

Price Supply Curves

A price supply curve shows the relationship of price to the economically recoverable resource volumes (i.e., the horizontal line from the price axis to the curve yields the quantity of economically recoverable resources at the selected price).

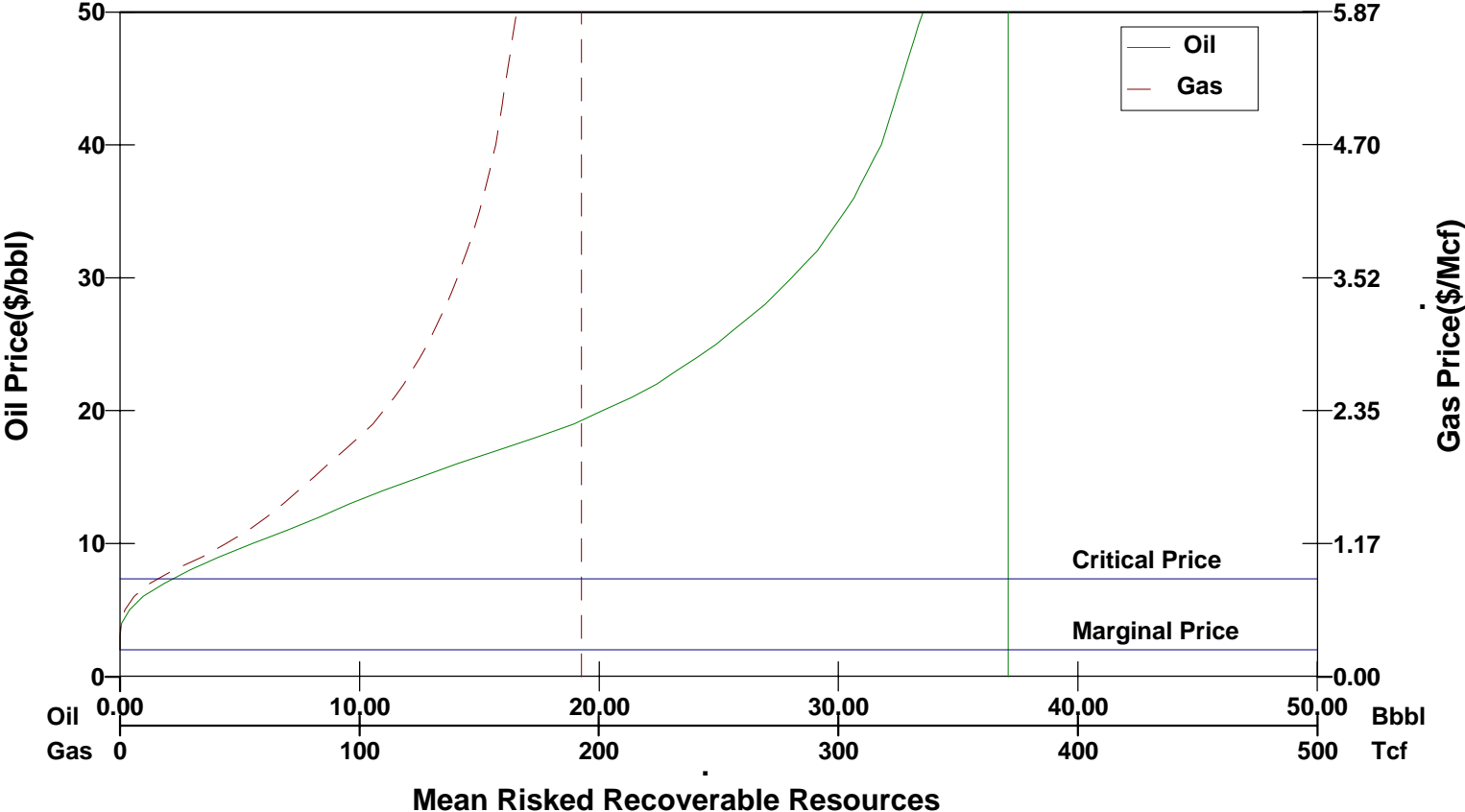
The price supply curve for each region and planning area shows two curves and two price scales, one for oil and one for gas. The curves represent mean values at any specific price. They are not independent of each other; that is, one specific oil price cannot be used to obtain an oil resource and a separate gas price used to get a gas resource. The gas price is dependant on the oil price and must be used in conjunction with the oil price on the opposite axis to calculate resources. The reason for this condition is that oil and gas frequently occur together and the individual pool economics are calculated using the coupled pricing. A different gas price associated with the oil price would result in a different resource number than that shown on the curve.

