



## **GROPPE, LONG & LITTELL**

OIL AND GAS ANALYSTS AND FORECASTERS

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# **THE OUTLOOK FOR OIL & GAS**

## **Pengrowth Spring Investment Conference**

**April 4, 2008**

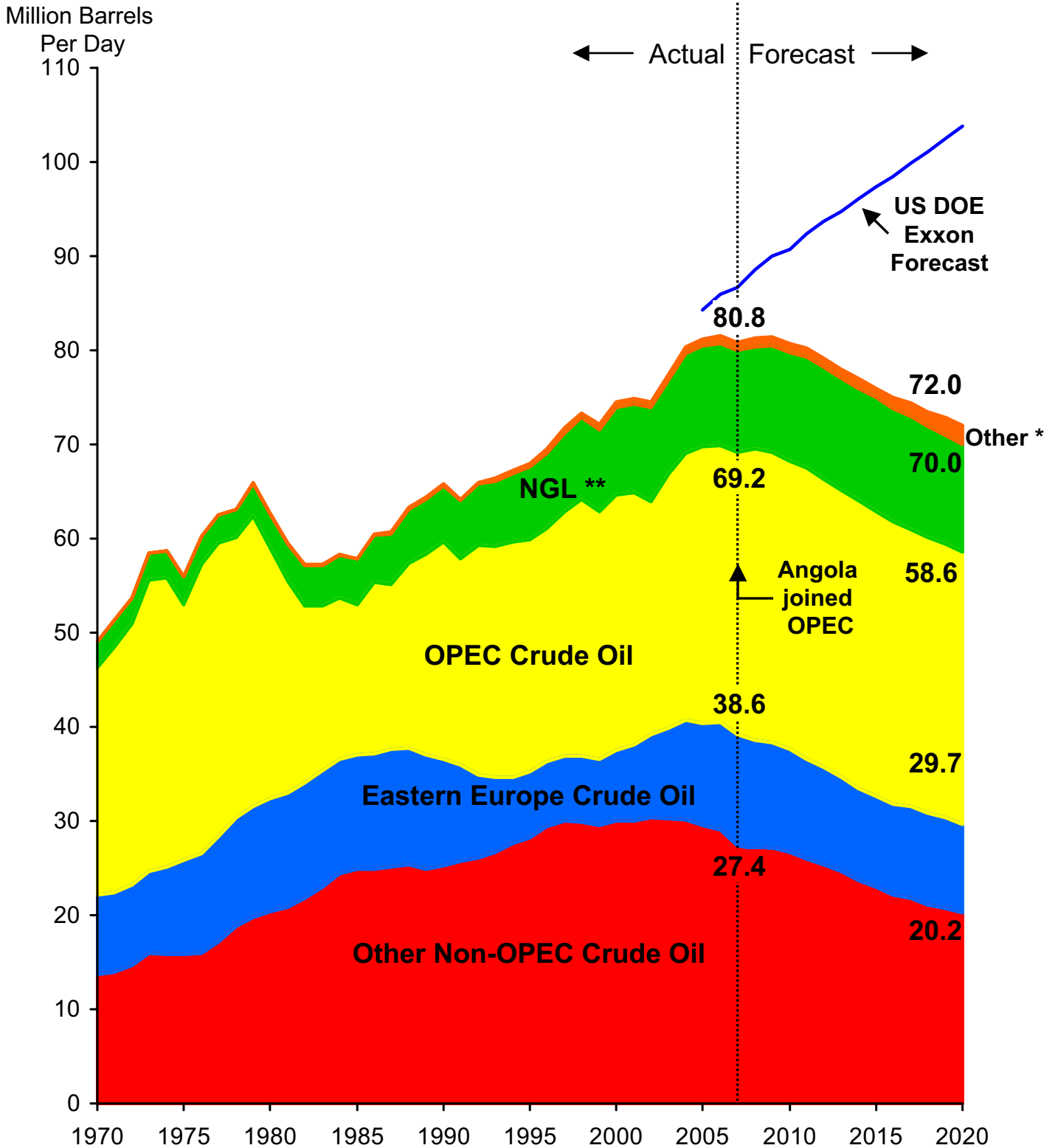
**San Diego**

**Presentation**

**By**

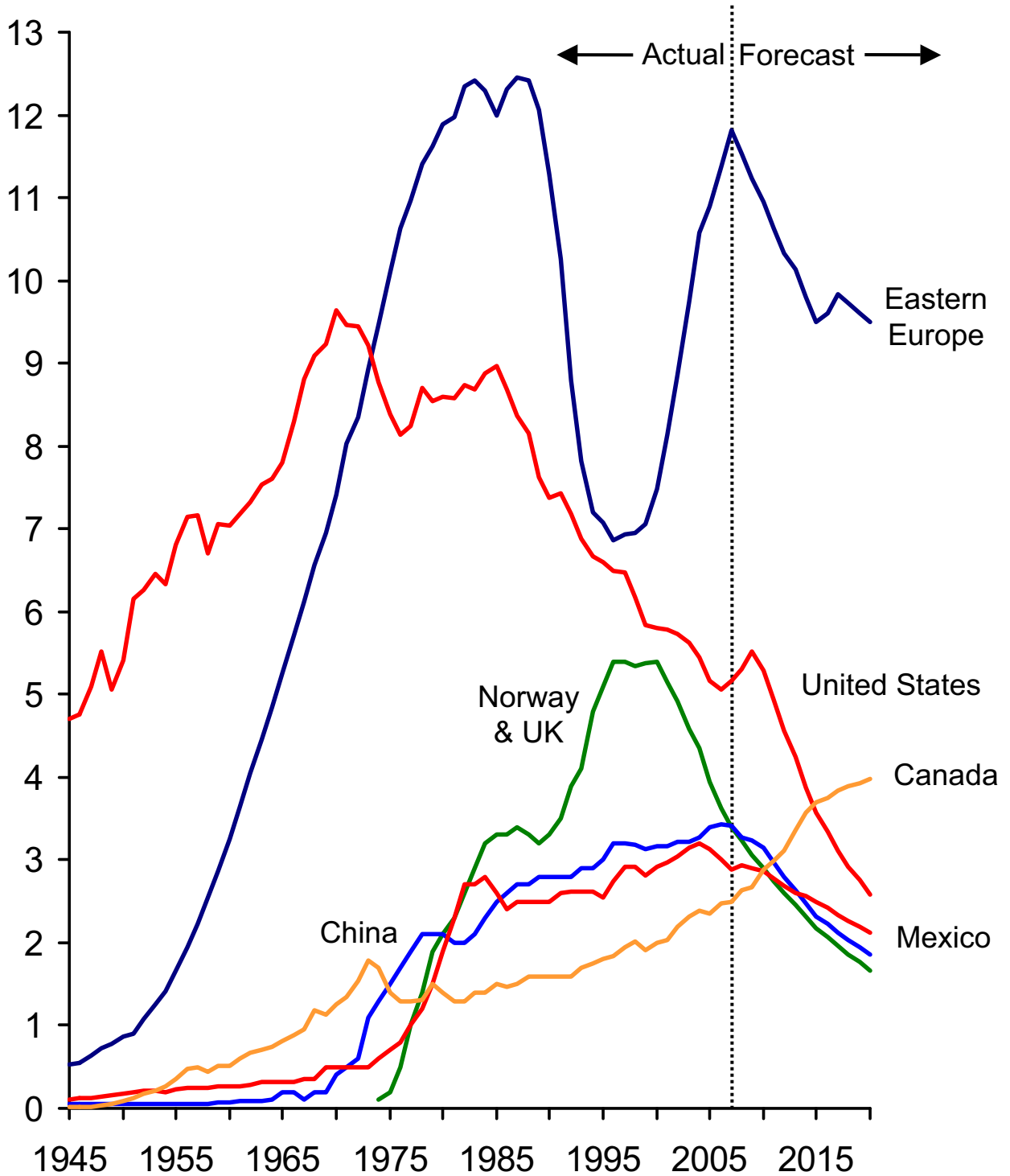
