

DAVID PORTER
Chairman
CHRISTI CRADDICK
Commissioner
RYAN SITTON
Commissioner

TEXAS



PETROFACTS

A Monthly Data Review from the Railroad Commission of Texas ■ April 2015

HIGHLIGHTS

Natural Gas Production

In January 2015 Texas natural gas production was 683.78 billion cubic feet (bcf), down from 690.73 bcf produced during the same month in 2014. *(Note: Recent oil and gas production data are considered preliminary, incomplete, and subject to revision. See pages 3 and 6 for the most recent production adjustment factors.)*

Crude Oil Production

In January 2015 Texas crude oil production averaged 2.613 million barrels per day (mmb/d), up from 2.341 mmb/d reported during the same month in 2014. *(See Note above.)*

Rotary Rigs Operating in Texas

In March 2015 the average Texas rotary rig count was 492, down from 864 rigs running during the same month last year. The March rig count was down from the February rig count of 599.

Source: Baker Hughes Inc.

Permits to Drill

In March 2015 the Railroad Commission issued 923 original permits to drill, down from 1,894 permits issued during the same month last year and down from 924 permits issued in February.

Oil and Gas Well Completions

In March 2015 operators reported 1,547 oil completions, down from 2,965 oil completions during the same month last year. There were 305 gas completions in March, up from 272 gas completions reported during the same month last year. There were 1,852 wells drilled in Texas in March, down from 3,237 wells drilled during the same month last year.

TRENDS

EIA Short-Term Outlook for Crude Oil and Natural Gas:

The average price of imported crude for U.S. refiners (an indicator of world oil prices) is expected to decrease from the average 2014 level of \$89.57 per barrel to \$44.14 per barrel during the 2nd quarter of 2015 and average \$49.05 for the year, according to the U.S. Energy Information Administration's (EIA) "Short-Term Energy Outlook" for April 2015.

The West Texas Intermediate spot average is expected to decrease from the 2014 average level of \$93.26 per barrel to \$47.67 per barrel during the 2nd quarter of 2015 and average \$52.48 for the year.

U.S. petroleum demand is expected to increase 1.73 percent from 2014 to 2015 to 19.36 million barrels per day and increase 0.46 percent from 2015 to 2016 to 19.45 million barrels per day.

U.S. natural gas demand is expected to increase 3.91 percent from 2014 to 2015 to 27.86 trillion cubic feet, and is expected to decrease by 0.68 percent from 2015 to 2016 to 27.67 trillion cubic feet.

EIA projects that natural gas Henry Hub spot prices will average \$2.91 per mmbtu for the 2nd quarter of 2015 and average \$3.07 per mmbtu for the year. This is a 30.07 percent decrease from EIA's 2014 Henry Hub spot price of \$4.39 per mmbtu. *(Note: Beginning January 2013 EIA discontinued publishing wellhead prices and began publishing a natural gas spot price at the Henry Hub.)*

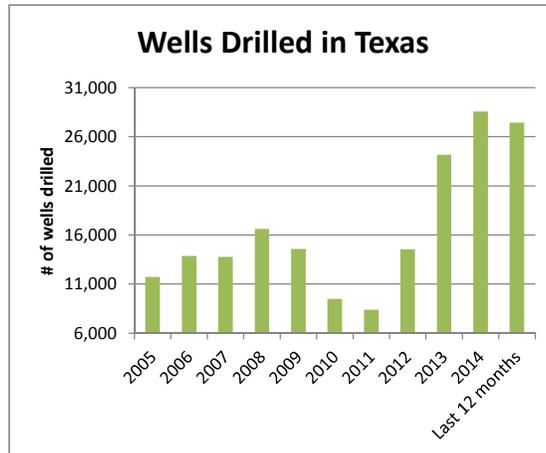
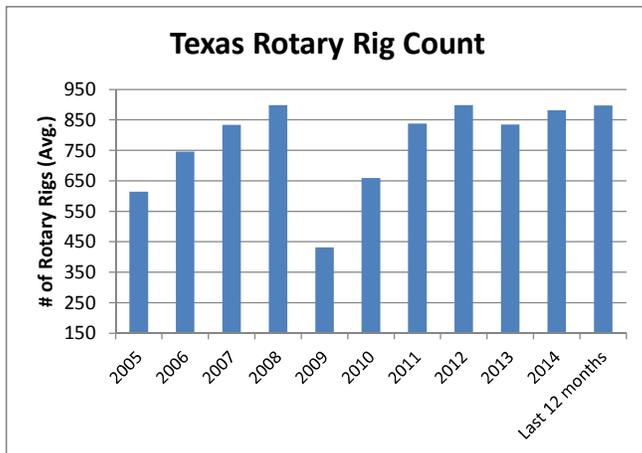
EIA projects a natural gas Henry Hub spot price of \$3.45 per mmbtu for 2016, a 12.38 percent increase from the \$3.07 projected average price for 2015. *(See note above.)*

