

2014 EIA Energy Conference

U.S. Crude Oil Exports



July 14, 2014

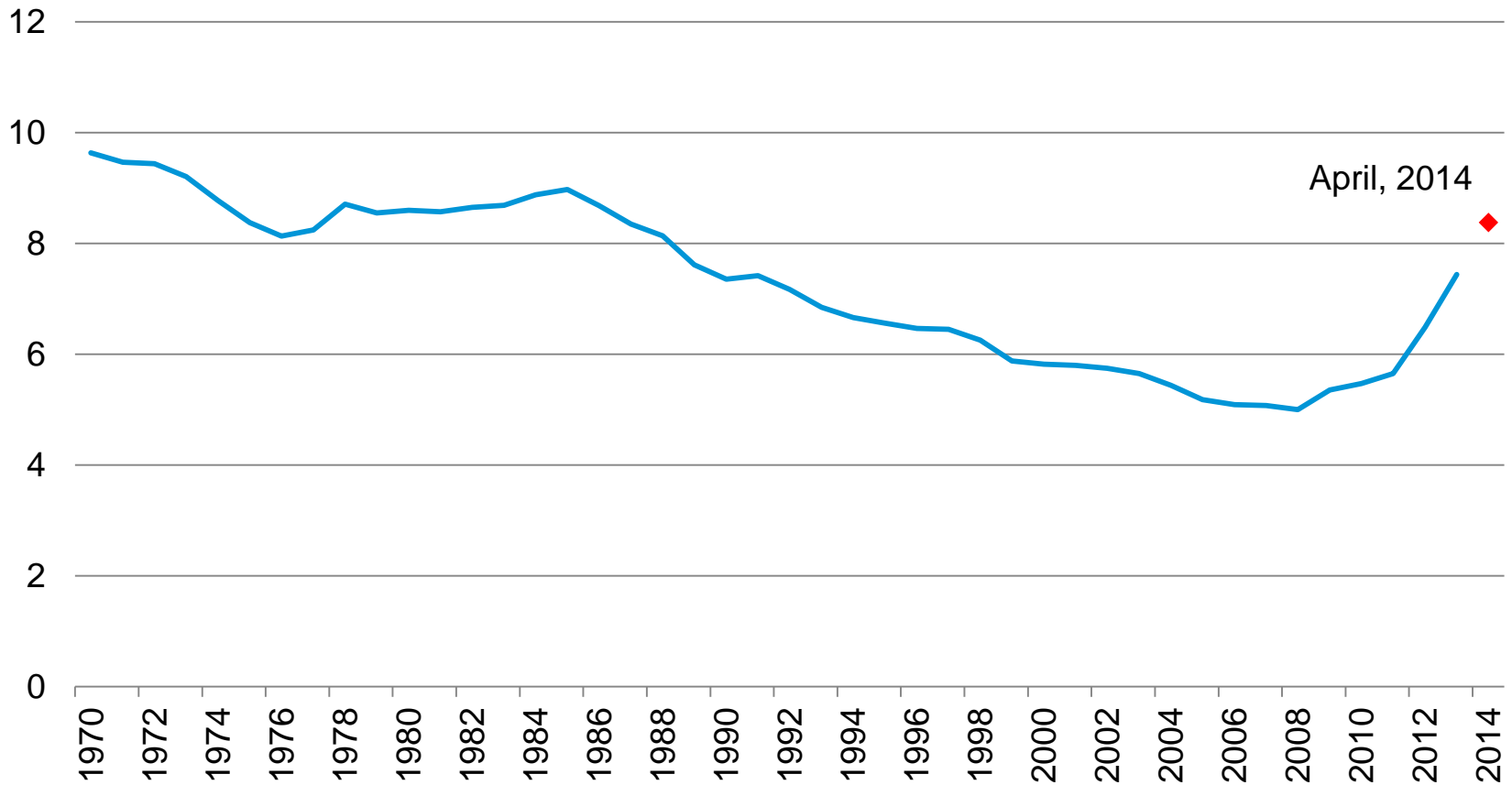
By

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U.S. Energy Information Administration