**Henry Groppe**

# WORLD PETROLEUM PRODUCTION

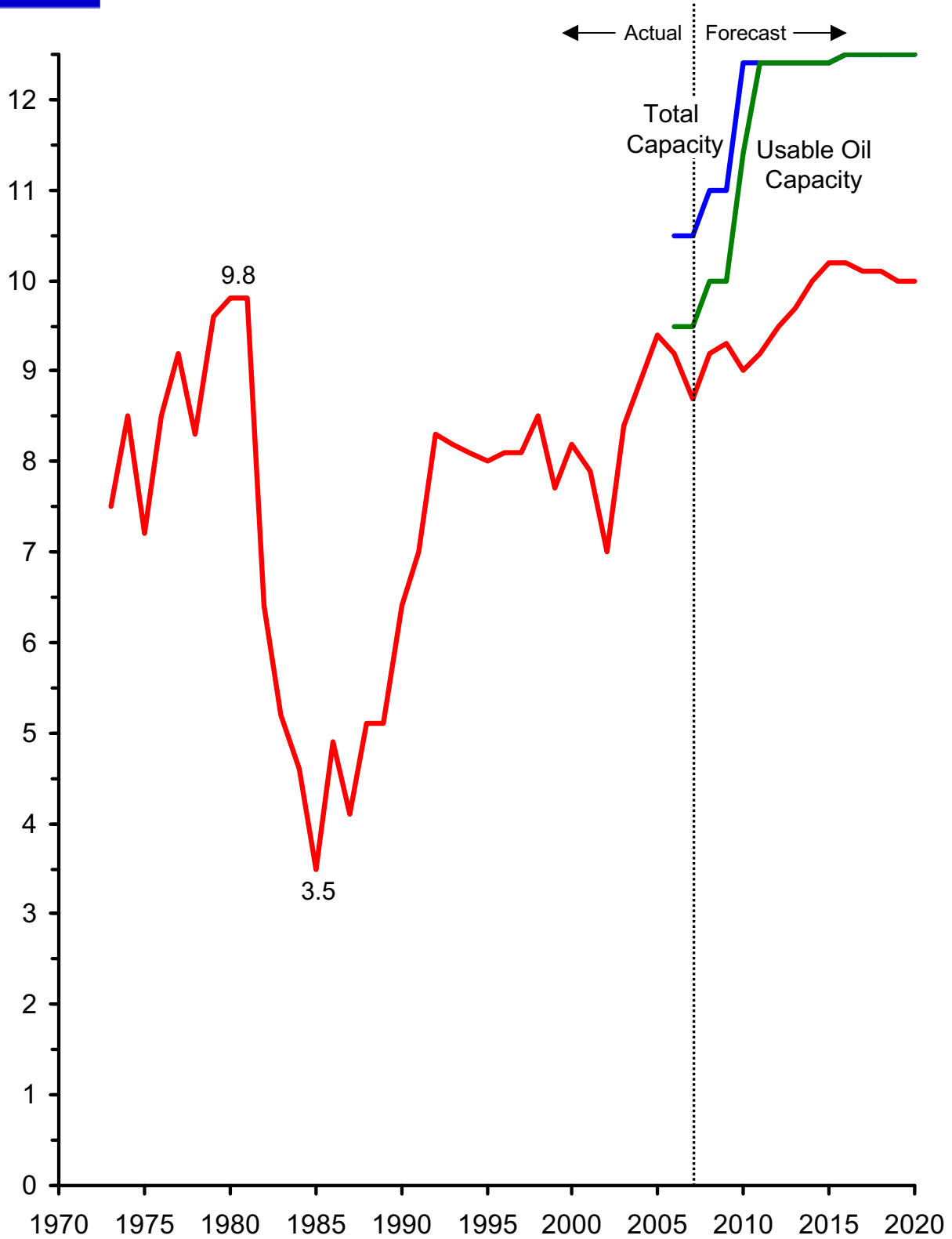


\* alcohols, coal liquefaction, and gas to liquids  
 \*\* condensate, natural gasoline, butanes, propane, and ethane

