

U.S. Energy Update



Downtown Financial Forum
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www.kansascityfed.org/oklahomacity



Federal Reserve Districts and Office Locations



The Oklahoma City Branch of the Federal Reserve Bank of Kansas City

- **Functions – 40 staff**

- Research on U.S. and Oklahoma economies
- Economic and financial education outreach
- Examinations of Oklahoma financial institutions

- **2014 board of directors**

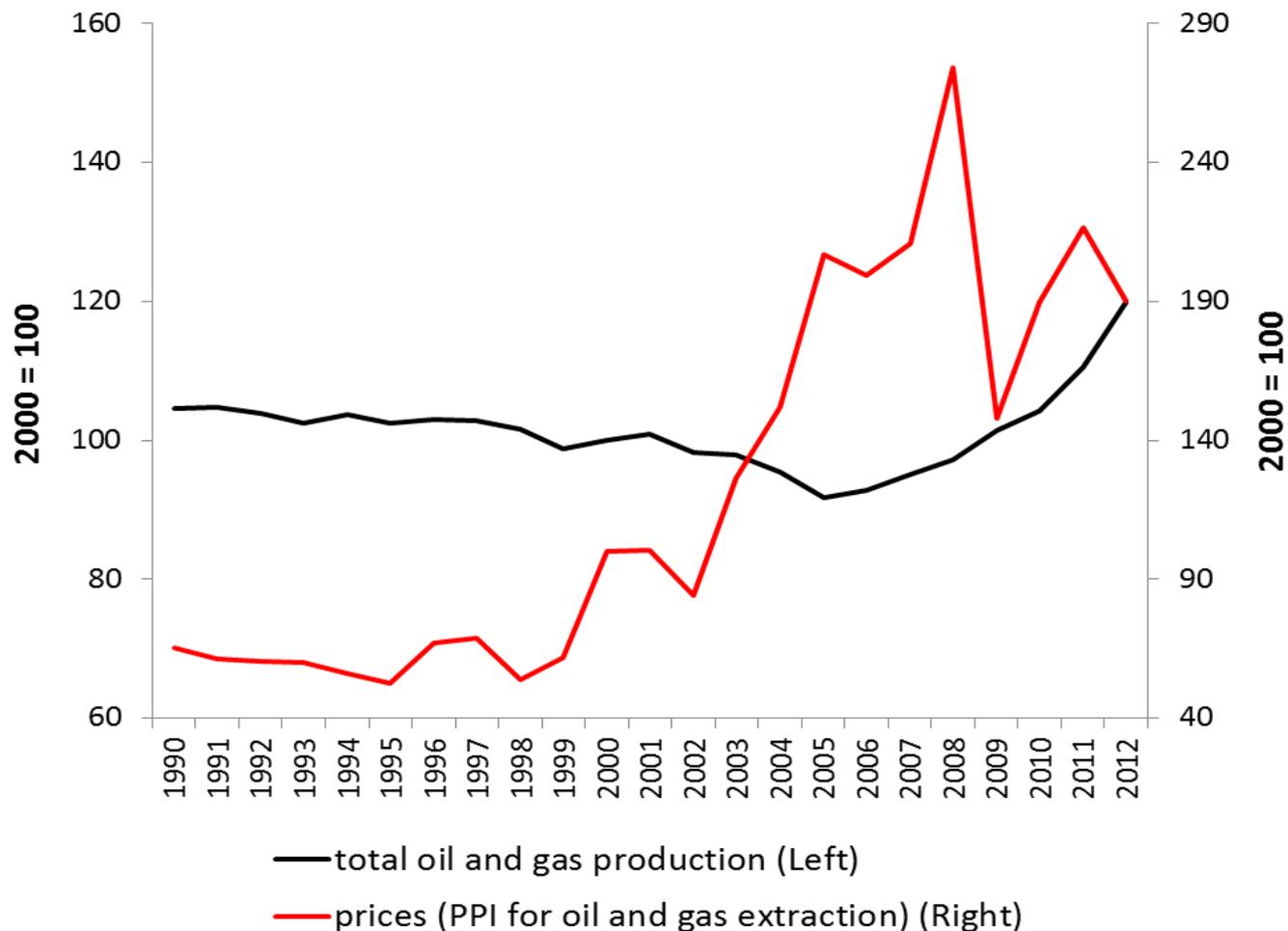
- **Jim Dunn (chair)**, Chairman, Mill Creek Lumber & Supply, Tulsa
- **Clint Abernathy**, Owner, Abernathy Farms, Inc., Altus
- **Linda Capps**, Vice Chairman, Citizen Potawatomi Nation, Shawnee
- **Michael Coffman**, CEO, Panhandle Oil & Gas, Inc., Oklahoma City
- **Pete Delaney**, Chairman & CEO, OGE Energy Corp., Oklahoma City
- **Chuck Hall**, Chairman & CEO, Exchange Bank & Trust, Perry
- **Jane Haskin**, President & CEO, First Bethany Bank & Trust, Bethany



