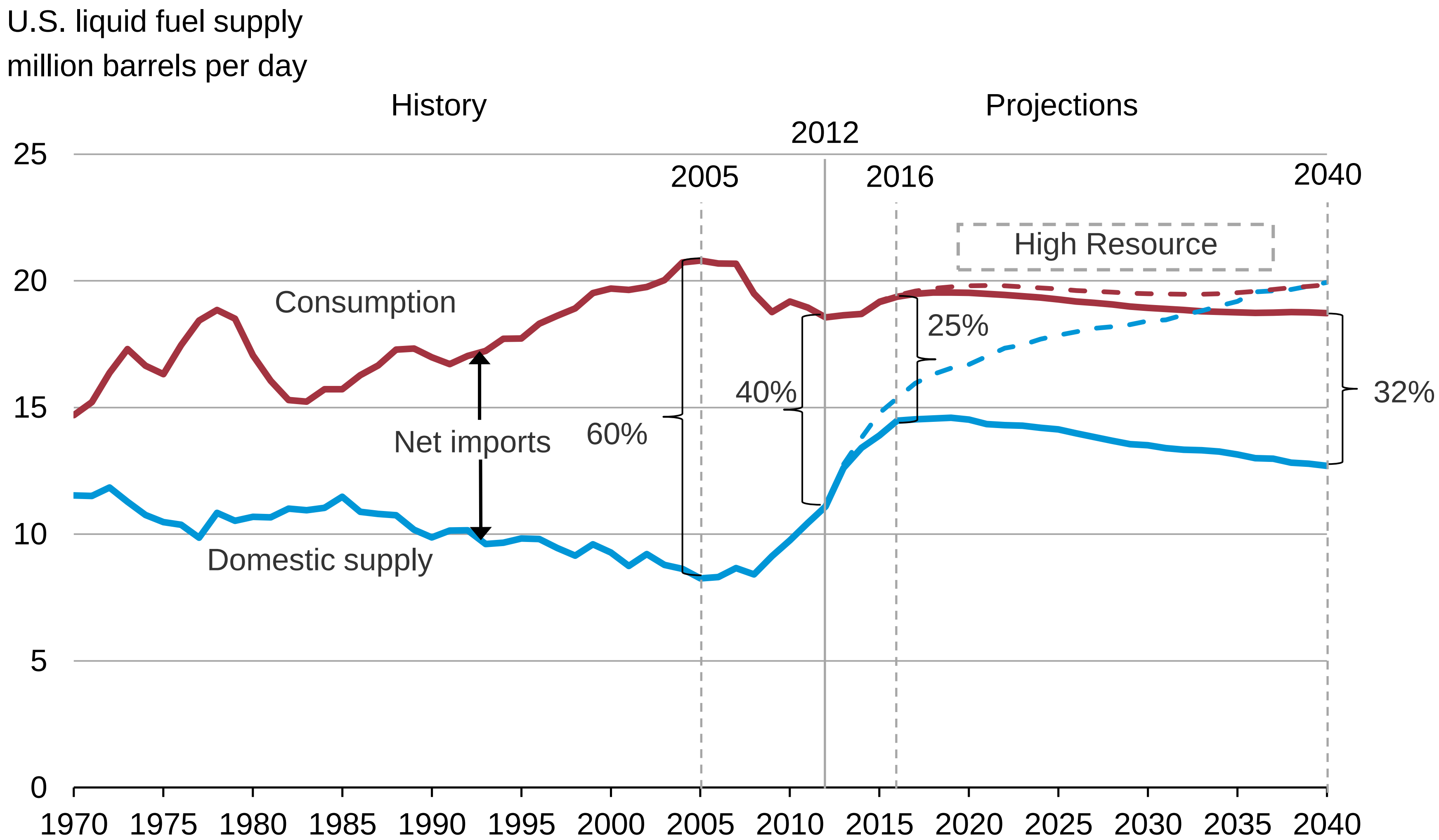
U.S. transportation sector motor gasoline demand declines, while diesel fuel accounts for a growing portion of the market



Source: EIA, Annual Energy Outlook 2014 Reference case

**Includes aviation gasoline, propane, residual fuel oil, lubricants, electricity, and liquid hydrogen*

Although oil use is slightly increased in the High Resource case due to lower prices, net import dependence declines rapidly