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TABLE 1. TEXAS DRILLING AND COMPLETION SUMMARY

Period	Active Rotary Rigs *		Permits #	Wells Completed		Wells Drilled **
	Texas	U.S.		Oil	Gas	
1994	274	775	11,248	3,962	3,553	9,299
1995	251	723	11,244	4,334	3,778	9,785
1996	283	779	12,669	4,061	4,060	9,747
1997	358	943	13,933	4,482	4,594	10,778
1998	303	827	9,385	4,509	4,907	11,057
1999	227	625	8,430	2,049	3,566	10,778
2000	343	918	12,021	3,111	4,580	8,854
2001	462	1,156	12,227	3,082	5,787	10,005
2002	338	830	9,716	3,268	5,474	9,877
2003	449	1,032	12,664	3,111	6,336	10,420
2004	506	1,192	14,700	3,446	7,118	11,587
2005	614	1,381	16,914	3,454	7,197	11,726
2006	746	1,649	18,952	4,761	8,534	13,854
2007	834	1,769	19,994	5,084	8,643	13,778
2008	898	1,880	24,073	6,208	10,361	16,615
2009	432	1,086	12,212	5,860	8,706	14,585
2010	659	1,541	18,029	5,392	4,071	9,477
2011	838	1,875	22,480	5,380	3,008	8,391
2012	899	1,919	22,479	10,936	3,580	14,535
2013	835	1,761	21,471	19,249	4,917	24,166
2014	882	1,862	25,792	24,999	3,585	28,585
Last 12 months	897	1,912	25,268	23,618	3,814	27,433
Mar-14	864	1,803	1,894	2,965	272	3,237
Apr-14	885	1,835	1,919	1,012	92	1,104
May-14	892	1,859	2,389	2,057	323	2,380
Jun-14	891	1,861	2,185	1,739	316	2,055
Jul-14	892	1,876	2,419	1,958	234	2,192
Aug-14	900	1,904	2,440	2,157	303	2,460
Sep-14	902	1,930	3,013	2,048	328	2,377
Oct-14	899	1,925	3,046	2,035	354	2,389
Nov-14	904	1,925	1,508	1,570	380	1,950
Dec-14	872	1,882	1,506	1,559	353	1,912
Jan-15	773	1,683	1,102	1,450	344	1,794
Feb-15	599	1,348	924	1,521	210	1,731
Mar-15	492	1,108	923	1,547	305	1,852



* Source: Baker Hughes Inc.