U.S. Energy Boom



Oil and gas production in the United States has boomed since the mid-2000s

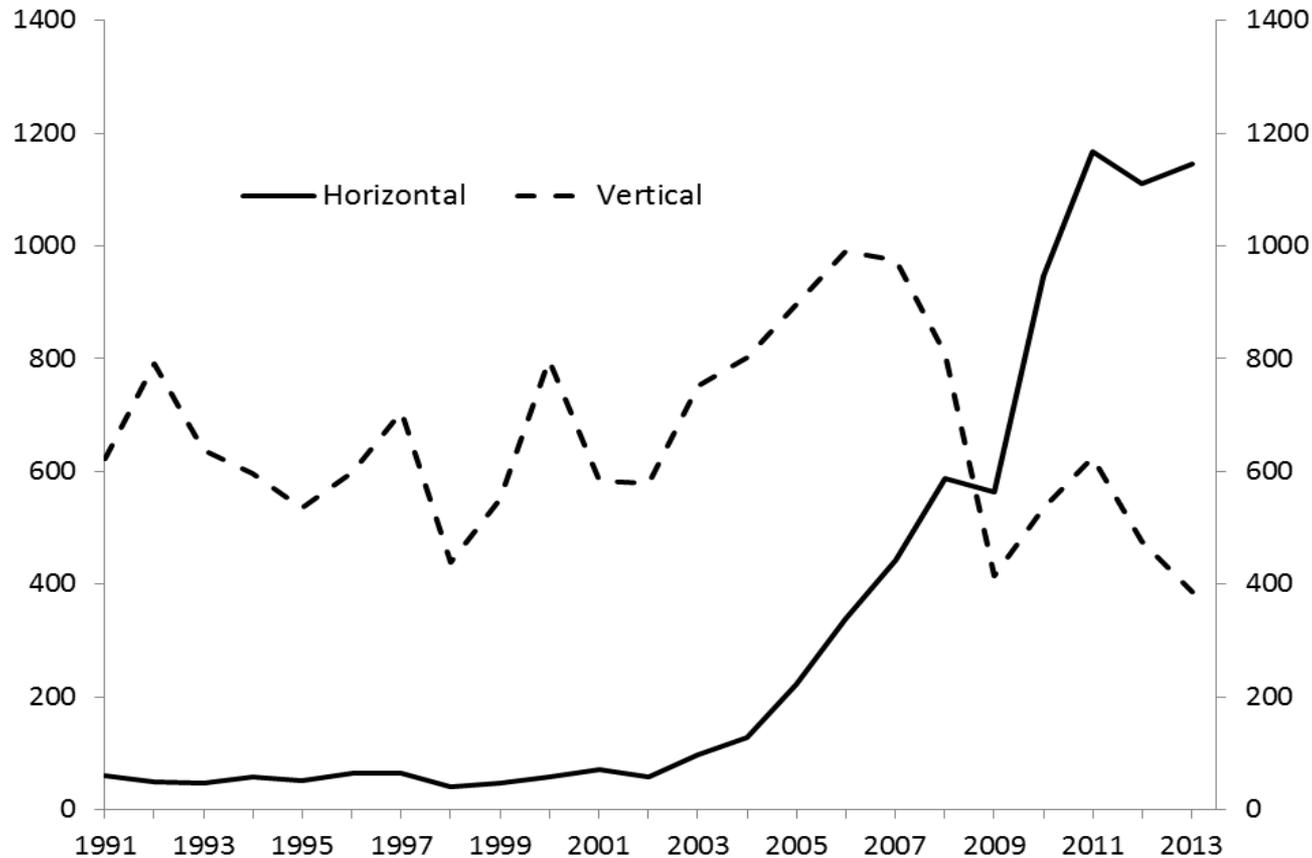


Source: BLS, EIA



U.S. Rig Count by Type