Two horizontal lines within the graph indicate critical price and marginal price. Values above the critical price indicate that at least one economic pool exists. Below the marginal price, no resources can be recovered economically. Values between the critical price and the marginal price reflect both economic and geologic risks. The two vertical lines (green for oil and red for natural gas) indicate the mean estimates of conventionally recoverable oil and natural gas resources. At high prices, the economic resource volumes approach the conventionally recoverable volumes. These curves represent resources available with sufficient exploration and development efforts and do not imply immediate response to price changes.

Price Supply

Gulf of Mexico Regional Total

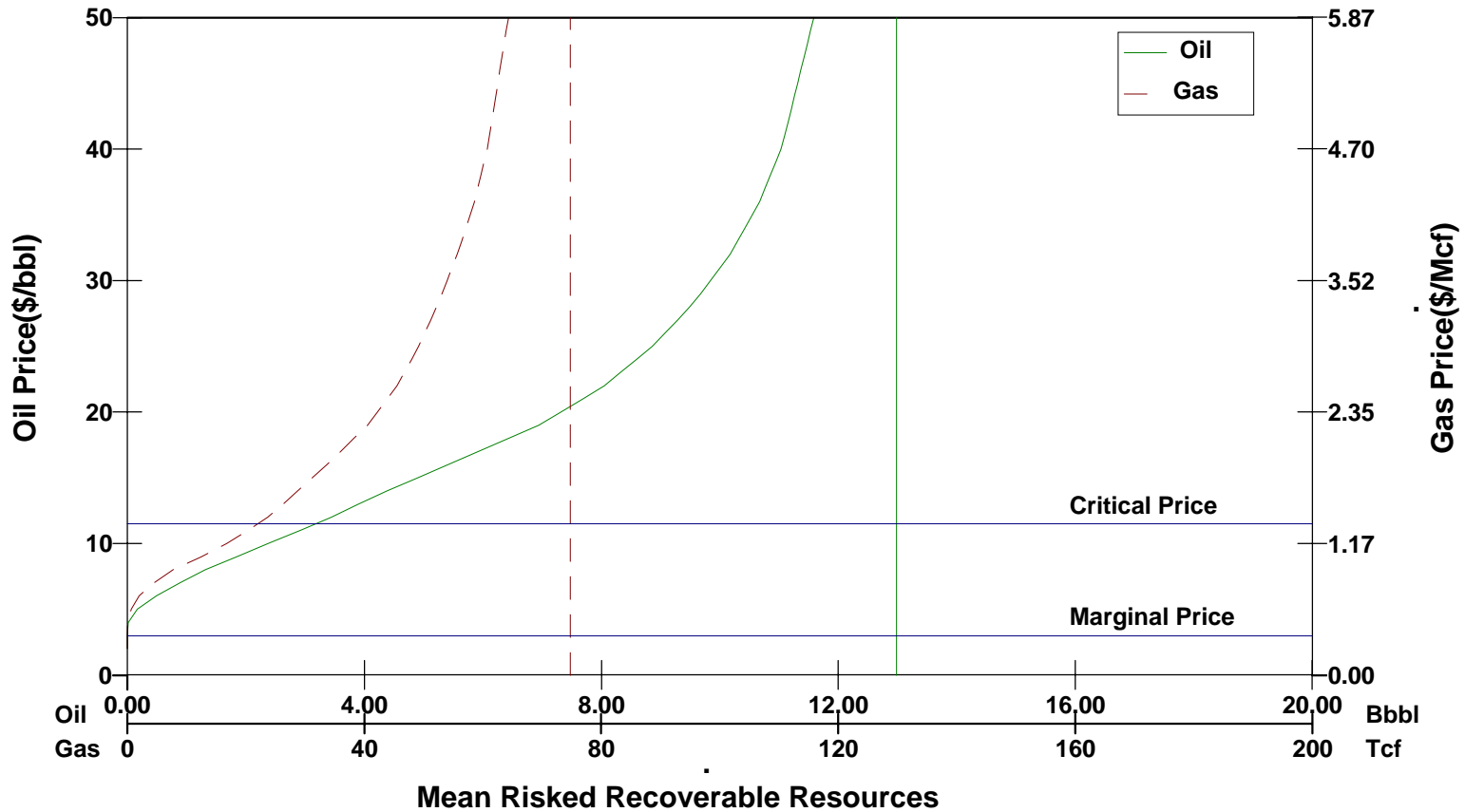
Undiscovered Resources



Price Supply

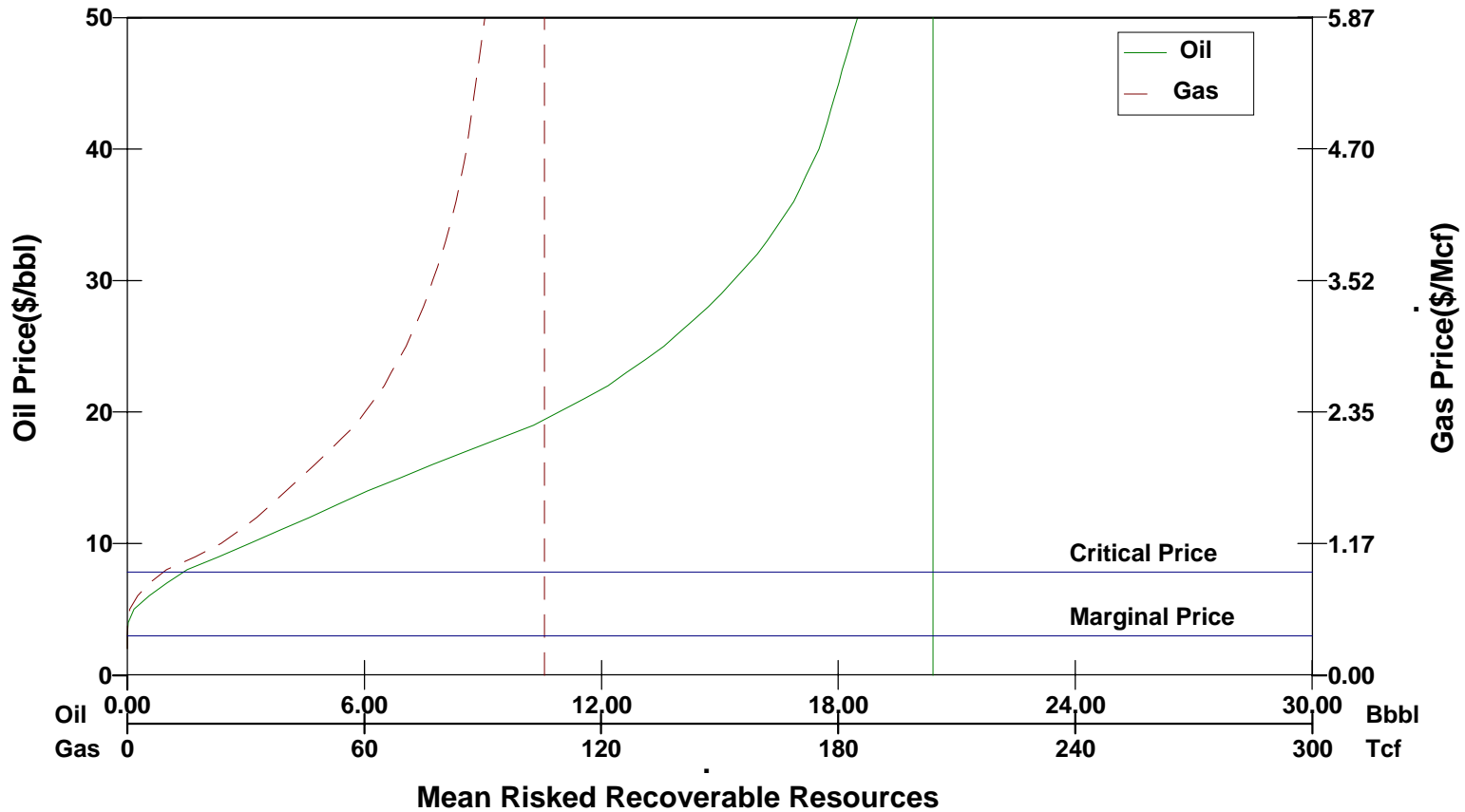
Western Gulf of Mexico Planning Area Total