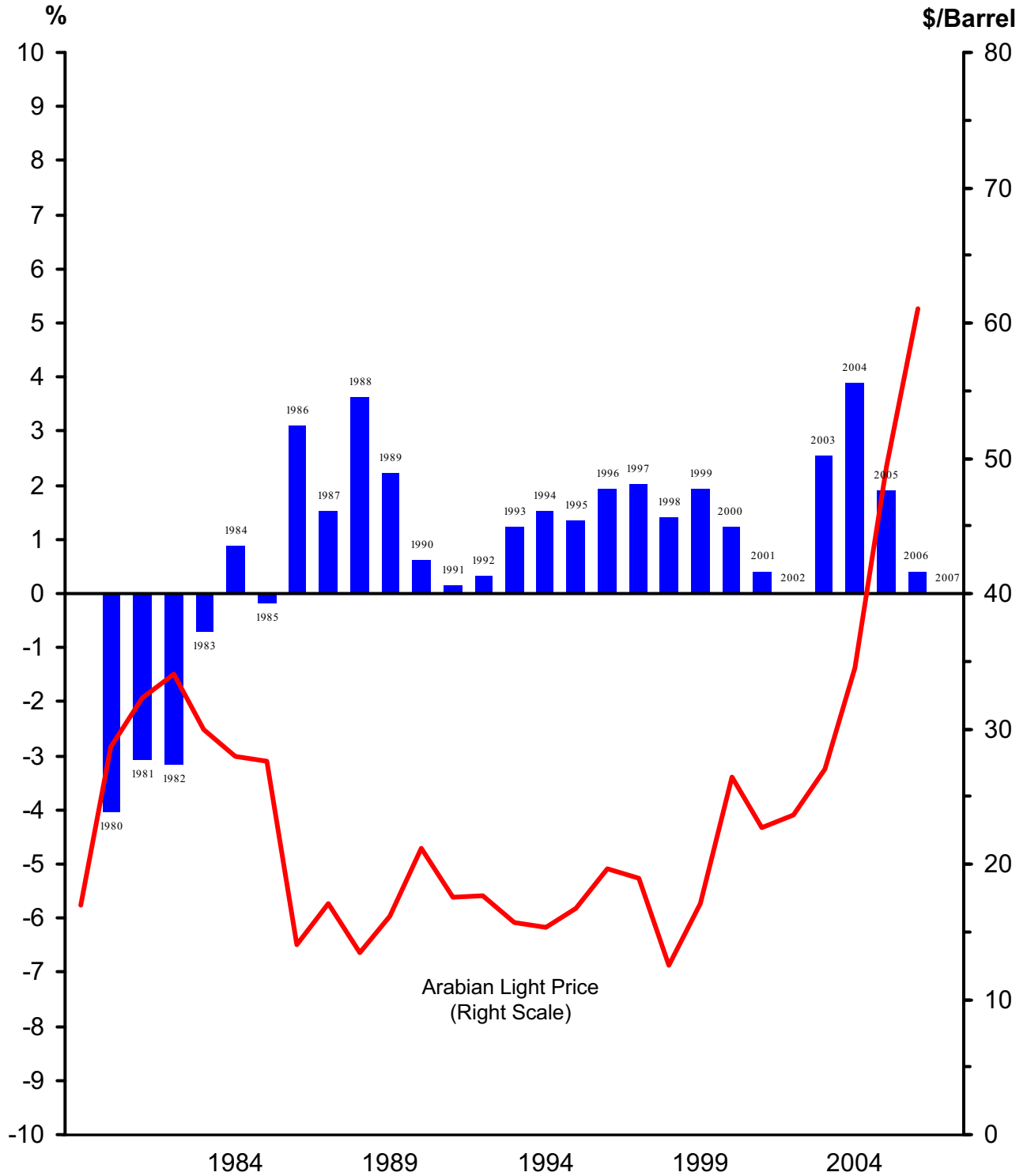
### NON-OPEC CRUDE OIL PRODUCTION Million Barrels Per Day