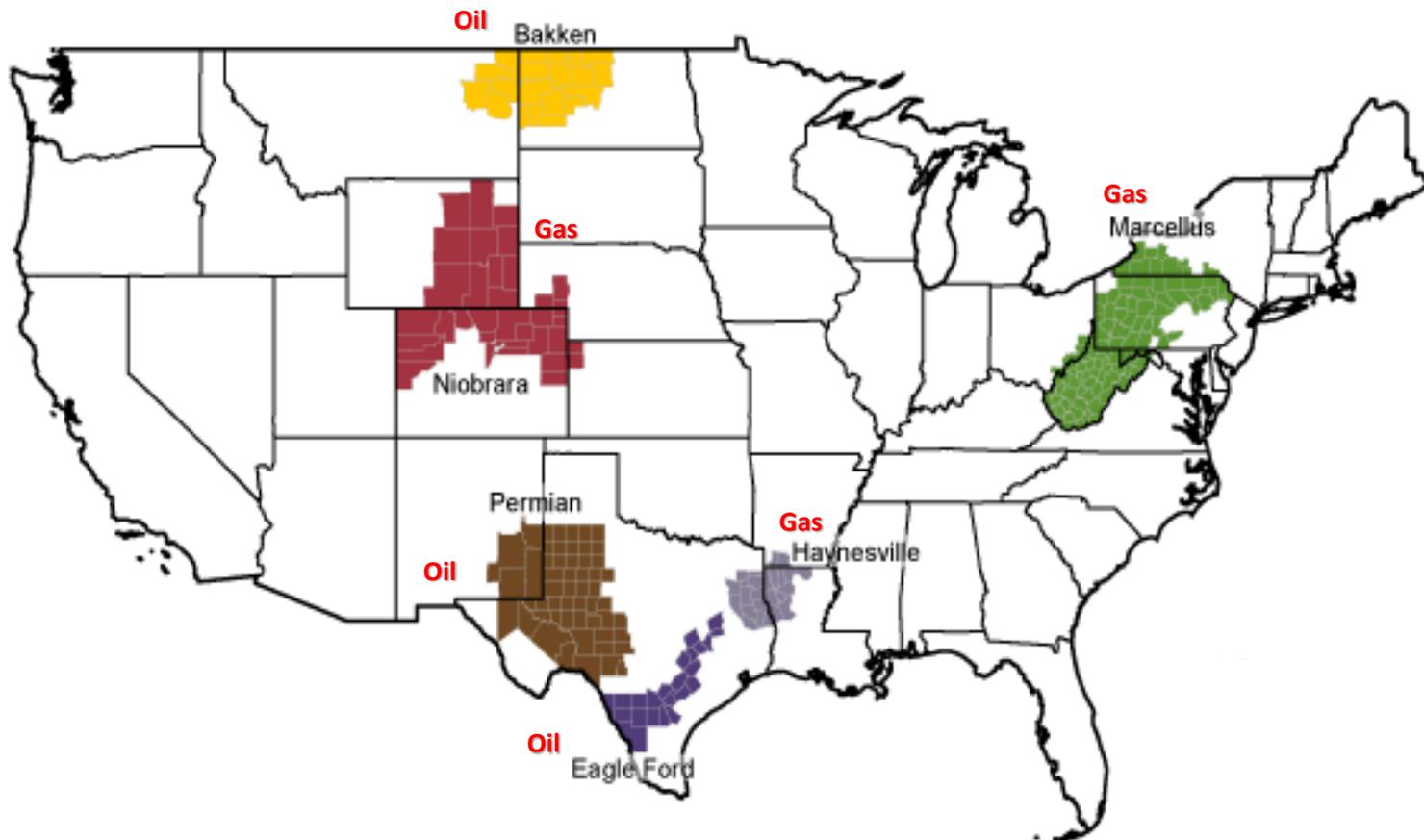
Horizontal Rigs dominate



Source: Baker Hughes



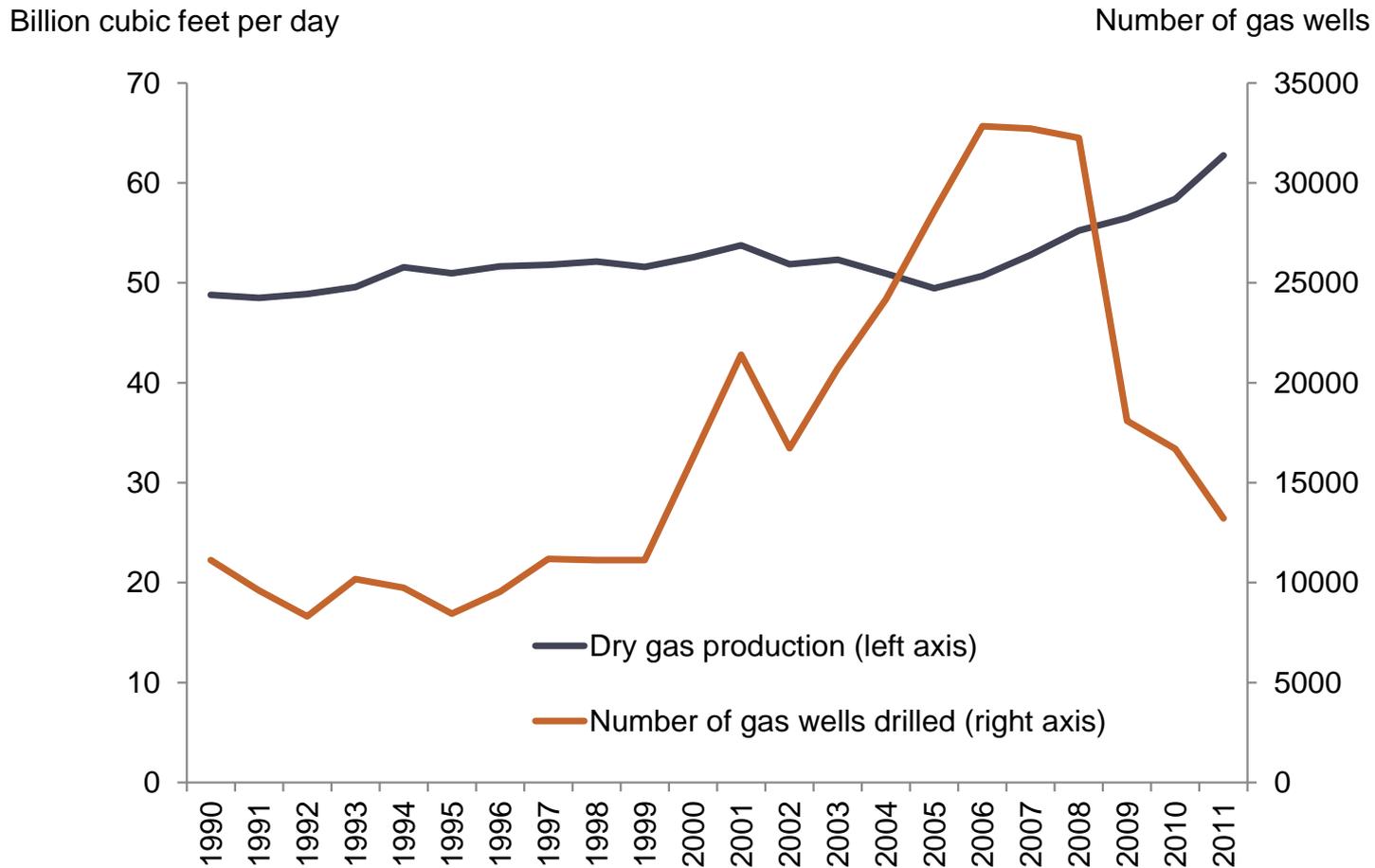
Key Tight Oil and Shale Gas Plays in the U.S.



