

Outlook for shale gas and tight oil development in the U.S.



For

Deloitte Energy Conference

May 21, 2013 | Washington, DC

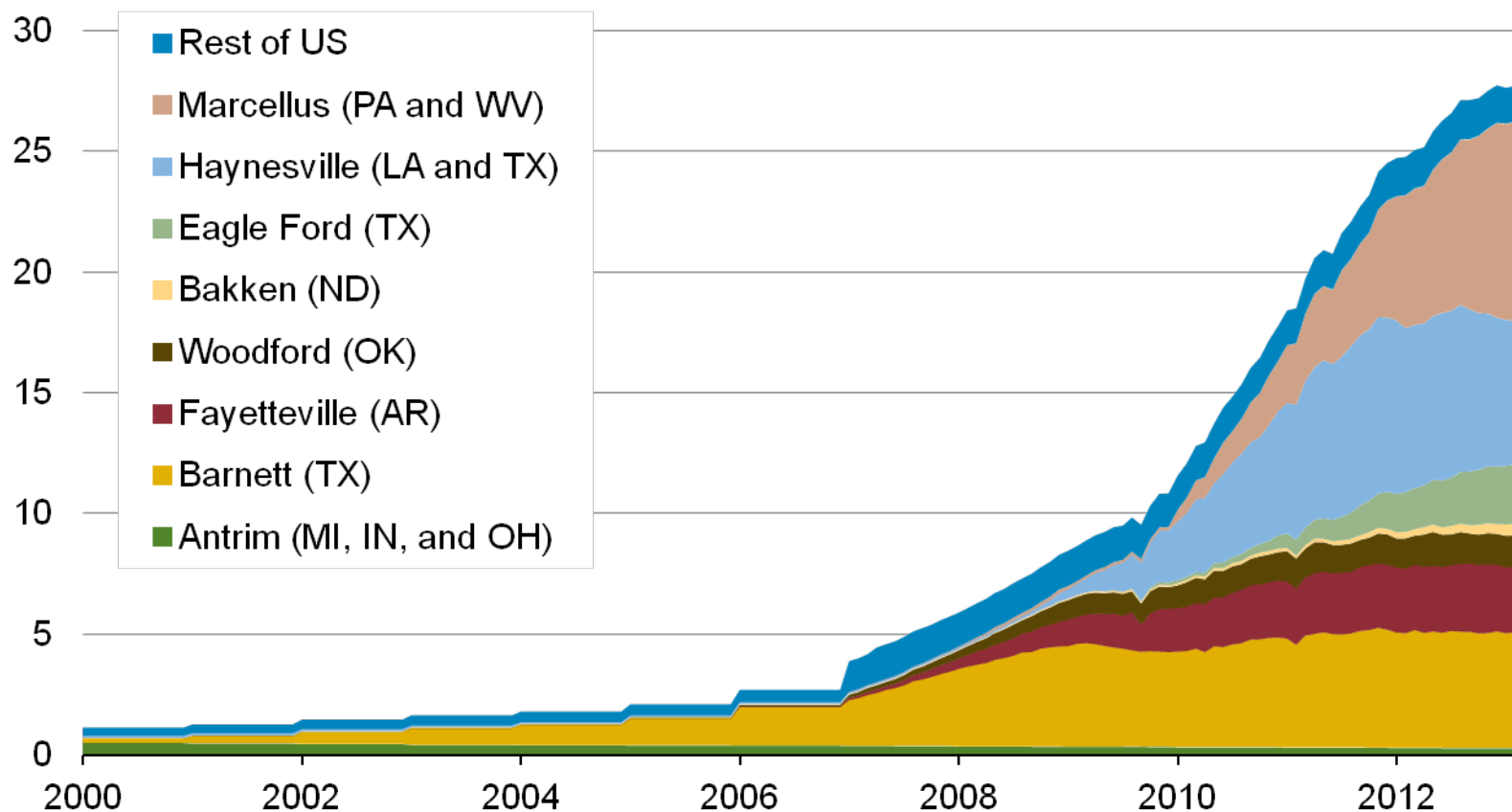
By

Adam Sieminski, Administrator

U.S. Shale Gas

Domestic production of shale gas has grown dramatically over the past few years

