

OFFSHORE ENERGY FACTS

Source Unless Otherwise Cited: American Petroleum Institute

OFFSHORE OIL AND NATURAL GAS INDUSTRY WITHIN THE U.S.

For decades, offshore oil and gas exploration and production have been limited to the central, western and a small portion of the eastern Gulf of Mexico with limited production coming from wells off Alaska and California.¹

ECONOMIC IMPACT OF AMERICA'S OIL AND NATURAL GAS INDUSTRY

9.8 MILLION JOBS SUPPORTED²

\$1 TRILLION+ IN TOTAL VALUE ADDED

- Off Limits
- Presidential Moratorium
- Under Consideration for Seismic Survey
- Open

The Obama administration is considering whether to allow seismic surveying off the Atlantic coast. This would give energy producers better knowledge of where potential resources might be located.⁴

Map Source: The Bureau of Ocean Energy Management, 2011.

1.93 MILLION BARRELS

Total offshore oil and natural gas production in federal waters per day as of July 2014 or **10% OF U.S. PRODUCTION**.³

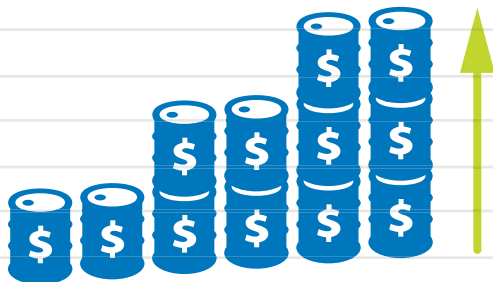
(OIL EQUIVALENT PER DAY)

RESOURCE ESTIMATES FOR ATLANTIC (OCS) OIL AND NATURAL GAS DEVELOPMENT

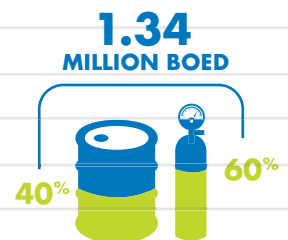
Atlantic Outer Continental Shelf (OCS) development would lead to an increase in domestic energy production.¹



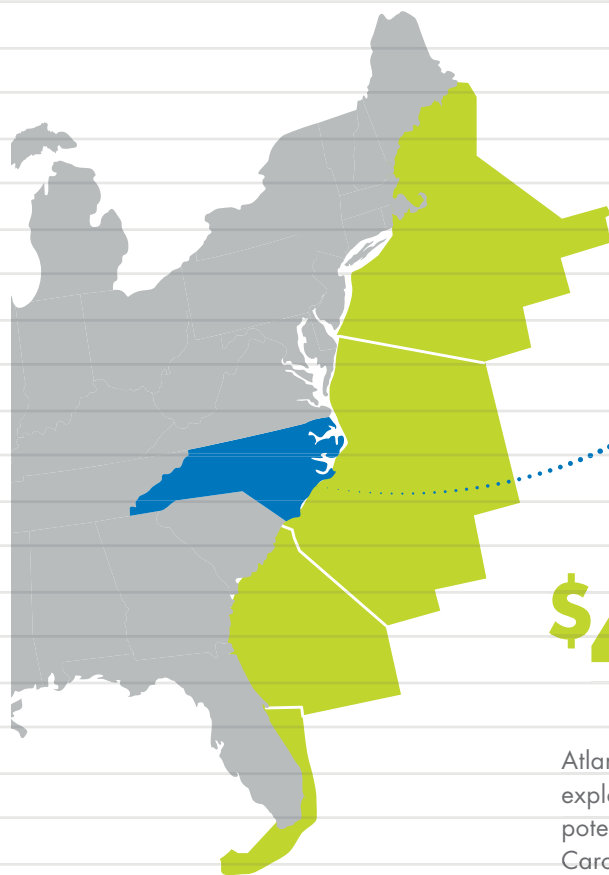
The first oil and natural gas production in the Atlantic OCS is projected to start in 2026.¹



Production is projected to reach **1.34 MILLION BARRELS OF OIL EQUIVALENT PER DAY (BOED)** by 2035, approximately 40% of which is expected to be oil and 60% natural gas.¹



BENEFITS OF ATLANTIC OCS OIL AND NATURAL GAS DEVELOPMENT



North Carolina is projected to see the highest level of spending, employment and contributions to its economy if Atlantic OCS oil and natural gas resources are developed.

55,000 

Employment due to oil and gas development in North Carolina. (20,000 direct jobs and 35,000 indirect jobs)

\$4B 

Atlantic OCS oil and natural gas exploration and production's potential contributions to North Carolina's economy.

BY
2035



\$885M

North Carolina state government revenues from bonuses, rents and royalties if the Gulf of Mexico state/federal revenue sharing arrangement is enacted for Atlantic coastal states. The cumulative effects on the state budget from 2017–2035 are projected to be nearly \$4 billion.

SAFETY AND ENVIRONMENTAL PROTECTION



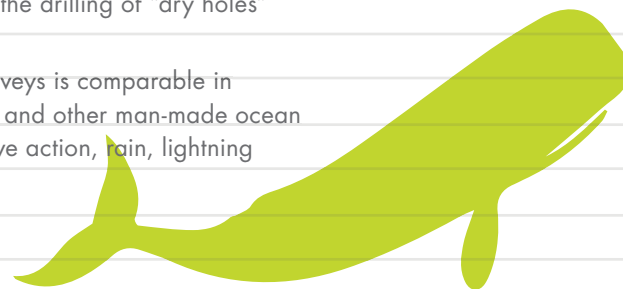
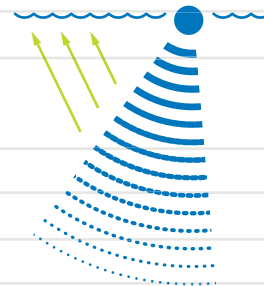
Safety is the industry's top priority.

Technologies, standards and best practices and programs that protect workers and the environment are constantly being improved upon.⁴

There have been no documented cases of seismic surveys causing injuries to marine life.

Modern seismic surveys make offshore energy production safer and more efficient by greatly reducing the drilling of "dry holes" (where no oil or gas is found).⁴

The sound produced during seismic surveys is comparable in magnitude to many naturally occurring and other man-made ocean sound sources, including wind and wave action, rain, lightning strikes, marine life and shipping.⁴



Marine seismic exploration is carefully regulated by the federal government and managed by the operator to avoid impacting marine animals.⁴

Sources:

1. Quest Offshore Resources study, *The Economic Benefits of Increasing U.S. Access to Offshore Oil and Natural Gas Resources in the Atlantic*, December 2013, <http://www.api.org>; 2. American Petroleum Institute, *The State of American Energy*, 2014, <http://www.api.org/~media/Files/Policy/SOAE-2014/API-2014-State-of-American-Energy-Report.pdf>; 3. U.S. Energy Information Administration, July 2014, http://www.eia.gov/special/gulf_of_mexico/data.cfm; 4. American Petroleum Institute, *Offshore Access to Oil and Natural Gas Resources*, January 2014, <http://www.api.org/offshoreaccess>