Undiscovered Resources



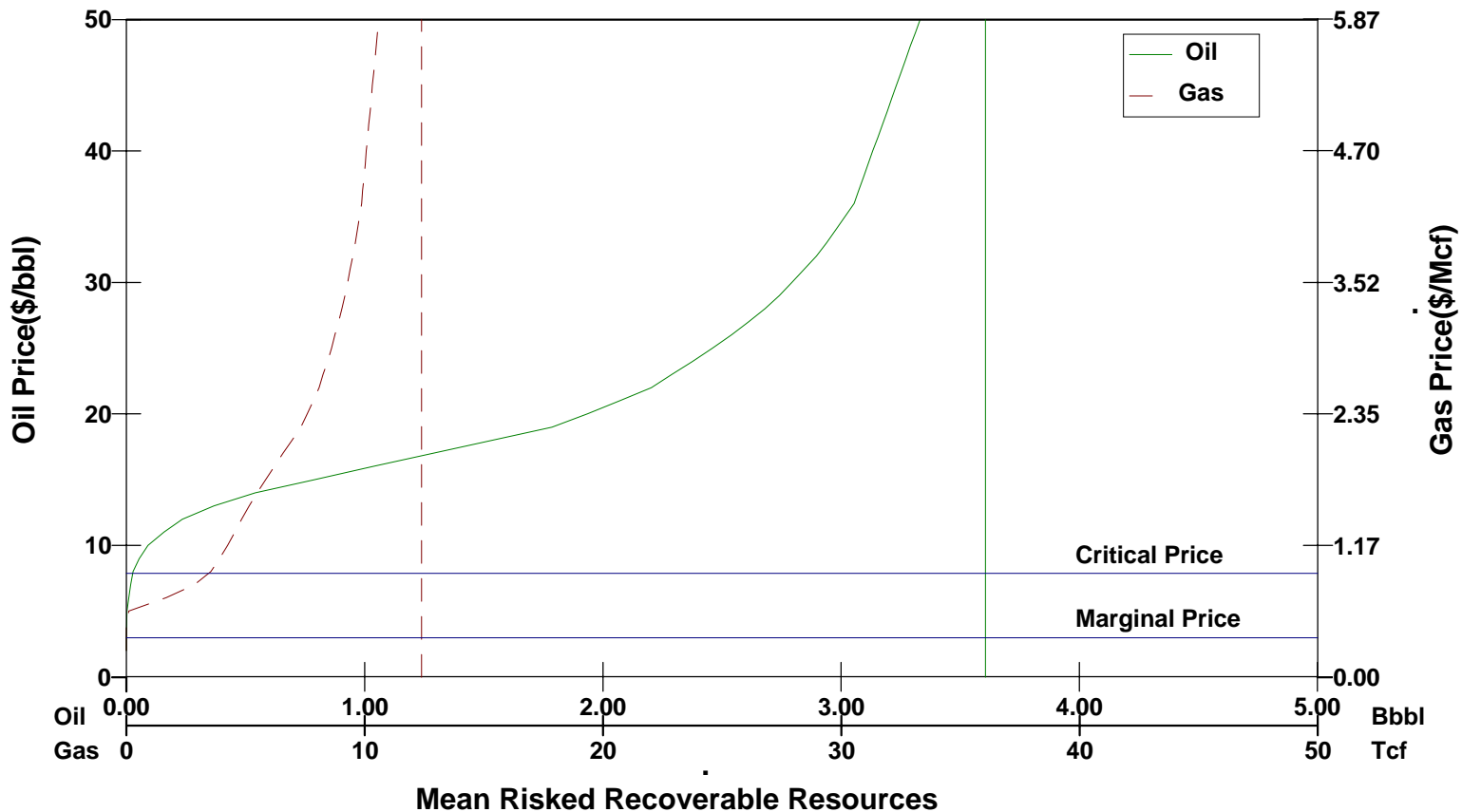
Price Supply

Central Gulf of Mexico Planning Area Total Undiscovered Resources