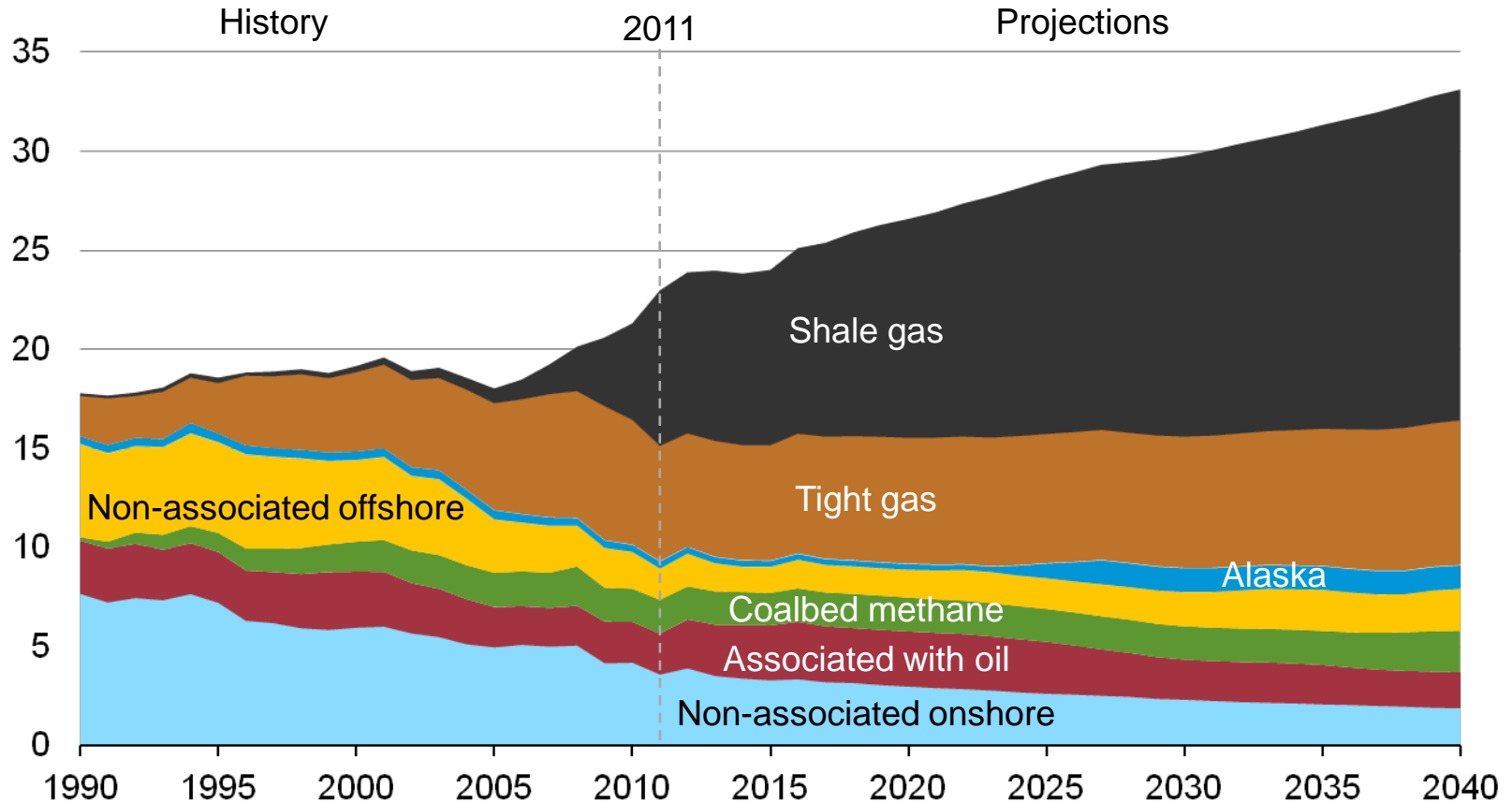
shale gas production (dry)
billion cubic feet per day



Sources: LCI Energy Insight gross withdrawal estimates as of March 2013 and converted to dry production estimates with EIA-calculated average gross-to-dry shrinkage factors by state and/or shale play.