U.S. crude oil production has grown by almost 50% since 2008 and is up by 1.0 million b/d (14%) since April of 2013

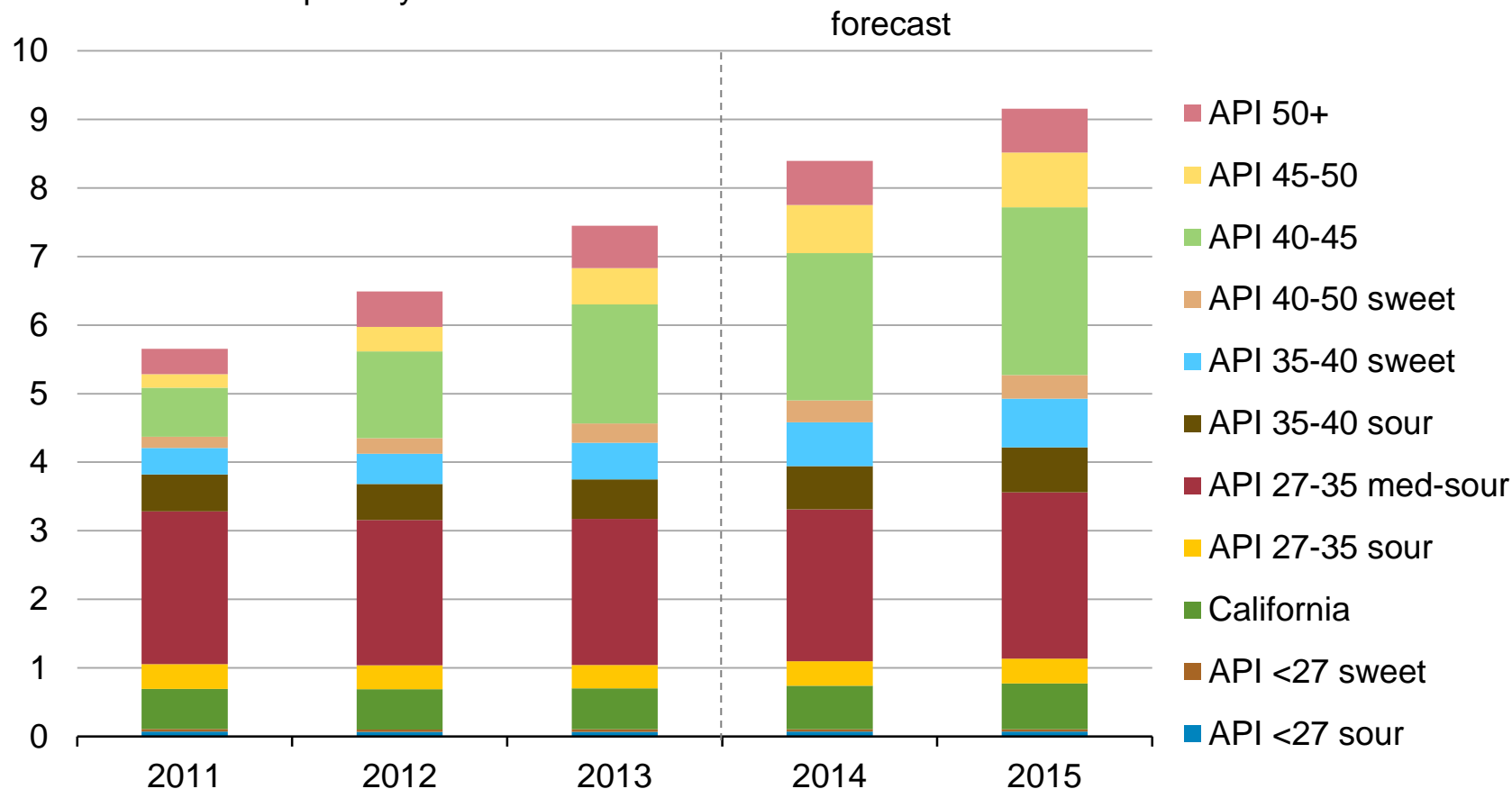
U.S. crude oil production
million barrels of oil per day



Source: U.S. Energy Information Administration

Roughly 96% of the growth in production between 2011 and 2013 consisted of sweet grades with API gravity of 40 or above