### SAUDI ARABIAN CRUDE OIL PRODUCTION Million Barrels Per Day



# WORLD CRUDE OIL CONSUMPTION CHANGE VS PRICE

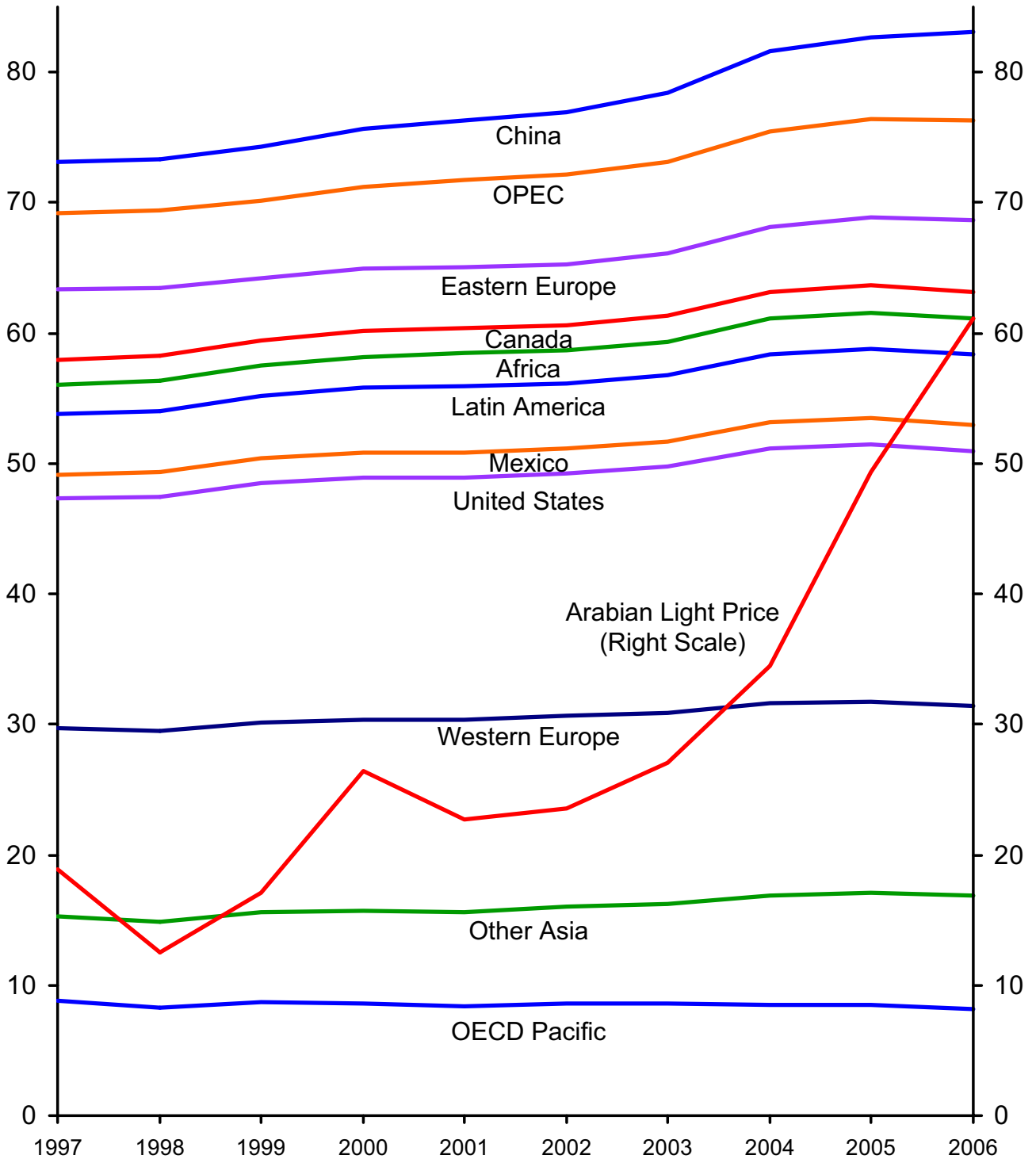