Shale gas leads growth in total gas production through 2040 to reach half of U.S. output

U.S. dry natural gas production
trillion cubic feet

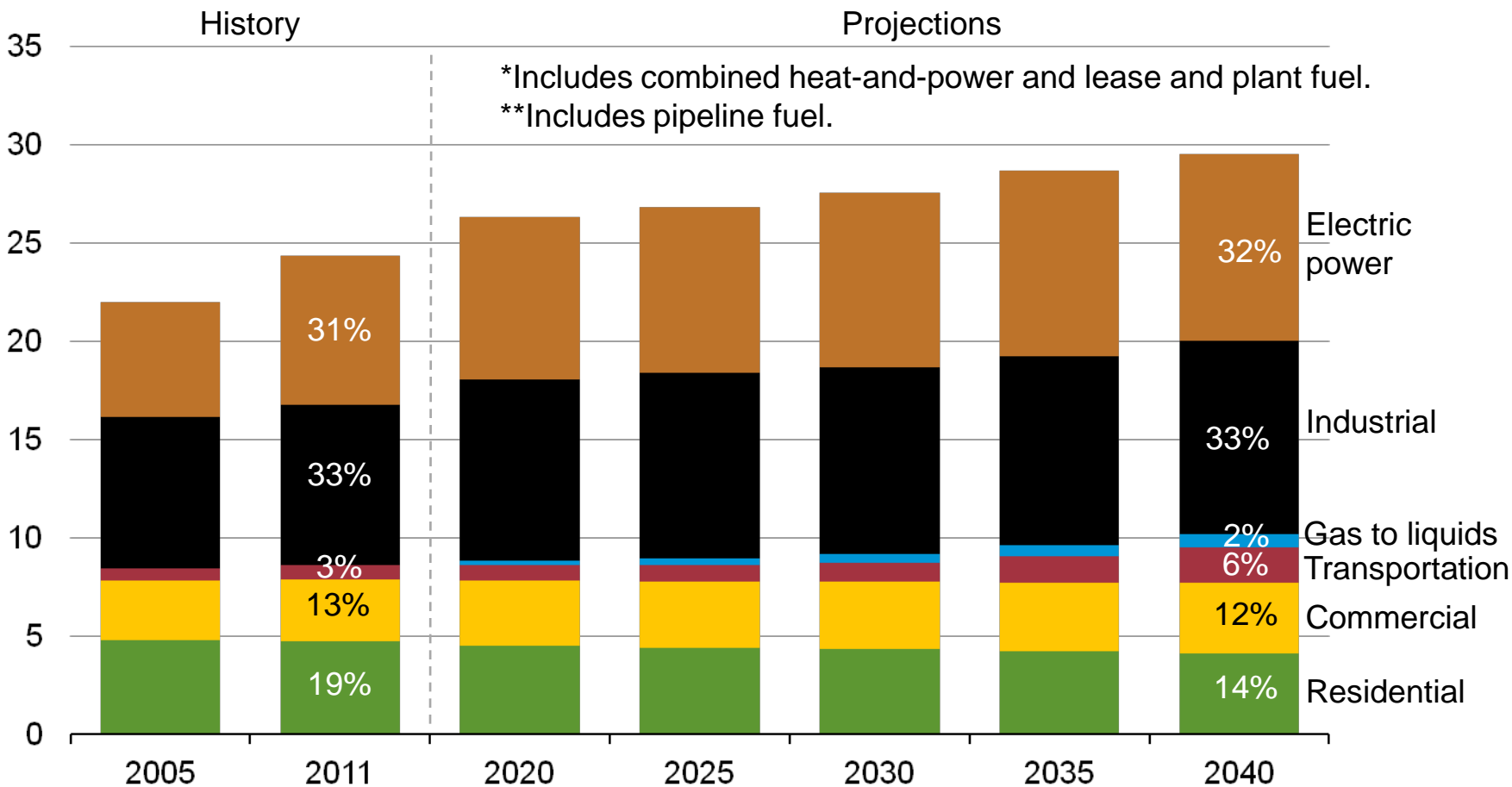


Source: EIA, Annual Energy Outlook 2013

Natural gas consumption is quite dispersed with electric power, industrial, and transportation use driving future demand growth

