

Potential Royalties for OCS Natural Gas and Oil Currently Under Moratoria

\$2.576 TRILLION

Potential Offshore Natural Gas Royalty Revenues

- Using the 5 year (2001-2005) average royalty rate of 15.17%:
- $420\text{tcf} \times \$13.00/\text{mcf} = \$5,460,000,000,000 \times 0.1517 \text{ royalty} =$

\$828,282,000,000 in natural gas royalties

Potential Offshore Oil Royalty Revenues

- Using the 6 month (Dec-05 to May-06) average royalty rate of 15.17%:
- $86 \text{ billion barrels} \times \$134/\text{barrel} = \$11,524,000,000,000 \times 0.1517 \text{ royalty} =$

\$1,748,190,800,000 in oil royalties

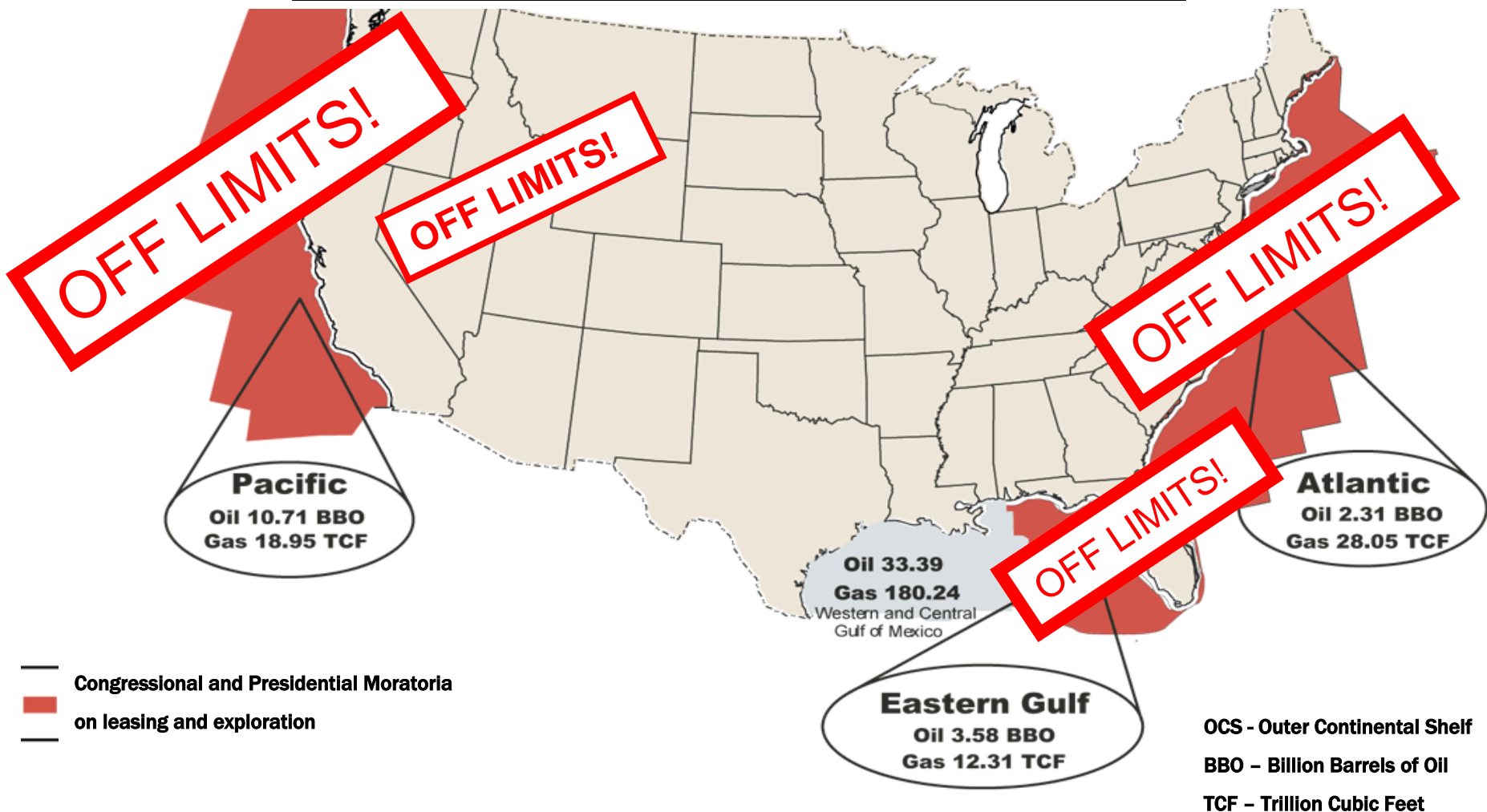
TOTAL of Potential Natural Gas and OIL Royalties-- \$2.576 Trillion