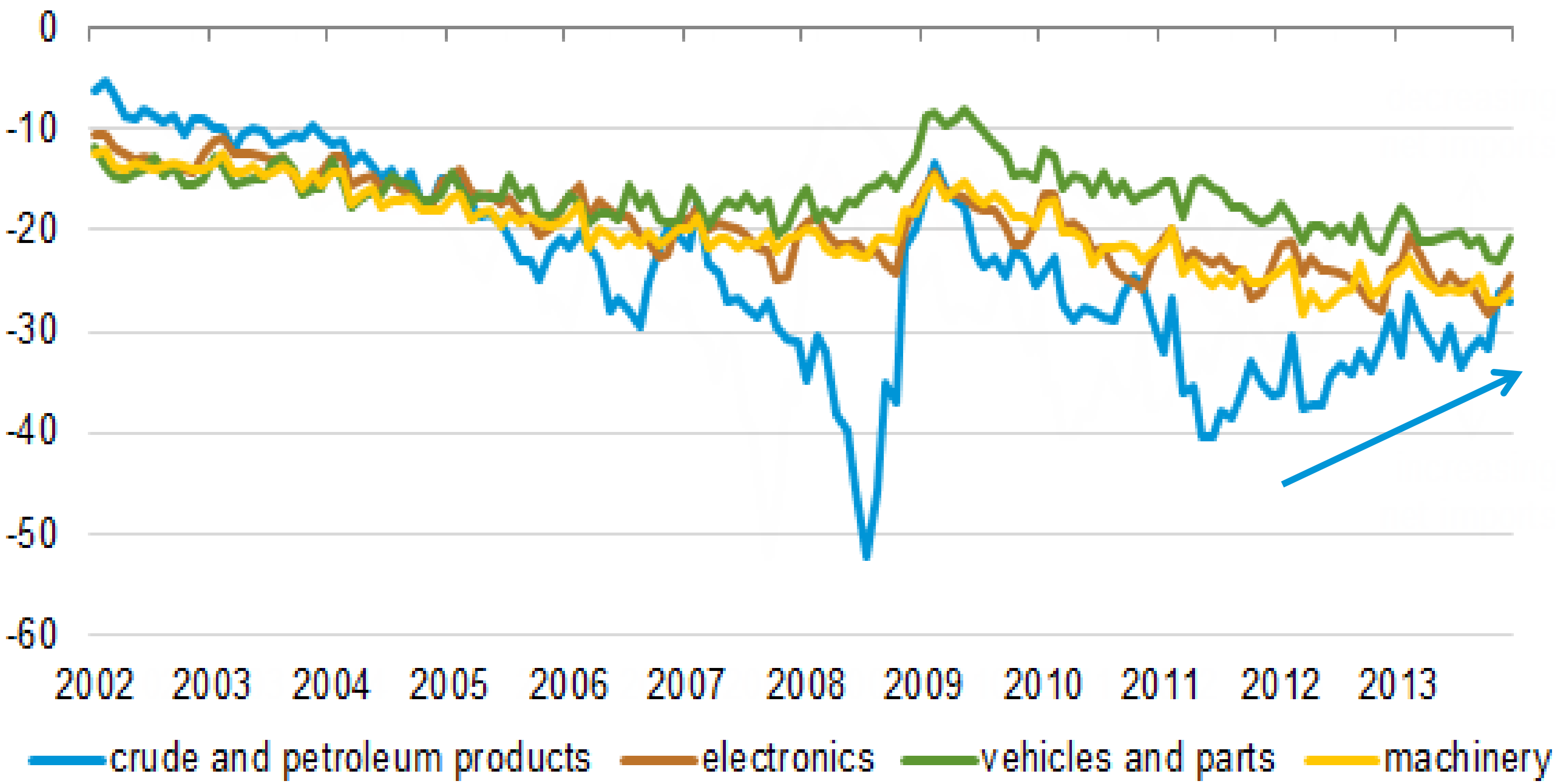
Source: EIA, Annual Energy Outlook 2014 Reference case and High Resource / Improved Technology case

The rise in U.S. crude oil and natural gas production has strategic implications for the United States

- Refinery operations/investment
- Logistics infrastructure investment
- Exports of petroleum products
- Exports of crude oil and natural gas (LNG)
- Operation of the Strategic Petroleum Reserve

The value of crude and petroleum products imports into the U.S. declined 11% from 2012 to 2013

