



Natural Gas is Set to Increase in Oklahoma Latest Edition of the Oklahoma Economist Released

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The Oklahoma Economist is a quarterly publication that provides economic information and insights on the state's economy.

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OKLAHOMA CITY- The Oklahoma City Branch of the Federal Reserve Bank of Kansas City released its latest issue of the *Oklahoma Economist*, titled “[Increasingly Bullish: Natural Gas Rebounds on Rising Demand and Infrastructure.](#)” This edition examines trends in the Oklahoma oil and gas industry.

Growth in drilling activity in Oklahoma outpaced the U.S. in the first half of 2025, as natural gas prices rose from all-time lows even as oil prices fell, according to Cortney Cowley, assistant vice president and Oklahoma City Branch executive of the Federal Reserve Bank of Kansas City.

“The oil to natural gas price ratio has deviated from its long-run average in recent years, impacting Oklahoma’s drilling activity,” she said. “In 2025, increases in natural gas prices relative to oil prices have bolstered drilling in Oklahoma.”

Cowley said natural gas is well-positioned as a reliable and scalable source of electricity generation to meet rising power demand from AI and data centers, supporting its long-run role in the U.S. energy mix.

“Any further increase in drilling activity is unlikely to impact the state’s employment but would likely boost tax revenues and GDP,” she said. “Heading forward, the state’s natural gas outlook appears increasingly bullish if infrastructure keeps pace with demand.”

The complete issue is available at www.kansascityfed.org/oklahomacity/oklahoma-economist.

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