Data source from: Minerals Management Service and the Energy Information Agency
Prepared by the Office of Rep. John E. Peterson
123 Cannon, Washington, DC 20515
202-225-5121

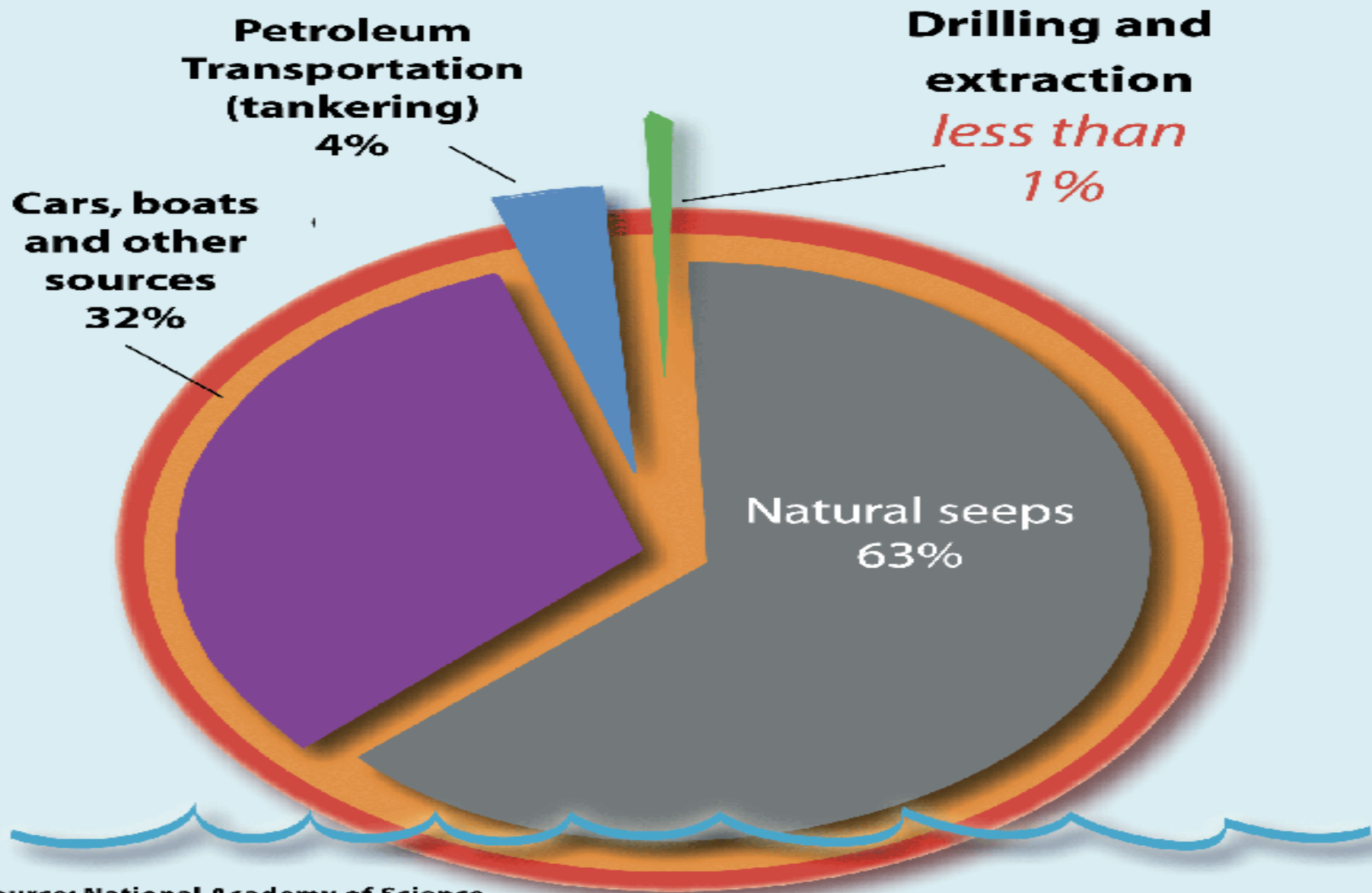
Congress has placed over 85% of our Outer Continental Shelf Off Limits

These figures represent 1970s estimates achieved with the technology available at the time.