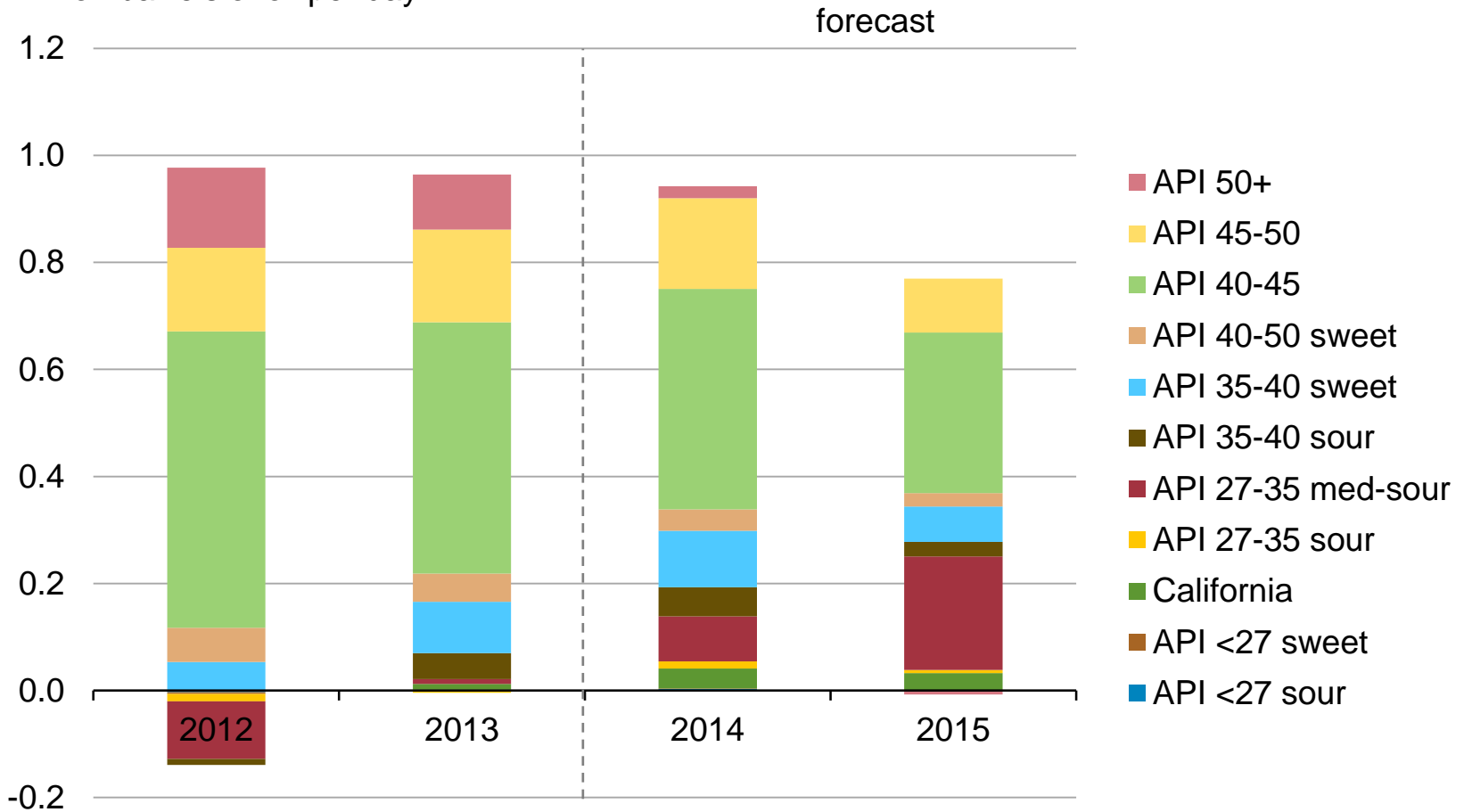
U.S. crude oil production by type
million barrels of oil per day



Source: EIA, DrillingInfo, Colorado DNR, Texas RRC. <http://www.eia.gov/analysis/petroleum/crudetypes/>