Source: EIA



Natural Gas Production and Annual Drilling Rates



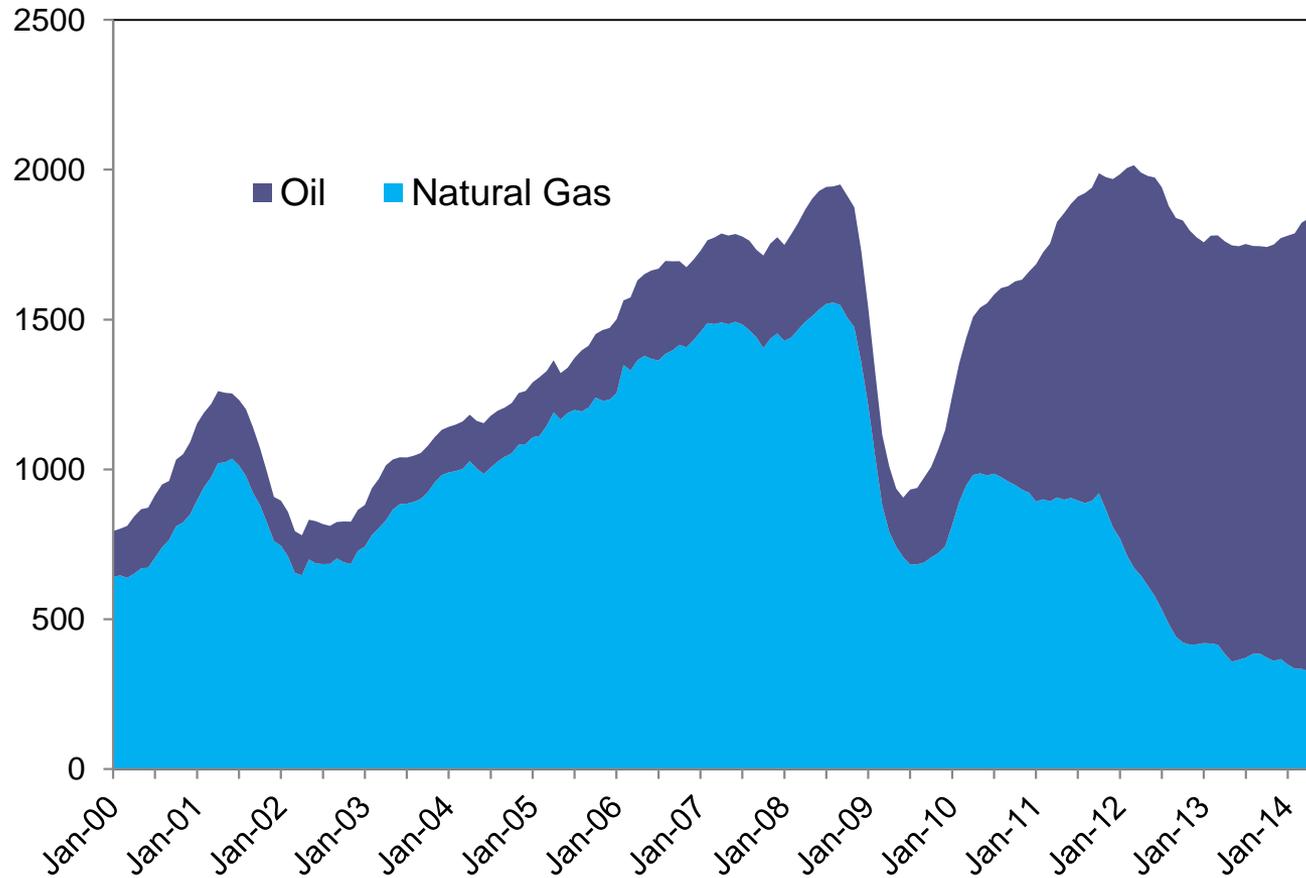
Source: EIA



U.S. Rig Count by Product