Price Supply

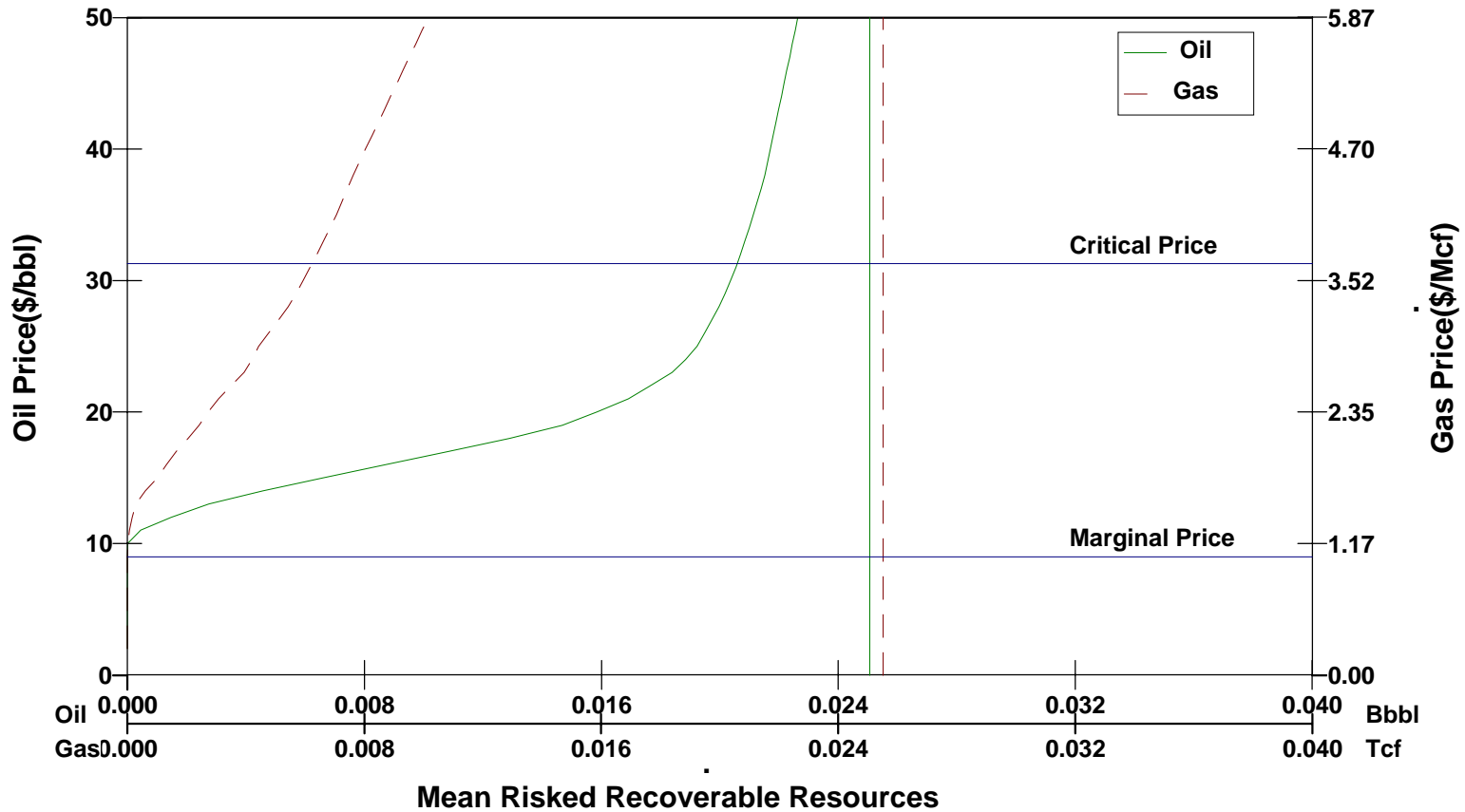
Eastern Gulf of Mexico Planning Area Total Undiscovered Resources