U.S. dry gas consumption

trillion cubic feet

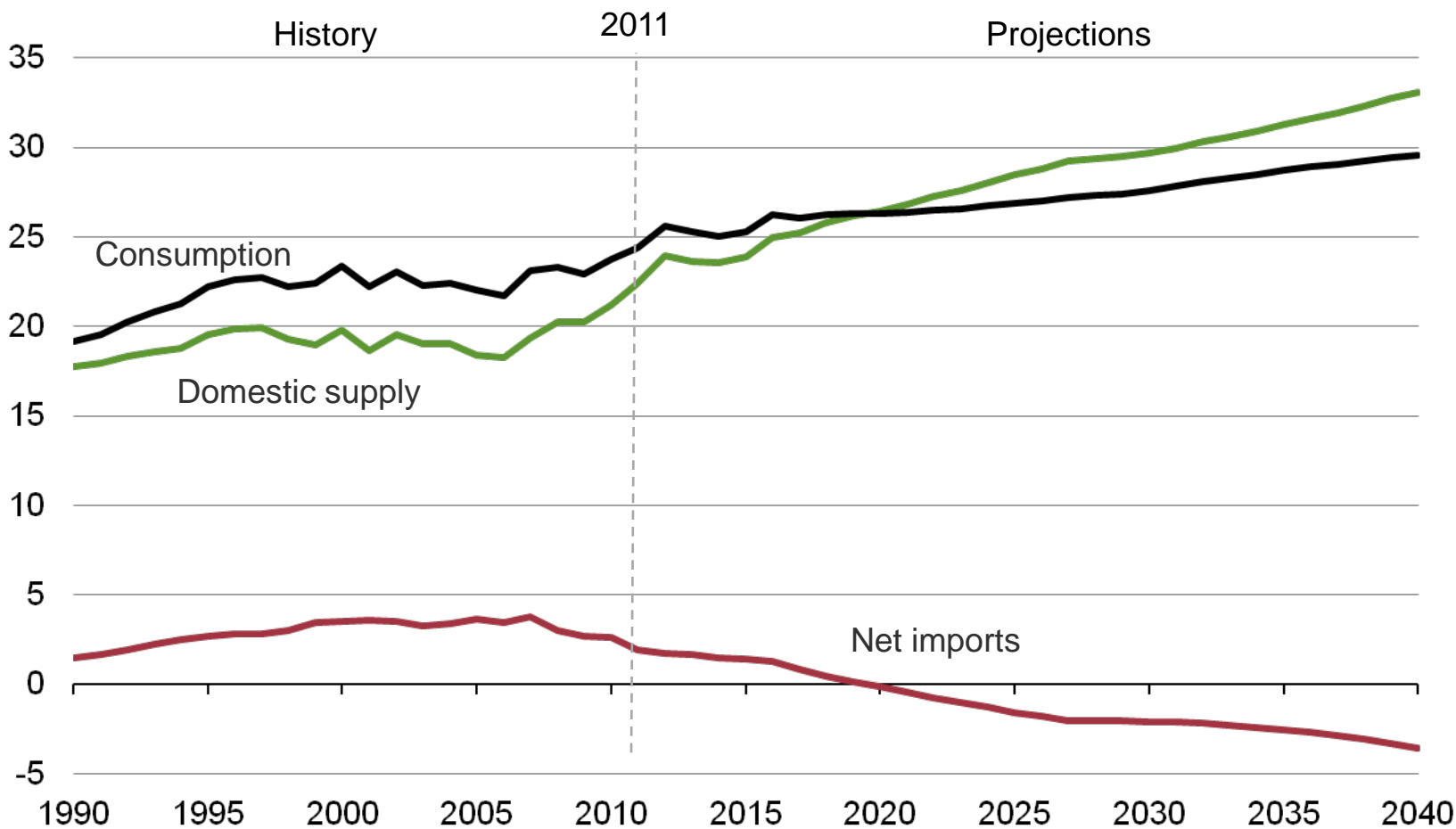


Source: EIA, Annual Energy Outlook 2013

Domestic natural gas production grows faster than consumption and the U.S. becomes a net exporter of natural gas around 2020