MMS now believes that more than 420 TCF of natural gas and 86 BBO are available along the OCS

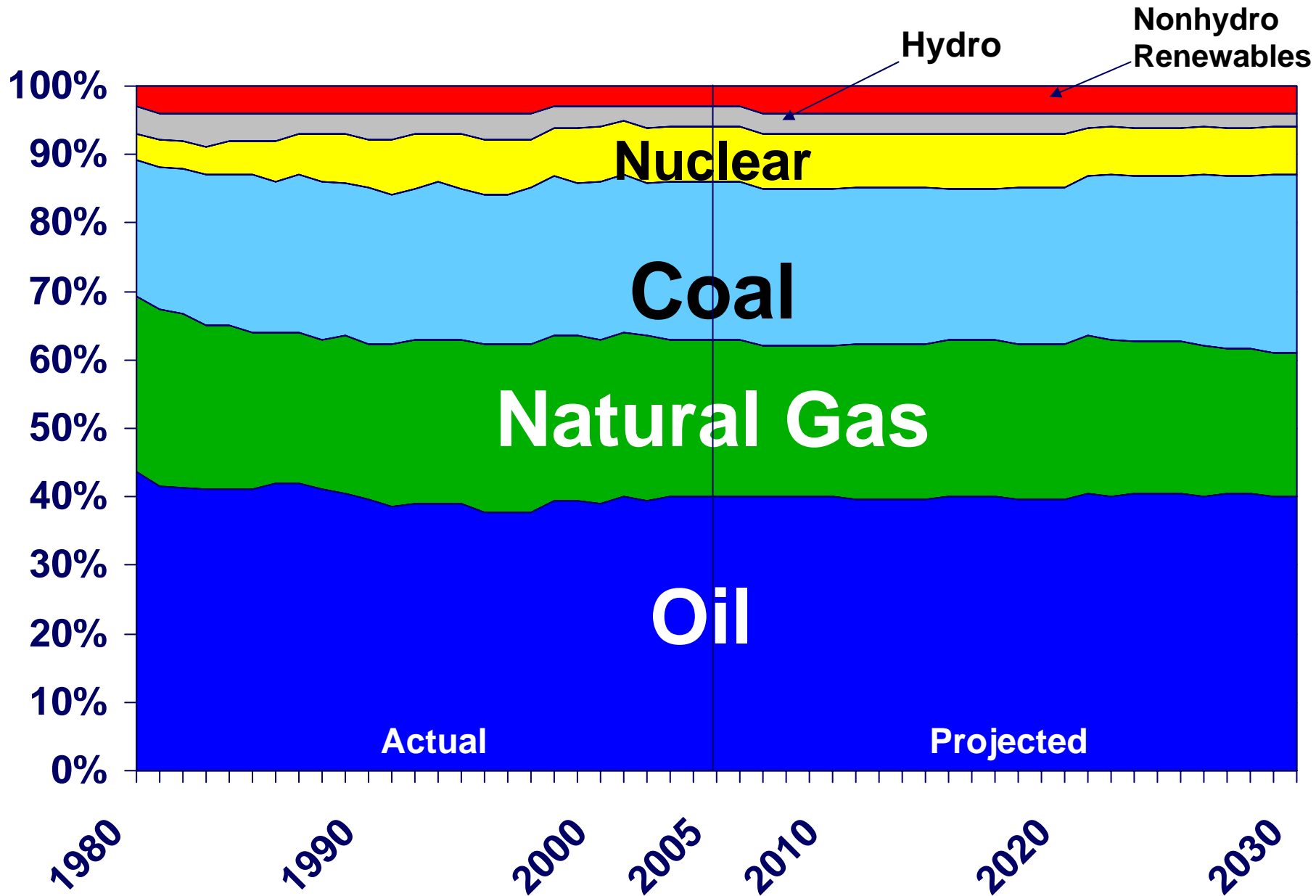


Petroleum in American Waters



Source: National Academy of Science

Energy Consumption by Fuel, 1980-2030



American Energy Consumption by Source, 2007