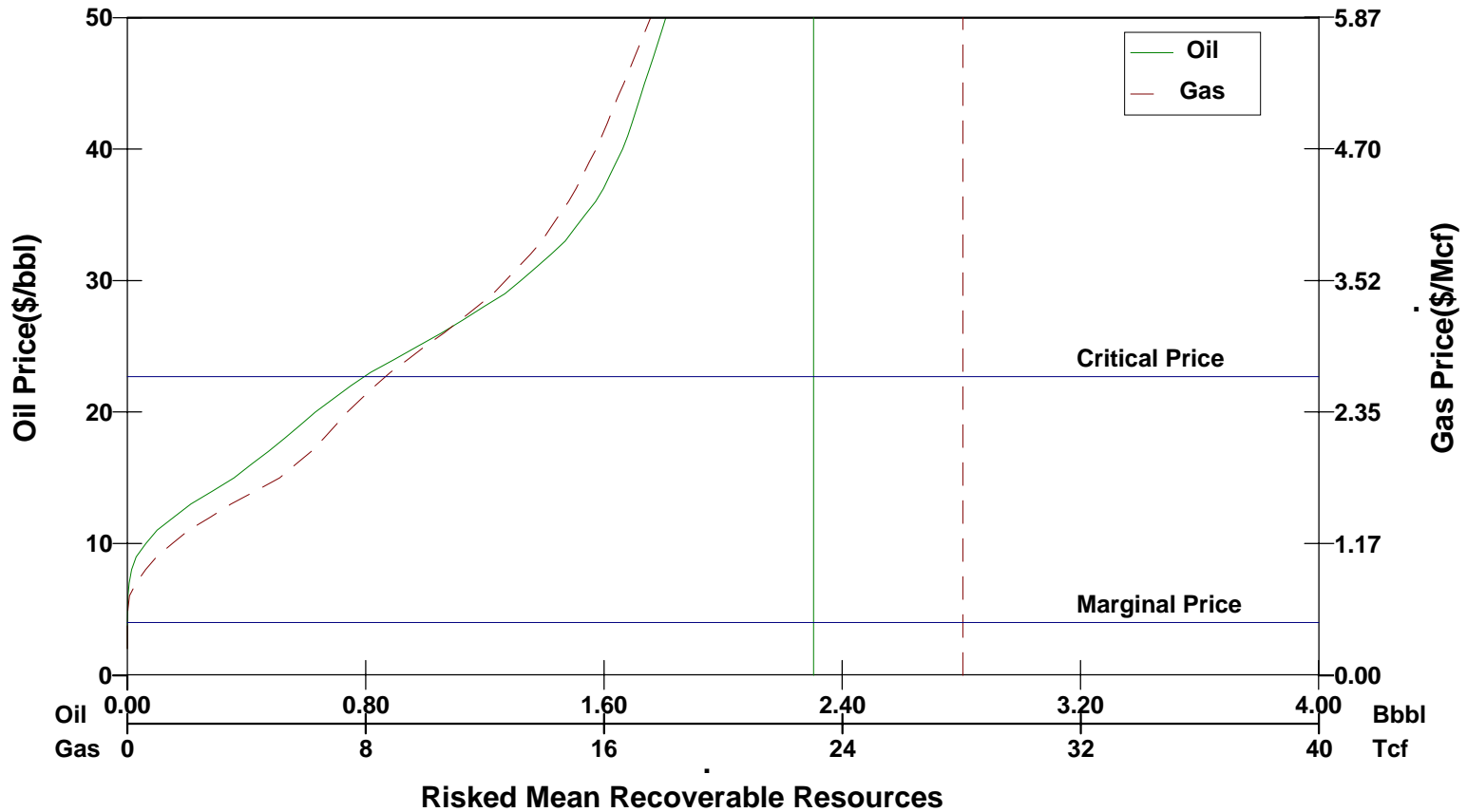
Price Supply

Straits of Florida Planning Area Total

Undiscovered Resources