Monthly import values by major product category
billion dollars

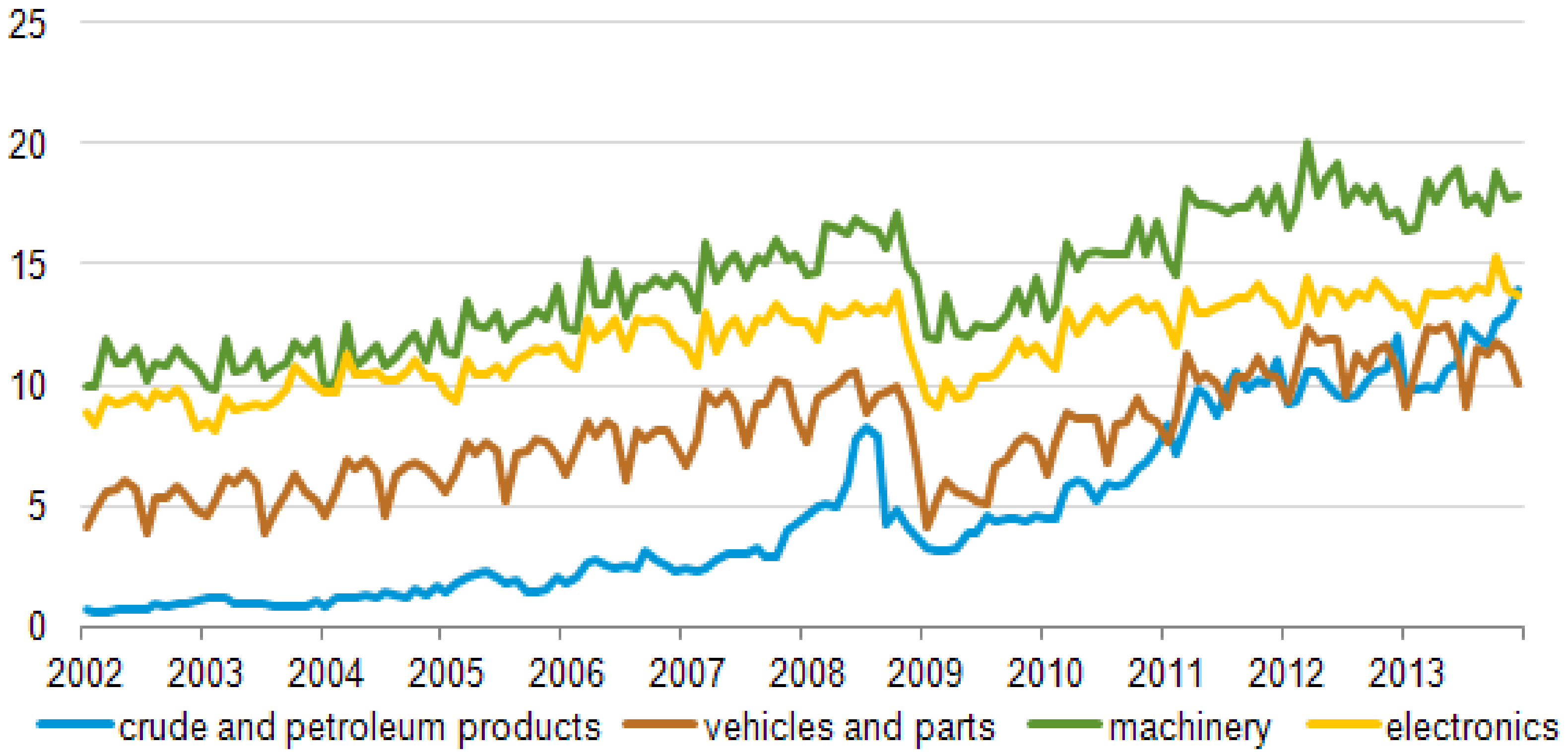


Note: Imports are expressed as negative values

Source: U.S. Census Bureau- Foreign Trade Division

The value of U.S. crude and petroleum products exports has seen a dramatic rise since 2009

Monthly export values by major product category
billion dollars



Source: U.S. Census Bureau- Foreign Trade Division

For more information

U.S. Energy Information Administration home page | www.eia.gov

Annual Energy Outlook | www.eia.gov/aeo

Short-Term Energy Outlook | www.eia.gov/steo

International Energy Outlook | www.eia.gov/ieo

Monthly Energy Review | www.eia.gov/mer

Today in Energy | www.eia.gov/todayinenergy

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