



Energy Fact Sheet

Natural Gas: From Western Colorado to Western Europe

John A. Harpole
President, Mercator Energy

Key Messages

- The growing variance between regional supply and demand will require an increase in the flow of energy from major supply basins such as Russia, Norway, Australia, the Middle East, and Asia to major markets such as the United States, China, India, and a variety of European countries.
- At current North American production levels, an increase of \$0.01 per MMBtu (Million British Thermal Units) in natural gas prices nationwide is worth \$657 million a year.

Some Perspective on Natural Gas Volumes

- 1 MCF (million cubic feet of gas) is required to fill a 10' x 10' x 10' room.
- 84 MCF is the volume of gas the average US home uses per year.
- 1 BCF (billion cubic feet of gas) is the average volume of gas a Piceance Basin well will produce over its lifetime.
- 3 BCF is the volume of gas contained in 1 Liquid Natural Gas tanker, which is enough to heat approximately 35,000 homes for one year.
- 7 BCF is the average daily amount of gas consumed in California.
- 500 TCF (trillion cubic feet of gas) is the total reserve estimate for the world's largest gas field, located in Iran.

The Domestic Demand for Natural Gas

- While summer power demand is growing, winter demand still dominates.
- The US demand for natural gas will continue to outstrip the domestic supply.
- Today, capacity is extremely tight and prices are extremely low.

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Global Natural Gas Consumption

- Global consumption forecast estimates are varied. Growth is expected to escalate at approximately 2.4 percent per year with consumption targets to exceed 180 tcf (trillion cubic feet) per year by 2030.
- Liquid Natural Gas is the most efficient solution to help meet the demand as pipeline infrastructure can address some of the regional imbalances.
- Liquefaction, re-gas and shipping infrastructure changes were required, and have been made. The markets have responded by increasing reserve capacity in all three areas.

North American Natural Gas Basins:

- Western Canadian Sedimentary Basin (Western Canada)
- Wind River (North Central Wyoming)
- Powder River (Wyoming, South Dakota and Montana)
- Green River (Wyoming, Utah and Idaho)
- Unita/Piceance (Colorado and Utah)
- Denver Julesburg (Nebraska, Kansas, Colorado and Southeast tip of Wyoming)
- San Juan (Northwest New Mexico)
- Anadarko (Kansas, Oklahoma, North Texas)
- Permian (Southwest Texas)
- Gulf Coast (off the coasts of Florida, Alabama, Mississippi, Louisiana, and Texas)
- Appalachian (through central Kentucky, Virginia and West Virginia)
- Of the remaining 975 trillion cubic feet of natural gas likely to be found in the United States, an estimated 59 percent is expected to be found on federal lands.

World Gas Reserves

Rank	Country	Proven Reserves in Trillion Cubic Feet (2004)
1	Qatar	910.1
2	Iran	970.8
3	United Arab Emirates	213.9
4	Saudia Arabia	238.4
5	Russia	1694.4
6	Algeria	160.4
7	Turkmenistan	102.4
14	United States	186.9
15	Canada	56.6

Energy Security

- Gazprom is the largest Russian company and is the largest extractor of natural gas in the world.
- Gazprom, with a \$200 Billion (US) market capitalization, is the world's third largest corporation.
- Gazprom accounts for 93 percent of Russian natural gas production and 25 percent of the world's natural gas reserves.
- The Kremlin owns a 51 percent controlling interest in Gazprom.
- Gazprom supplies almost all of the gas needs to Central Europe, Eastern Europe, and the former Soviet Union.
- By the year 2020, Gazprom will supply nearly 70 percent of the European Union's natural gas.

Contact John A. Harpole at 303-825-0136 or by email at harp@mercatoenergy.com