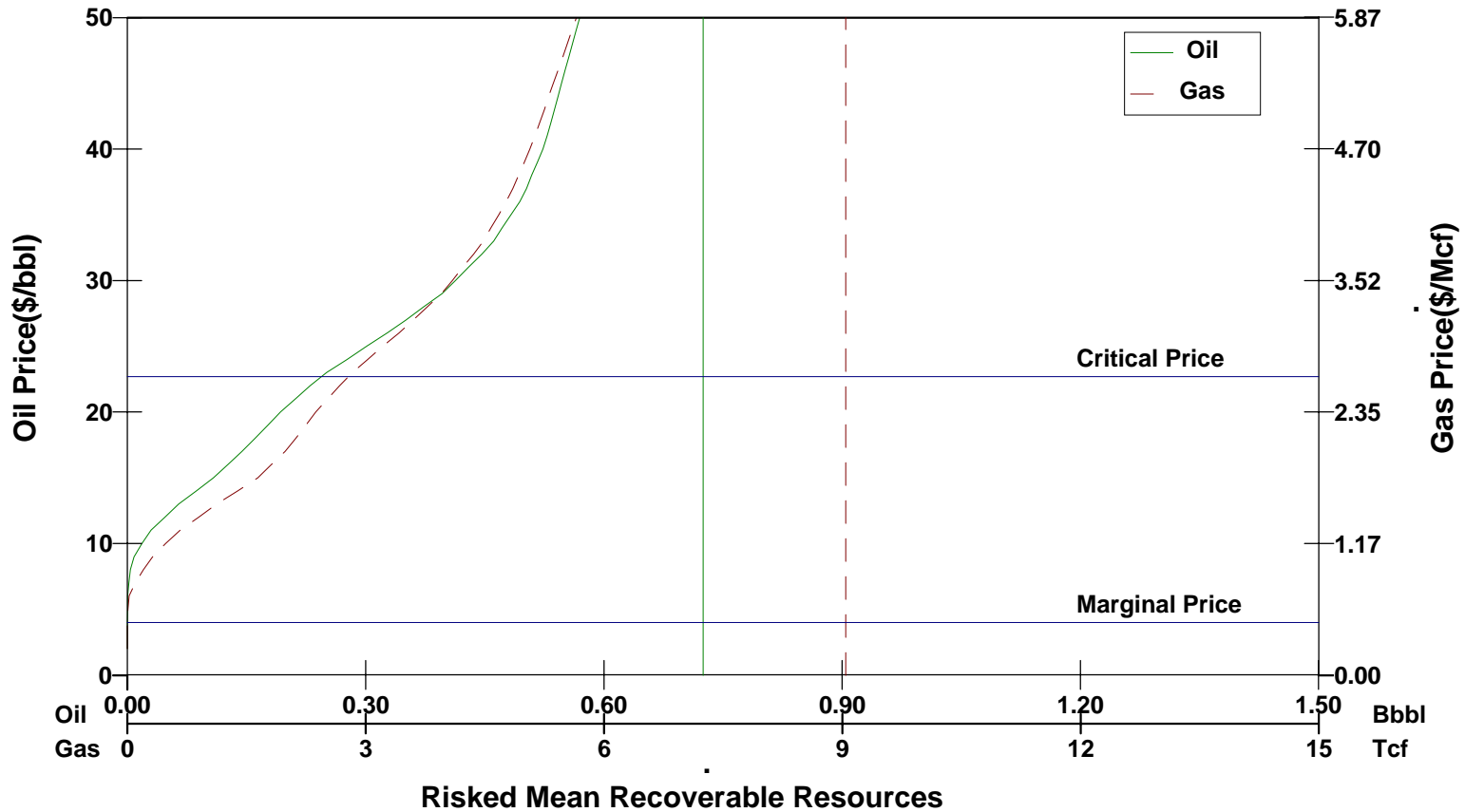
Price Supply Atlantic Regional Total Undiscovered Resources