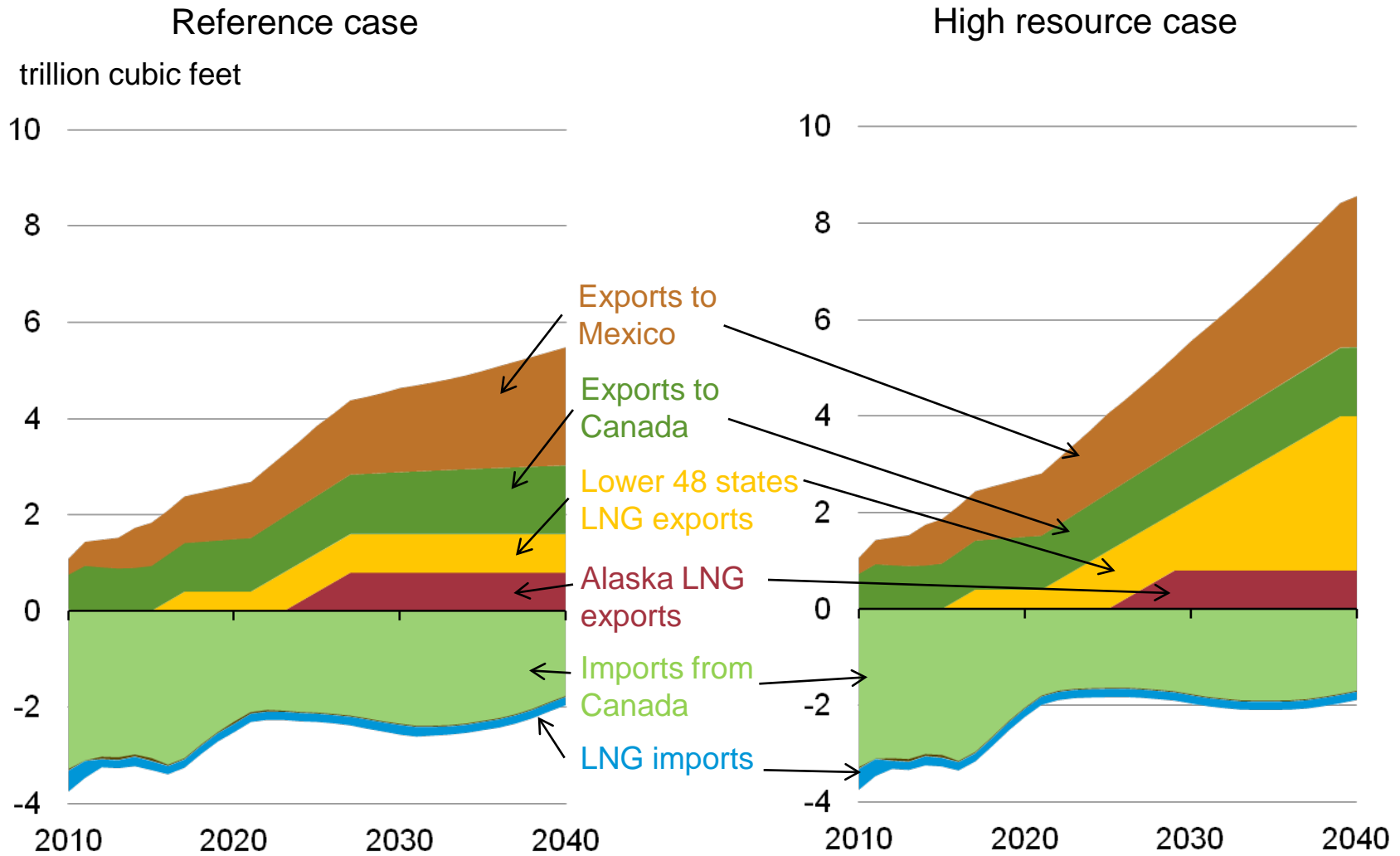
U.S. dry gas

trillion cubic feet



Source: EIA, Annual Energy Outlook 2013

U.S. natural gas imports and exports



Source: EIA, Annual Energy Outlook 2013

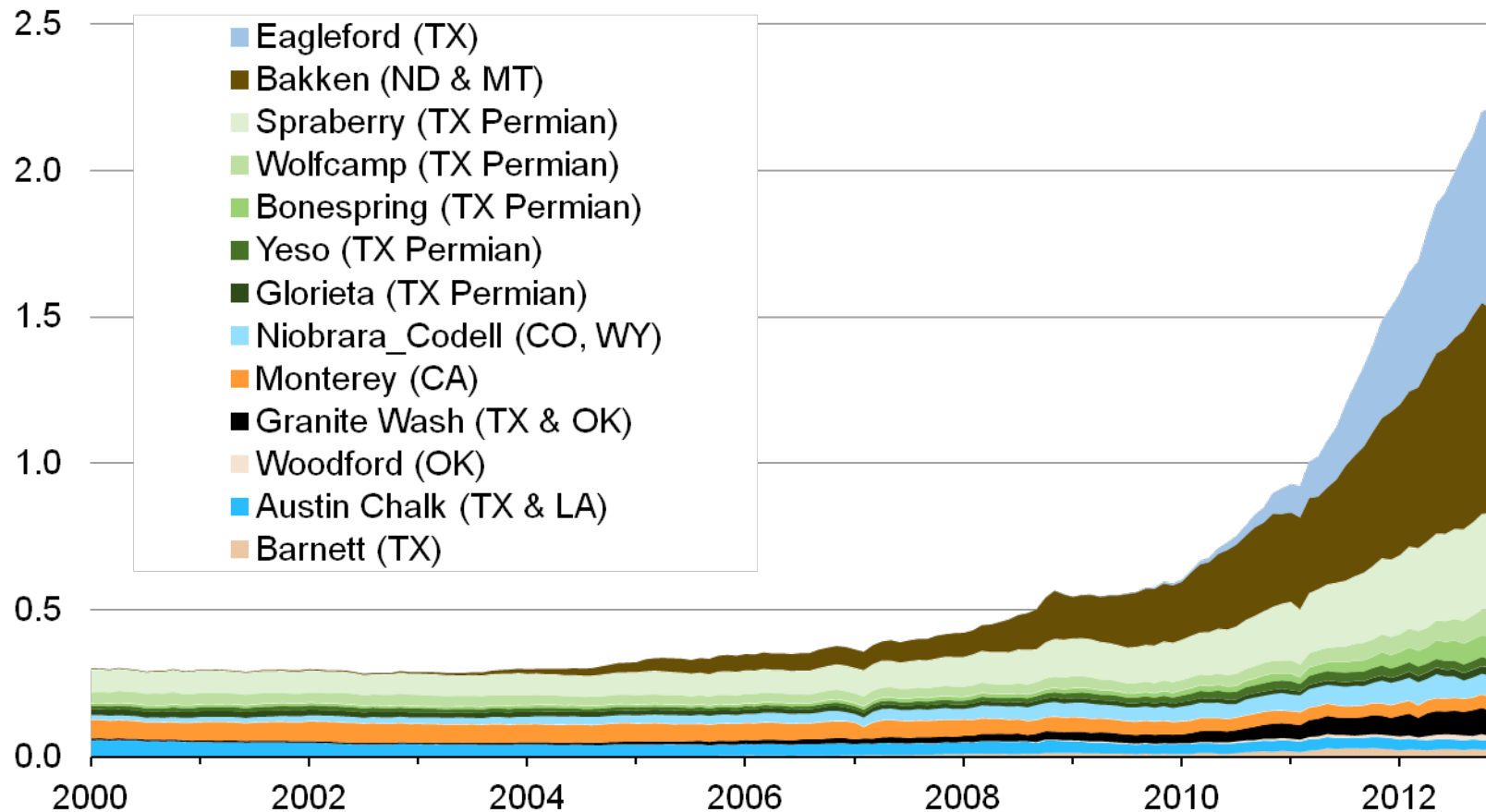
Uncertainties that could slow global growth of shale gas and tight oil

- Resource quantities and distribution
- Surface vs. mineral rights
- Risk appetite of industry participants
- Infrastructure and technology
- Environmental constraints