Totals shown are number of drilling permits issued

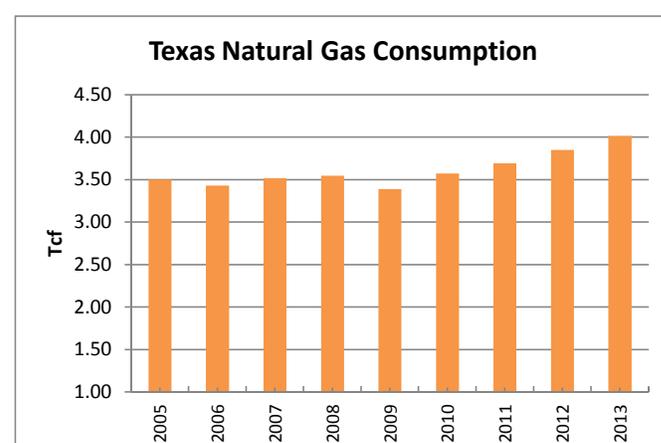
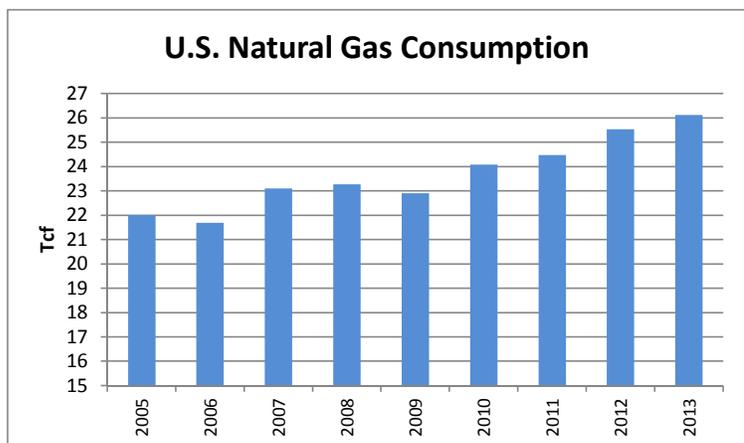
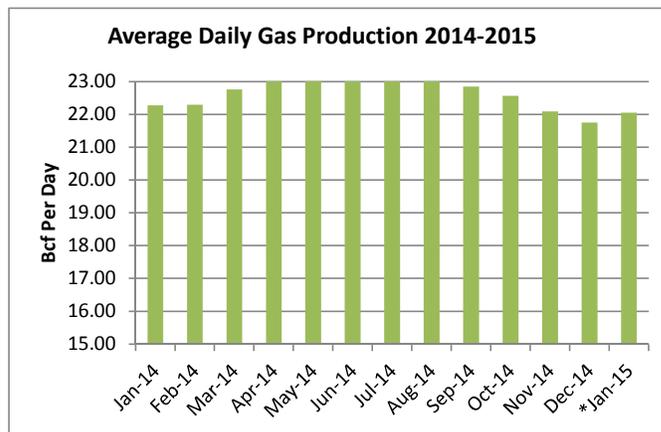
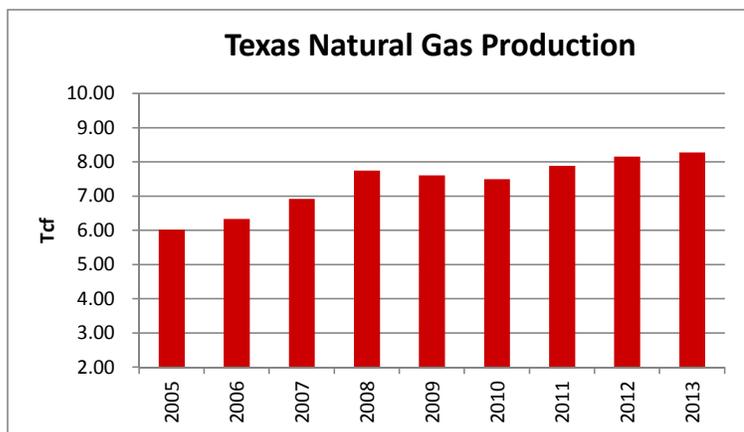
** Wells drilled are oil and gas well completions and dry holes drilled/plugged.

TABLE 2. TEXAS NATURAL GAS (Trillion CF)

Period	Total Production *	Proved Reserves #	Consumption #	Producing Wells *	Wellhead Price **
1994	5.71	39.02	3.67	52,614	\$1.85
1995	5.71	39.74	3.80	53,612	\$1.55
1996	5.88	41.59	3.99	55,052	\$2.17
1997	5.86	41.11	4.12	56,736	\$2.32
1998	5.83	40.79	4.21	58,436	\$1.96
1999	5.61	43.35	4.01	59,088	\$2.19
2000	5.76	45.42	4.42	60,486	\$3.68
2001	5.83	46.46	5.25	63,598	\$4.00
2002	5.73	47.49	4.30	65,686	\$2.95
2003	5.82	48.72	5.05	68,488	\$4.88
2004	6.02	53.28	3.91	72,237	\$5.46
2005	6.02	60.18	3.50	76,510	\$7.33
2006	6.34	65.81	3.43	83,218	\$6.39
2007	6.92	76.36	3.52	88,311	\$6.25
2008	7.75	81.84	3.55	96,502	\$7.97
2009	7.61	85.03	3.39	101,097	\$3.67
2010	7.50	94.29	3.57	101,653	\$4.48
2011	7.89	104.45	3.69	101,831	\$3.95
2012	8.16	93.48	3.85	102,218	\$2.66
2013	8.28	97.92	4.02	103,445	n/a