Oil Rigs now dominate

Number of rigs

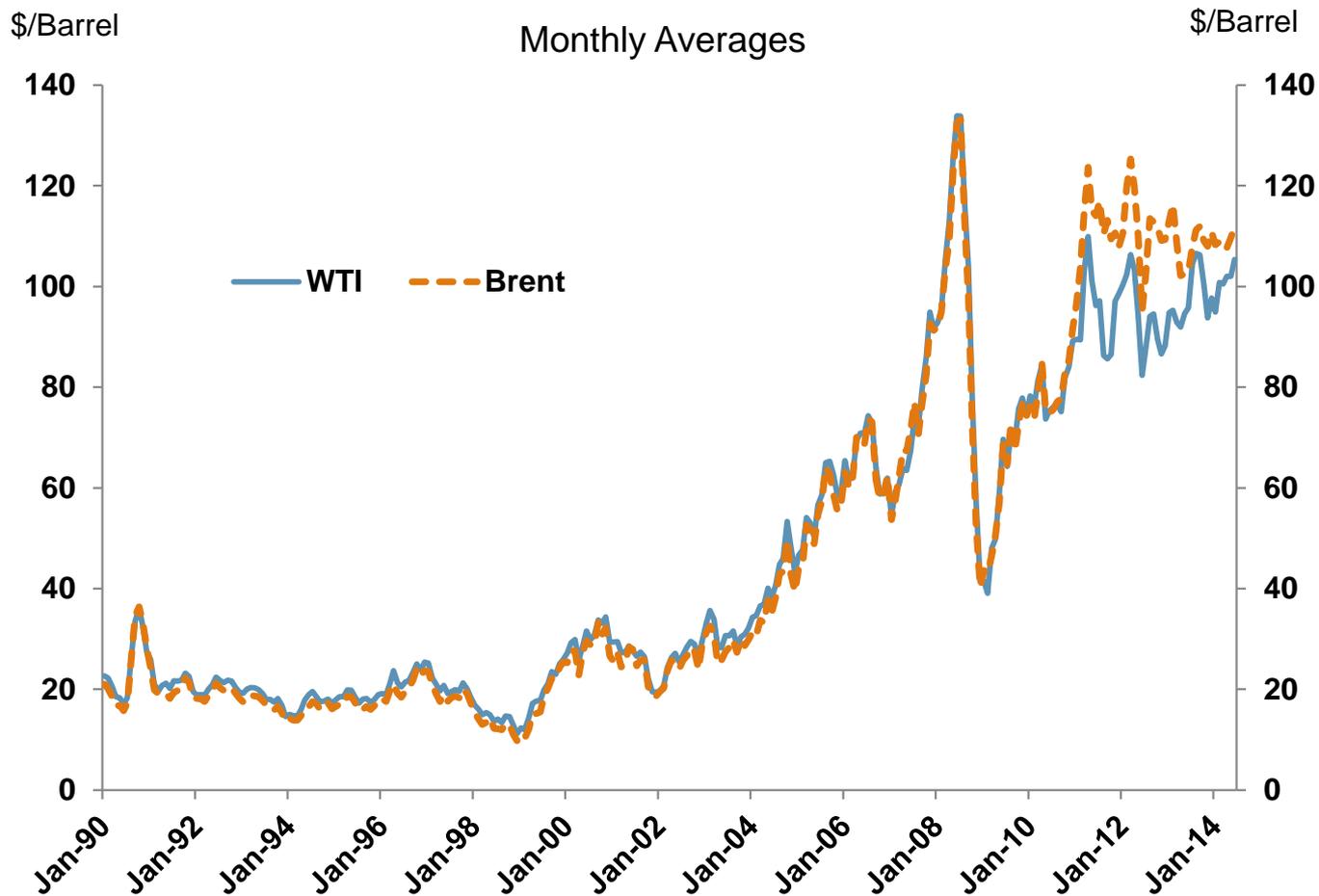


Source: Baker Hughes, Haver Analytics



Crude Oil Spot Prices

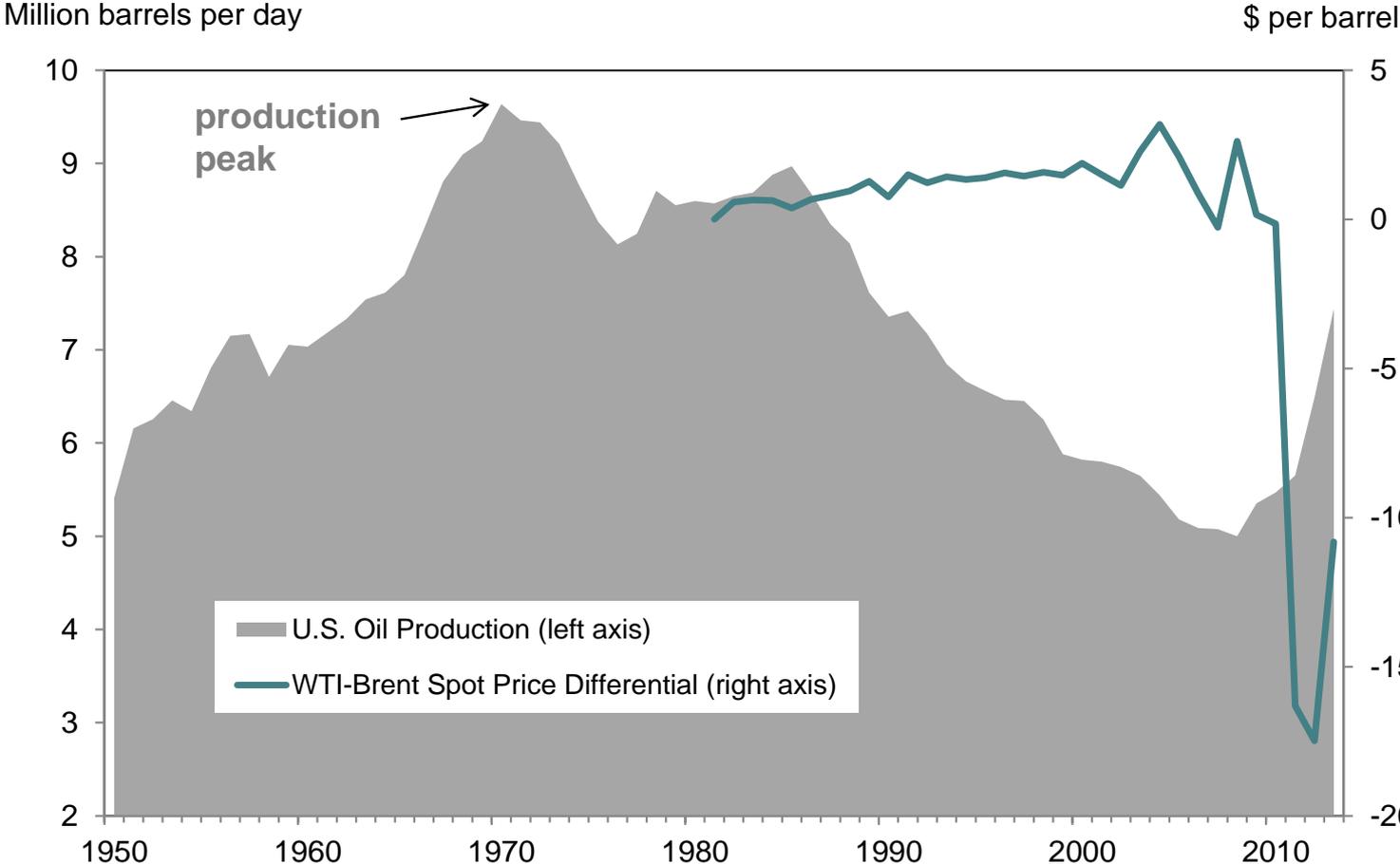