More than 60% of EIA's production growth forecast for 2014 and 2015 consists of sweet grades with API gravity of 40+

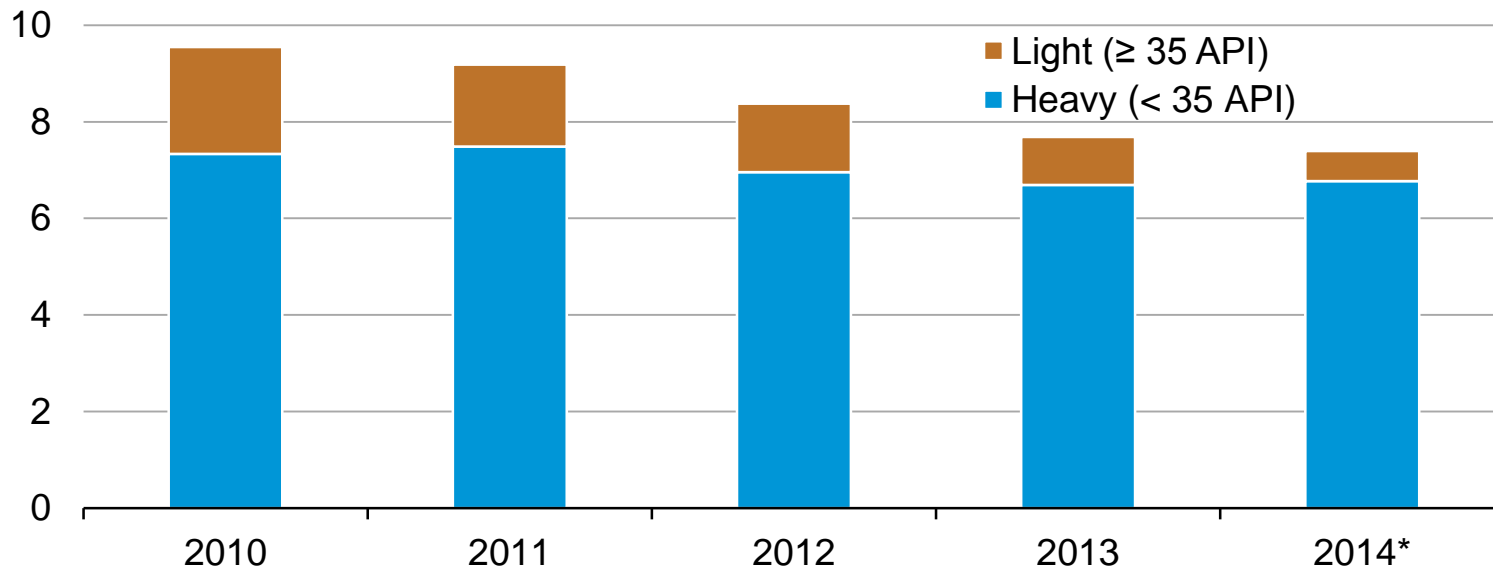
Annual change in U.S. crude oil production by type
million barrels of oil per day



Source: EIA, DrillingInfo, Colorado DNR, Texas RRC.

Imports of light crude (API gravity 35+) fell from 1.7 million b/d in 2011 to 0.5 million b/d during first four months of 2014