Total Gas Production (Bcf)				
Period	Daily	Monthly	Gas Well	Casinghead
Jan-14	22.28	690.73	540.38	150.34
Feb-14	22.30	624.34	484.98	139.36
Mar-14	22.77	705.81	544.97	160.84
Apr-14	23.23	696.79	534.37	162.42
May-14	23.38	724.93	553.12	171.81
Jun-14	23.42	702.67	531.11	171.57
Jul-14	23.23	720.05	540.15	179.90
Aug-14	23.24	720.49	535.90	184.59
Sep-14	22.85	685.60	511.12	174.47
Oct-14	22.57	699.70	522.91	176.79
Nov-14	22.10	662.88	497.39	165.49
Dec-14	21.76	674.49	504.42	170.07
*Jan-15	22.06	683.78	536.27	147.51

* Note: The most recent 12 months of production data is preliminary and subject to revision. The most recent month of data is incomplete and may underestimate the final and complete total; a production adjustment factor of 1.1655 has been applied to reported January gas well production to obtain an estimate of final gas well production.



* Source: Railroad Commission of Texas. The most recent 12 months of production data is subject to revision. Annual data is subject to revision as the Commission receives many corrected or delinquent production reports.

Source: US Energy Information Administration (EIA):EIA's reserves for estimates for 1994 and after exclude federal offshore and are wet after lease separation.

** Source: Texas Comptroller of Public Accounts. Wellhead price is average net taxable price (\$/Mcf) and excludes federal offshore production.

TABLE 3. TEXAS GAS STORAGE OPERATIONS

Productive or Depleted Reservoirs			Reported Max Withdrawal Rate (MMCF/DAY)	Working Gas* 3/31/2015 (MMCF)	Working Gas* 3/31/2014 (MMCF)	Change From One Year Ago (MMCF)	Preliminary Working Gas* 4/15/2015 (MMCF)
Operator	Field	County Location					
Oneok TX Gas Storage LP	Felmac (Yates)	Gaines	45	1,587	931	656	2,398
Oneok TX Gas Storage LP	Loop (Yates)	Gaines	75	800	800	-	800
Enbridge Pipeline LLC	Pickton (Bacon Lime)	Hopkins	15	2,254	2,189	65	2,258
Houston Pipe Line Co.	Bammell	Harris	1,300	31,825	8,215	23,610	37,112
Cago, Inc.	Ambassador	Clay	40	80	80	-	80
Hill Lake Gas Storage LLC	Hill-Lake Sand	Eastland	450	4,251	1,313	2,938	4,973
ATMOS Pipeline - Texas	Lake Dallas	Denton	120	2,734	3,104	(370)	2,818
ATMOS Pipeline - Texas	La-Pan-Miss	Clay	120	1,822	1,622	200	1,692
Cummings Company, Inc.	Leeray Strawn	Stephens	20	-	-	-	-
ATMOS Pipeline - Texas	New York City	Clay	120	3,258	3,237	21	3,028
Fort Concho Gas Storage, Inc.	Pecan Station	Tom Green	28	844	929	(85)	844
ATMOS Pipeline - Texas	Tri-Cities Bacon	Henderson	275	11,961	11,196	765	12,214
ATMOS Pipeline - Texas	Tri-Cities Rodessa	Henderson	50	2,738	2,441	297	2,738
Lower Colorado River Authority	Hilbig	Bastrop	100	1,506	2,329	(823)	1,890
Natural Gas Pipeline Co.	North Lansing	Harrison	1,100	27,193	26,741	452	32,091
Devon Gas Services LP	Lone Camp	Palo Pinto	28	348	230	118	400
Kinder Morgan Tejas Pipeline LLC	Clear Lake	Harris	900	44,360	10,311	34,049	47,430
Energy Transfer Fuel LP	Bryson	Jack	100	5,001	5,159	(158)	5,272
Worsham-Steed Gas Storage, LLC	Worsham Steed	Jack	25	14,699	8,068	6,631	15,338
Katy Storage and Transportation LP	Pottsville	Hamilton	200	-	-	-	-
Enstor Katy Storage and Transportation LP	Katy Hub & Storage	Fort Bend	700	15,461	7,862	7,599	16,960
		Subtotals	5,811	172,722	96,757	75,965	190,336
Salt Caverns							
Oneok TX Gas Storage LP	Salado (Loop Yates)	Gaines	500	1,309	438	871	1,823
Kinder Morgan Tejas Pipeline LP	Stratton Ridge	Brazoria	250	876	267	609	885
Centana Intrastate Pipeline LLC	Spindletop	Jefferson	400	7,892	547	7,345	8,565
Dow Chemical Co.	Stratton Ridge #34	Brazoria	200	-	-	-	-
Dow Chemical Co.	Stratton Ridge #6	Brazoria	180	922	1,039	(117)	922
Kinder Morgan Texas Pipeline LP	North Dayton	Liberty	750	5,592	3,588	2,004	8,031
ATMOS Pipeline - Texas	Bethel	Anderson	600	2,849	2,674	175	3,223
Moss Bluff Hub Partners LP	Moss Bluff	Liberty	1,000	7,007	1,901	5,106	9,261
Chevron Phillips Chemical Co	Clemens	Brazoria	75	1,508	725	783	1,551
PB Energy Storage Services, Inc.	Spindletop	Jefferson	480	7,018	6,771	247	6,729
Underground Services Markham, LP	Markham	Matagorda	1,100	10,345	5,207	5,138	13,813
Energy Transfer Fuel LP	Bethel Salt Dome	Anderson	600	1,787	85	1,702	2,793
Envoy Resources Inc	Wilson	Wharton	800	5,559	3,538	2,021	5,087
Chevron Keystone Gas Storage	Keystone Gas Storage	Winkler	350	3,955	3,473	482	4,212
Underground Storage LLC	Pierce Junction	Harris	350	823	890	(67)	1,361
Tres Palacios Storage LLC	Markham	Matagorda	2,500	4,161	592	3,569	1,776
Golden Triangle Storage, Inc	Spindletop	Jefferson	300	848	811	37	1,853
Freeport LNG Development, LP	Stratton Ridge	Brazoria	300	696	4,309	(3,613)	696
		Subtotals	10,735	63,147	36,855	26,292	72,581
Source: RRC Form G-3		TOTALS	16,546	235,869	133,612	102,257	262,917