U.S. Tight Oil

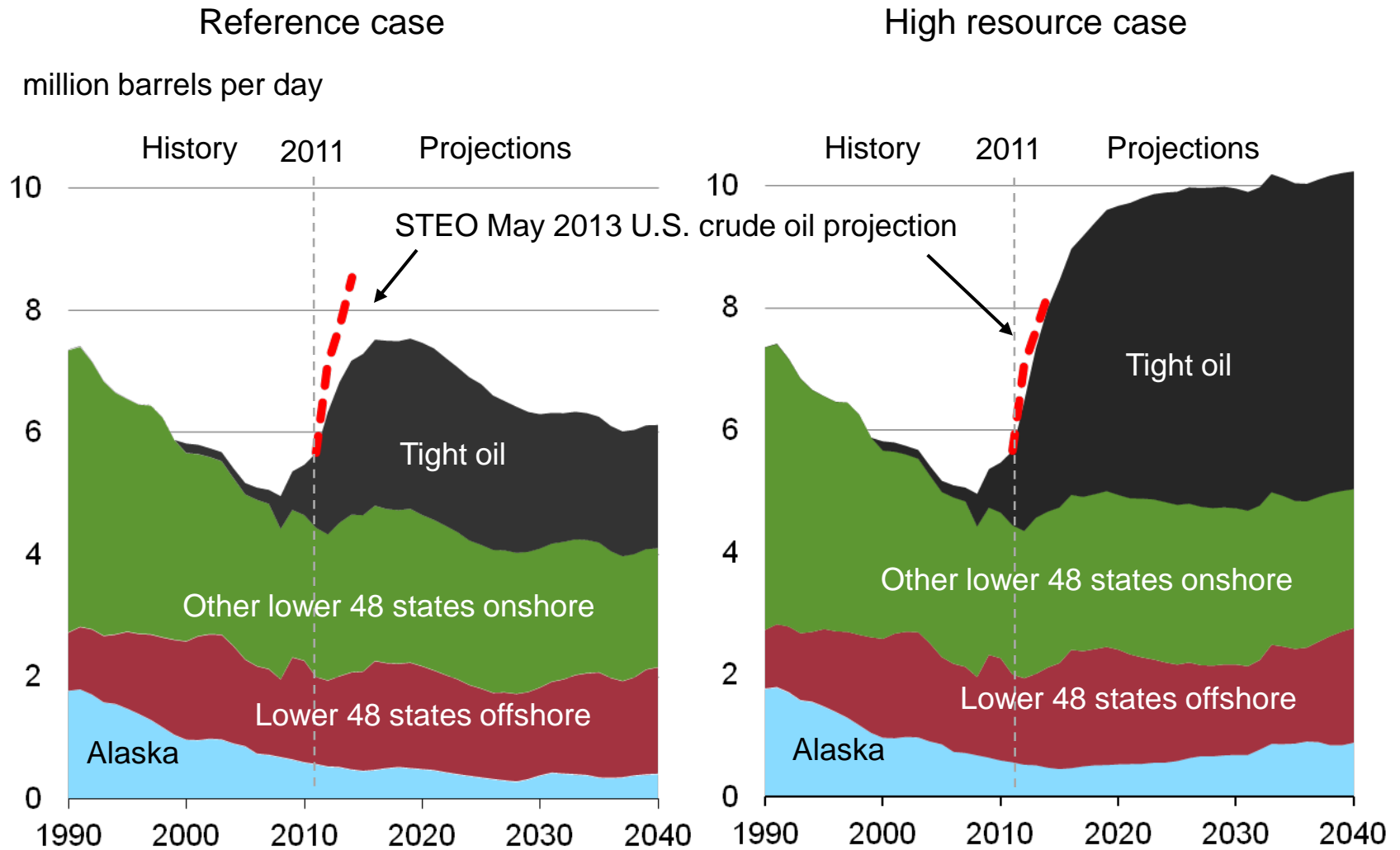
Domestic production of tight oil has grown dramatically over the past few years

tight oil production for select plays
million barrels per day



Source: Drilling Info (formerly HPDI), Texas RRC, North Dakota department of mineral resources, and EIA, through December 2012