Brent and WTI



Source: Haver Analytics



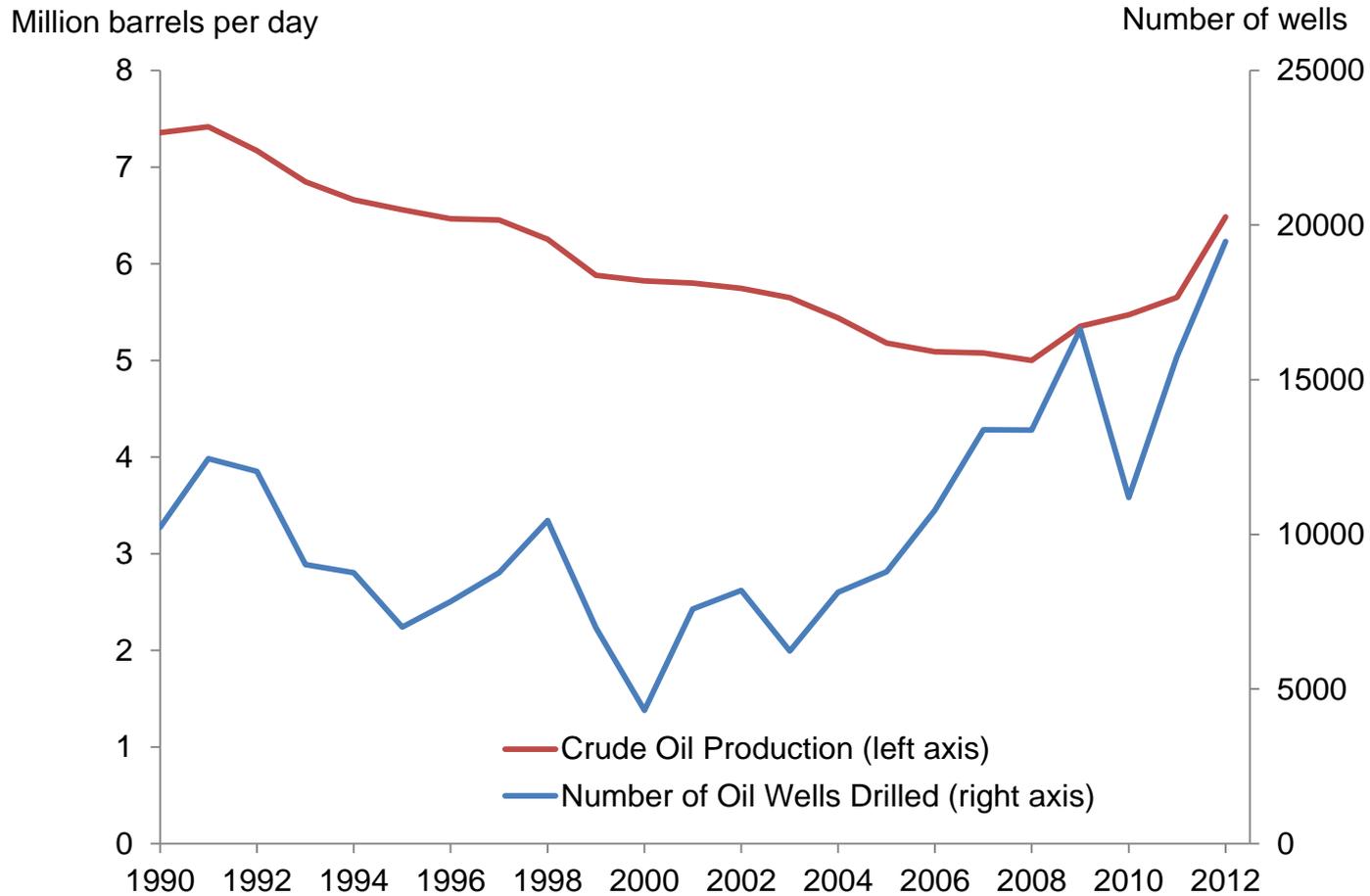
Historical U.S. Oil Production and WTI-Brent Difference