TABLE 4. TEXAS GAS STORAGE OPERATIONS, 2014-2015

	Depleted Reservoirs			Salt Caverns			Total		
	Beginning Balance (Mmcf)	Injections/ (Withdrawals) (Mmcf)	Ending Balance (Mmcf)	Beginning Balance (Mmcf)	Injections/ (Withdrawals) (Mmcf)	Ending Balance (Mmcf)	Beginning Balance (Mmcf)	Injections/ (Withdrawals) (Mmcf)	Ending Balance (Mmcf)
March-14	134,614	(37,858)	96,756	40,502	(3,647)	36,855	175,116	(41,505)	133,611
April-14	96,756	17,119	113,875	36,855	12,647	49,502	133,611	29,766	163,377
May-14	113,875	26,727	140,602	49,502	18,061	67,563	163,377	44,788	208,165
June-14	140,602	21,959	162,561	67,563	12,185	79,748	208,165	34,144	242,309
July-14	162,561	18,007	180,568	79,748	3,991	83,739	242,309	21,998	264,307
August-14	180,568	10,785	191,353	83,739	(1,505)	82,234	264,307	9,280	273,587
September-14	191,353	29,085	220,438	82,234	19,404	101,638	273,587	48,489	322,076
October-14	220,438	36,768	257,206	101,638	21,978	123,616	322,076	58,746	380,822
November-14	257,206	15,296	272,502	123,616	2,552	126,168	380,822	17,848	398,670
December-14	272,502	(4,745)	267,757	126,168	(5,185)	120,983	398,670	(9,930)	388,740
January-15	267,757	(43,828)	223,929	120,983	(16,782)	104,201	388,740	(60,610)	328,130
February-15	223,929	(44,503)	179,426	104,201	(36,529)	67,672	328,130	(81,032)	247,098
March-15	179,426	(6,704)	172,722	67,672	(4,525)	63,147	247,098	(11,229)	235,869