Price Supply

North Atlantic Planning Area Total

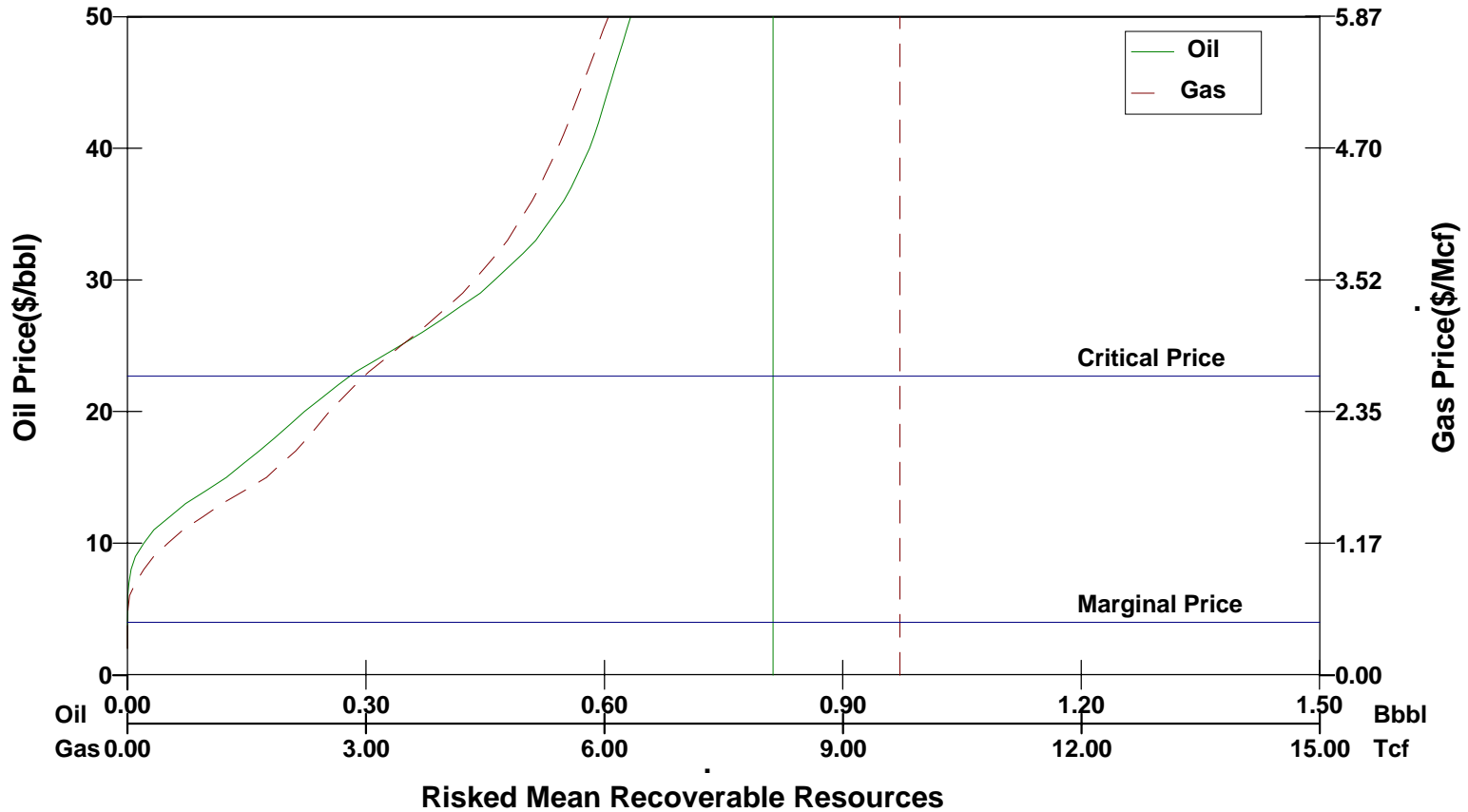
Undiscovered Resources



Price Supply

Mid Atlantic Planning Area Total

Undiscovered Resources



Price Supply

South Atlantic Planning Area Total

Undiscovered Resources