Source: EIA, Haver Analytics



Crude Oil Production and Annual Drilling Rates



Source: EIA

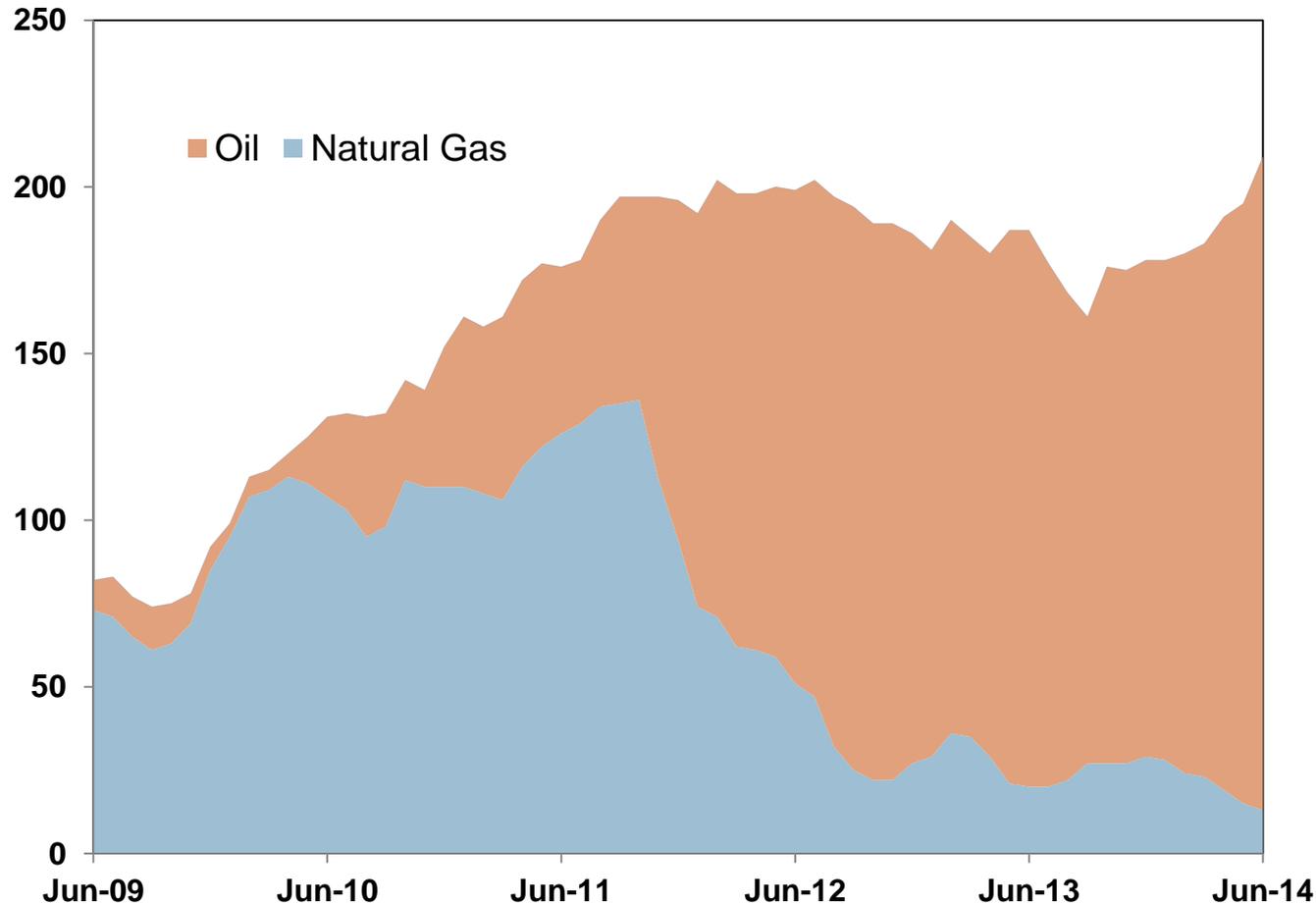


Recent Energy Activity in Oklahoma



Oklahoma Rig counts have edged higher, driven by oil

Number of rigs



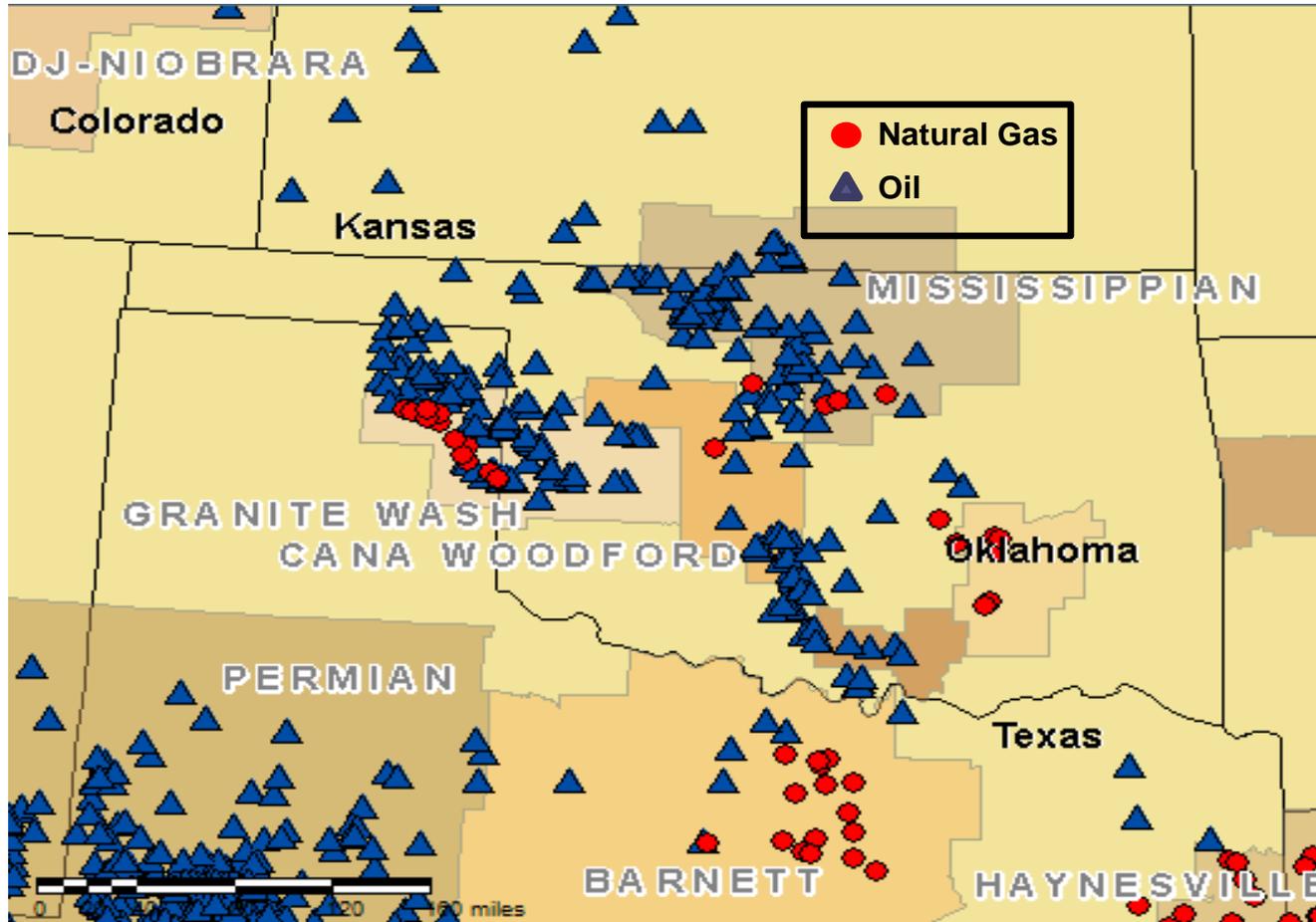
Source: Baker Hughes



Oklahoma Drilling Activity

Oil and Gas Rig Counts

July 2014

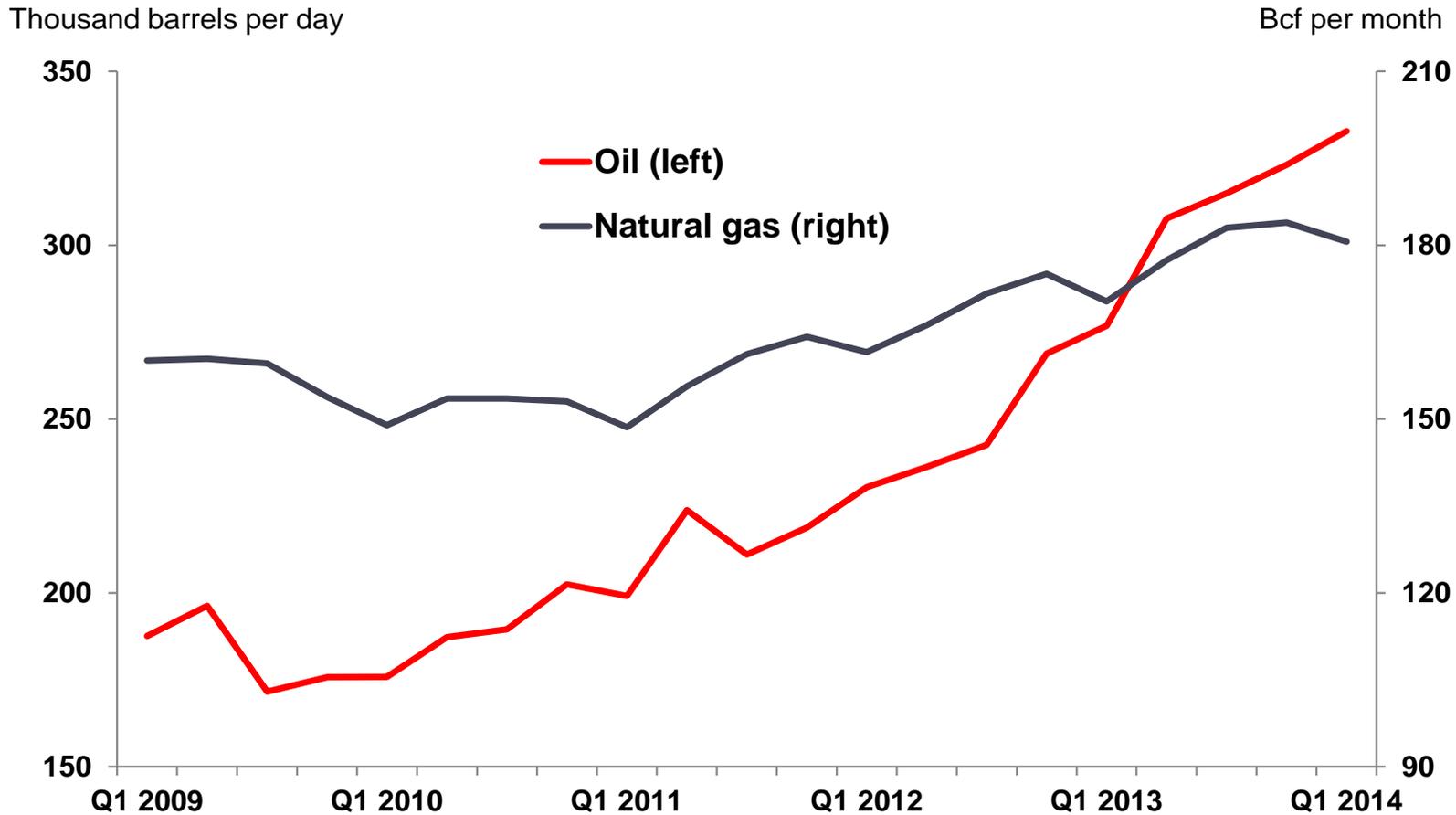


Source: Baker Hughes



And energy production in the state has continued to increase, especially for oil

Oklahoma Oil and Gas Production



Source: EIA



Summary

- Energy activity in the U.S. has boomed, especially in the middle of the country, creating both opportunities and headaches.
- Oklahoma's energy activity continues to grow, in particular for oil.



For more information about the Oklahoma City
Branch of the Federal Reserve Bank of
Kansas City, visit our website at:

<http://www.kansascityfed.org/oklahomacity/>

For more information about the U.S. and the
10th District economy, visit our website at:

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THANK YOU!