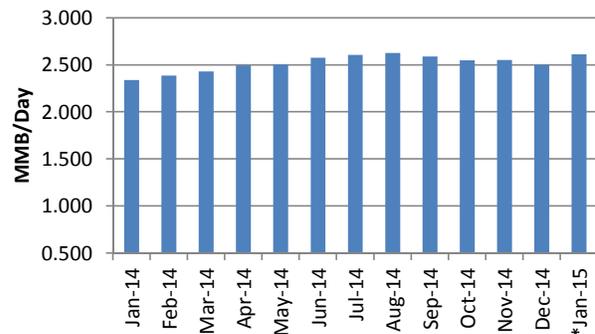
TABLE 5. TEXAS CRUDE OIL (million barrels)

Period	Texas Total Production *	Texas Daily Average*	% of U.S. Production	Proved Reserves #	% of U.S. Reserves	# of Producing Wells *	WTI Spot Price **
1994	543	1.49	22%	5,847	26.04%	179,955	\$17.30
1995	515	1.41	22%	5,743	25.69%	177,397	\$14.73
1996	500	1.37	21%	5,736	26.05%	175,277	\$16.31
1997	491	1.35	21%	5,687	25.22%	175,475	\$18.77
1998	459	1.26	20%	4,927	23.42%	170,288	\$20.01
1999	409	1.12	19%	5,339	24.53%	162,620	\$14.06
2000	401	1.10	19%	5,273	23.92%	161,097	\$20.01
2001	381	1.04	18%	4,944	22.03%	159,357	\$25.95
2002	366	1.00	17%	5,015	22.11%	155,865	\$26.11
2003	359	0.98	17%	4,583	20.94%	153,461	\$31.12
2004	351	0.96	18%	4,613	21.59%	151,205	\$41.44
2005	349	0.96	18%	4,919	22.61%	151,286	\$56.49
2006	347	0.95	19%	4,871	23.23%	151,832	\$66.02
2007	343	0.94	19%	5,122	24.03%	153,223	\$72.32
2008	353	0.97	19%	4,555	23.82%	156,588	\$99.57
2009	349	0.96	18%	5,006	24.20%	157,807	\$61.65
2010	368	1.01	18%	5,674	24.39%	158,451	\$79.40
2011	444	1.22	22%	7,014	26.42%	161,402	\$94.86
2012	606	1.66	25%	9,614	31.49%	167,864	\$94.12
2013	773	2.12	28%	10,468	31.37%	179,797	\$97.91

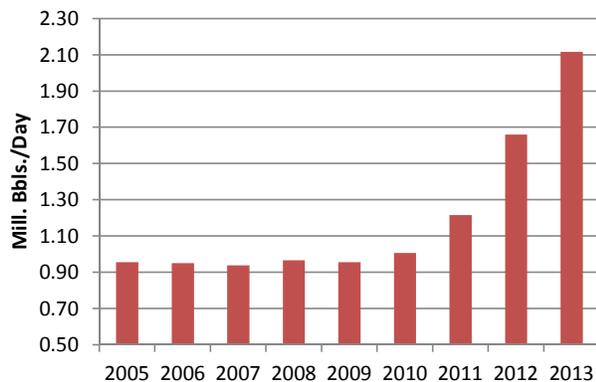
Jan-14	72.58	2.341
Feb-14	66.88	2.389
Mar-14	75.34	2.430
Apr-14	74.87	2.496
May-14	77.71	2.507
Jun-14	77.27	2.576
Jul-14	80.78	2.606
Aug-14	81.45	2.627
Sep-14	77.68	2.589
Oct-14	79.08	2.551
Nov-14	76.58	2.553
Dec-14	77.60	2.503
*Jan-15	81.02	2.613

* Note: The most recent 12 months of production data is preliminary and subject to revision. The most recent month of data is incomplete and may underestimate the final and complete total; a production adjustment factor of 1.1750 has been applied to reported January crude oil production to obtain an estimate of final crude oil production.