U.S. crude oil imports
million barrels of oil per day



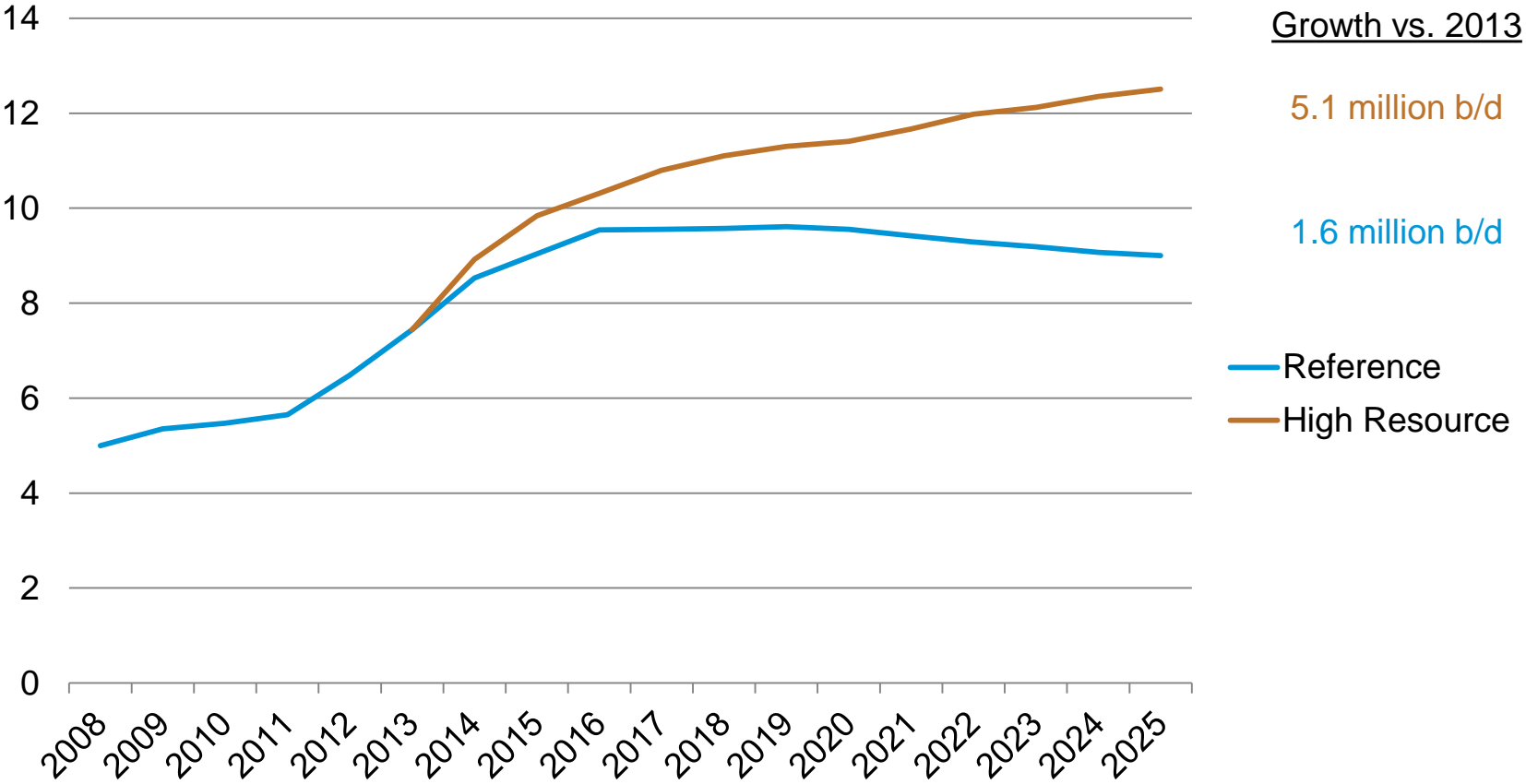
Note: 2014 data is January and February only.

Source: U.S. Energy Information Administration, Petroleum Supply Monthly.

- Of the total 1.5 million b/d decline in crude oil imports between 2011 and 2013, nearly 50% was light crude (API gravity 35+)
- API 40+ imports fell from 0.6 million b/d in 2011 to 0.2 million b/d in 2013, and averaged less than 0.1 million b/d during the first four months of 2014

EIA projects continued U.S. crude production growth in two different scenarios

U.S. crude oil production
million barrels of oil per day



Source: U.S. Energy Information Administration

Consequences of increased domestic oil production

- Additional production of light oil over the past several years has for the most part been absorbed by reducing imports of similar grades oils
- Other responses include:
 - Increased crude oil exports (244,000 b/d in first quarter 2014)
 - Increased average API gravity of crude inputs to domestic refining
 - Increased refinery runs
- Future options include:
 - Continued shifts in the refinery input mix
 - Added splitters to convert light crude into a mix of heavier fractions to feed domestic refineries and light products valued in other markets
 - Continued increases in crude oil exports