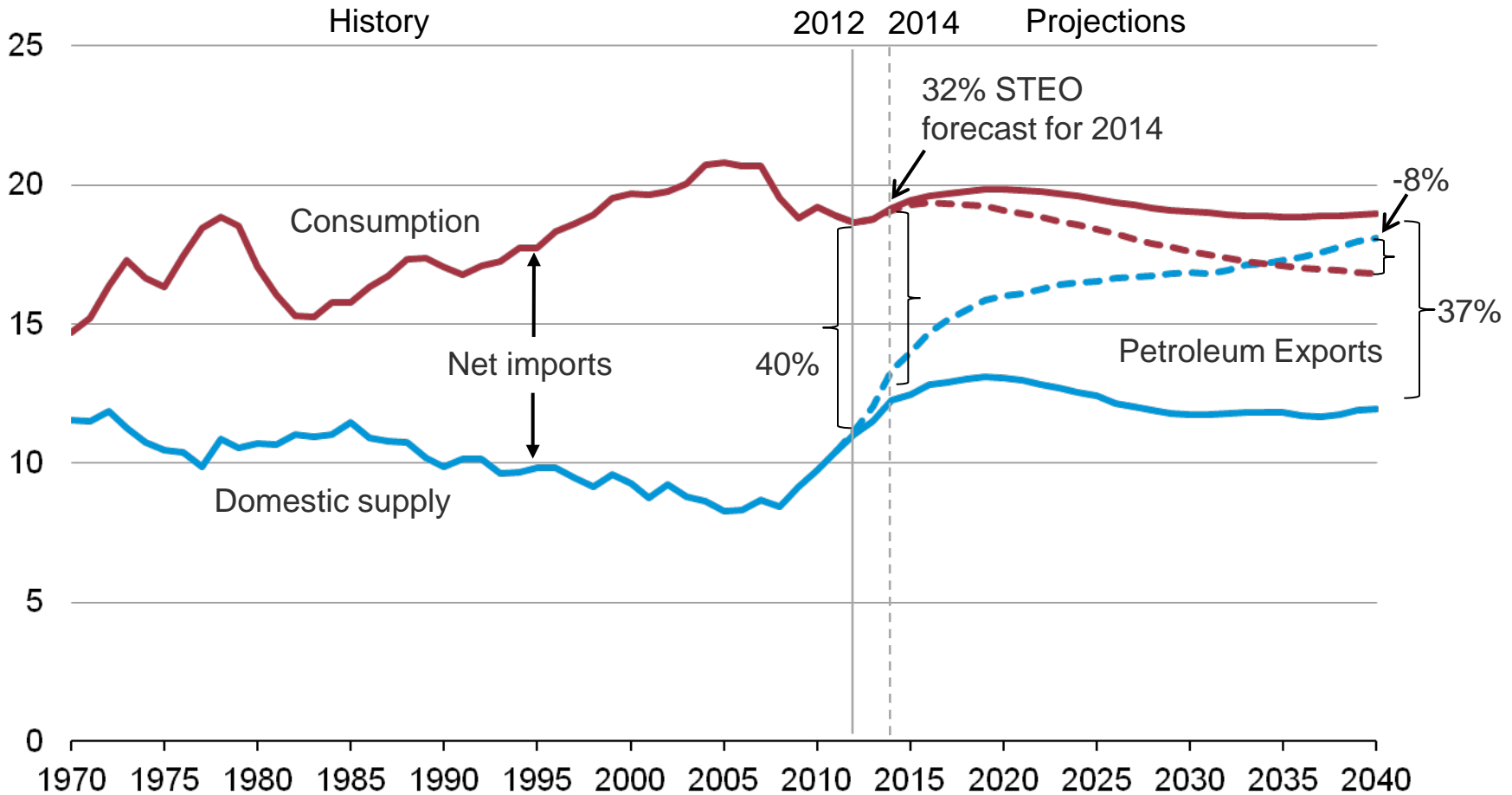
U.S. tight oil production leads growth in domestic production



Source: EIA, Annual Energy Outlook 2013 and Short-Term Energy Outlook, May 2013

U.S. dependence on imported liquids depends on both supply and demand

U.S. liquid fuel supply
million barrels per day



Source: EIA, Annual Energy Outlook 2013 and Short-Term Energy Outlook, April 2013



2013 EIA ENERGY CONFERENCE

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Chairman, President and CEO
Southern Company

Aldo Flores-Quiroga

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Chairman
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June 17-18, 2013 · JW Marriott · Washington, DC

For more information

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

Annual Energy Outlook | www.eia.gov/forecasts/aeo

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

International Energy Outlook | www.eia.gov/forecasts/ieo

Today In Energy | www.eia.gov/todayinenergy

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