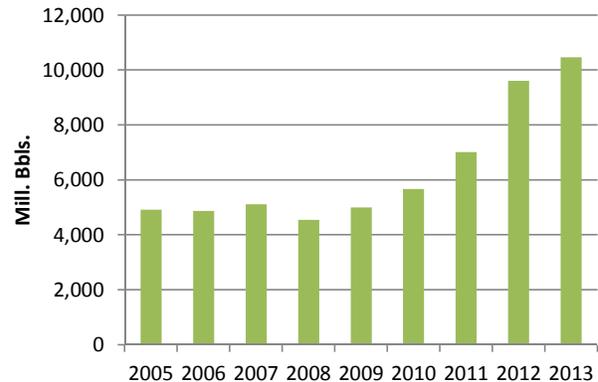
Texas Oil Production 2014-2015



Texas Oil Production 2005 - 2013



Texas Crude Oil Reserves 2005- 2013



* Source: Railroad Commission of Texas. Production data is subject to revision.

Source: U.S. Energy Information Administration (EIA). Reserve estimates for 1985 and after exclude federal offshore.

** Source: Texas Comptroller of Public Accounts. Wellhead price is average net taxable price (\$/bbl.) & excludes federal offshore production.

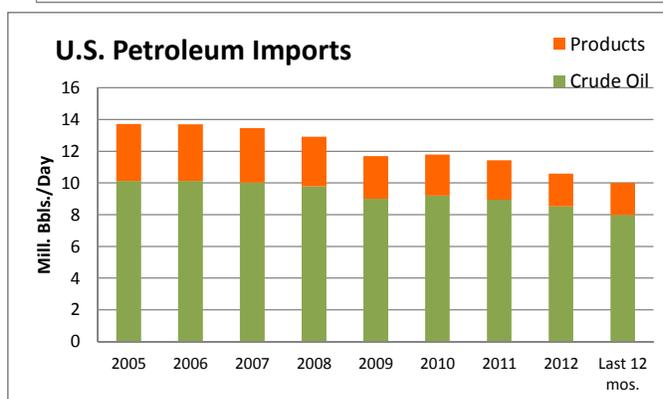
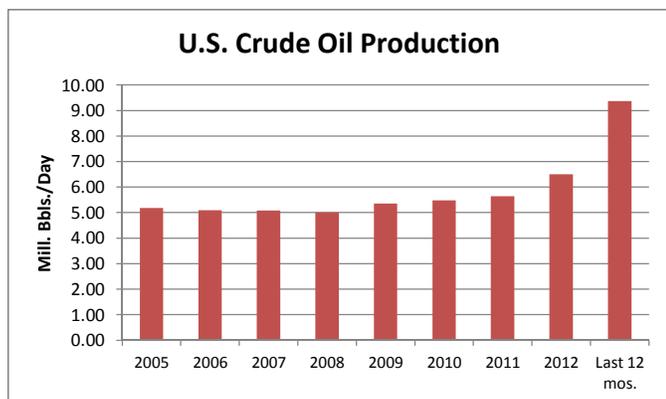
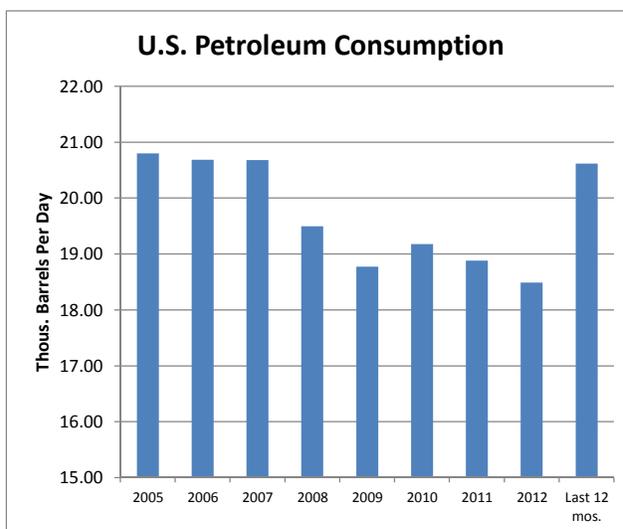
Source for 2001 and after is EIA. Wellhead price is West Texas Intermediate spot average.

TABLE 6. US PETROLEUM OVERVIEW (MILLION BARRELS PER DAY)

Period	Production*	Imports **			Products Supplied #	Proved Reserves **	Wells Drilled **	Wellhead Price **
		Total	Crude Oil	Products				
1993	6.85	8.62	6.79	1.83	17.24	22,957	25,451	14.25
1994	6.67	9.00	7.06	1.93	17.72	22,457	22,255	13.19
1995	6.56	8.84	7.23	1.61	17.73	22,351	21,600	14.62
1996	6.47	9.48	7.51	1.97	18.31	22,017	23,886	18.46
1997	6.45	10.16	8.23	1.94	18.62	22,546	27,586	17.23
1998	6.25	10.71	8.71	2.00	18.92	21,034	22,911	10.87
1999	5.88	10.85	8.73	2.12	19.52	21,765	18,939	15.56
2000	5.82	11.46	9.07	2.39	19.70	22,045	29,287	26.72
2001	5.80	11.87	9.33	2.54	19.65	22,446	35,558	21.84
2002	5.74	11.53	9.14	2.39	19.76	22,677	27,871	22.51
2003	5.65	12.26	9.67	2.60	20.03	21,891	32,833	27.56
2004	5.44	13.15	10.09	3.06	20.73	21,371	37,057	36.77
2005	5.18	13.71	10.13	3.59	20.80	21,757	44,022	50.28
2006	5.09	13.71	10.12	3.59	20.69	20,972	51,429	59.69
2007	5.08	13.47	10.03	3.44	20.68	21,317	51,071	66.52
2008	5.00	12.92	9.78	3.13	19.50	19,121	54,302	94.04
2009	5.35	11.69	9.01	2.68	18.77	20,682	32,803	56.35
2010	5.48	11.79	9.21	2.58	19.18	23,267	36,611	74.71
2011	5.65	11.44	8.94	2.50	18.88	26,544	n/a	95.73
2012	6.50	10.60	8.53	2.07	18.49	30,529	n/a	94.52
Last 12 mos.	9.36	10.01	7.98	2.03	20.62			

Dec-2013	7.89	9.54	7.77	1.77	18.98
Jan-2014	8.02	9.27	7.58	1.68	18.92
Feb-2014	8.14	9.15	7.20	1.95	18.99
Mar-2014	8.26	9.24	7.26	1.98	18.53
Apr-2014	8.57	9.58	7.55	2.04	18.78
May-2014	8.63	9.38	7.17	2.22	18.52
Jun-2014	8.69	8.82	7.05	1.76	18.83
Jul-2014	8.73	9.47	7.62	1.85	19.16
Aug-2014	8.83	9.31	7.47	1.84	19.28
Sep-2014	8.95	9.15	7.51	1.64	19.04
Oct-2014	9.13	8.91	7.13	1.78	19.63
Nov-2014	9.16	8.97	7.27	1.69	19.21
Dec-2014	9.39	9.39	7.21	2.18	19.52

(Monthly data is subject to revision.)



* Sources: U.S. Energy Information Administration (EIA). Recent production data is subject to revision.

** Source: EIA. Wells drilled includes crude oil, natural gas, and dry wells drilled. U.S. average wellhead (first purchase) price is dollars per barrel. (Per most recent data from EIA)

Source: EIA. Petroleum products supplied is a measure of domestic consumption.

Railroad Commission of Texas

P. O. Box 12967

Austin, Texas 78711-2967

Texas PetroFacts is available in PDF format for download from the Railroad Commission web site at <http://www.rrc.state.tx.us>.

Created in 1891 by the Texas Legislature, the Railroad Commission today is known principally as a leader in the regulation and conservation of oil and natural gas in Texas. For more than 100 years, the Commission has been charged with preventing waste and pollution while safeguarding property rights.

We believe the people of Texas continue to have a vital stake in the orderly production and conservation of the state's natural resources. Across the state, crude oil and natural gas are produced in 224* of 254 counties. About 287,200* persons are employed in oil and gas exploration, production, refining, and related industries. In all, businesses involved with the Texas oil and gas industry contribute about \$206 billion annually to the state's more than one trillion-dollar economy.

As an oil and gas producer, the state of Texas ranks among the nations of the world. Texas leads the United States in the production of crude oil and natural gas, and its marketed production of natural gas represents one-third of total U. S. supply. Texas produces an average of nearly two million barrels of oil a day; natural gas production in the state exceeds 8 trillion cubic feet a year.

David Porter
Chairman

Christi Craddick
Commissioner

Ryan Sitton
Commissioner

* The number of producing counties and employment data are subject to revision.