# WORLD OIL CONSUMPTION BY REGION

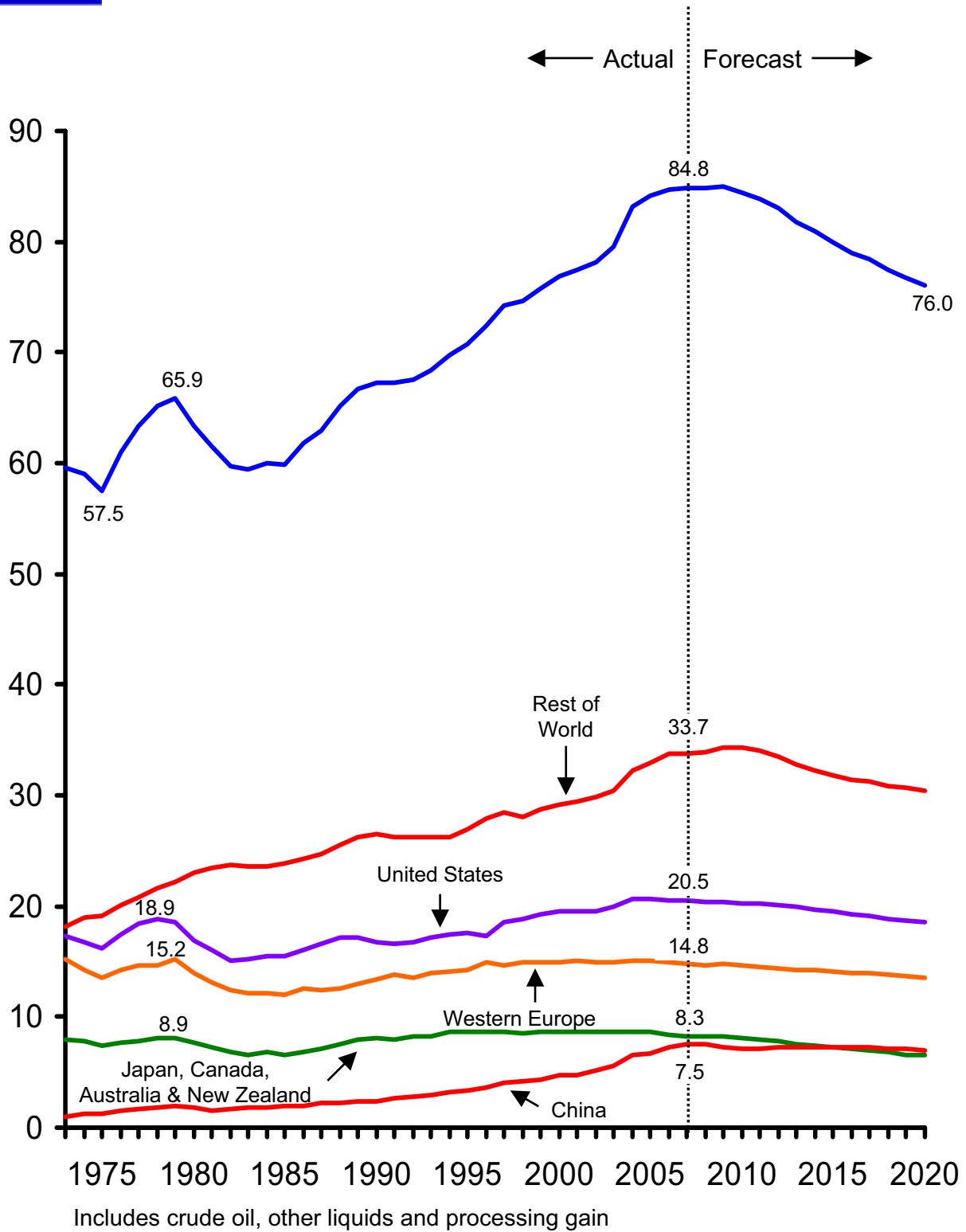
Million Barrels  
Per Day

\$/Barrel



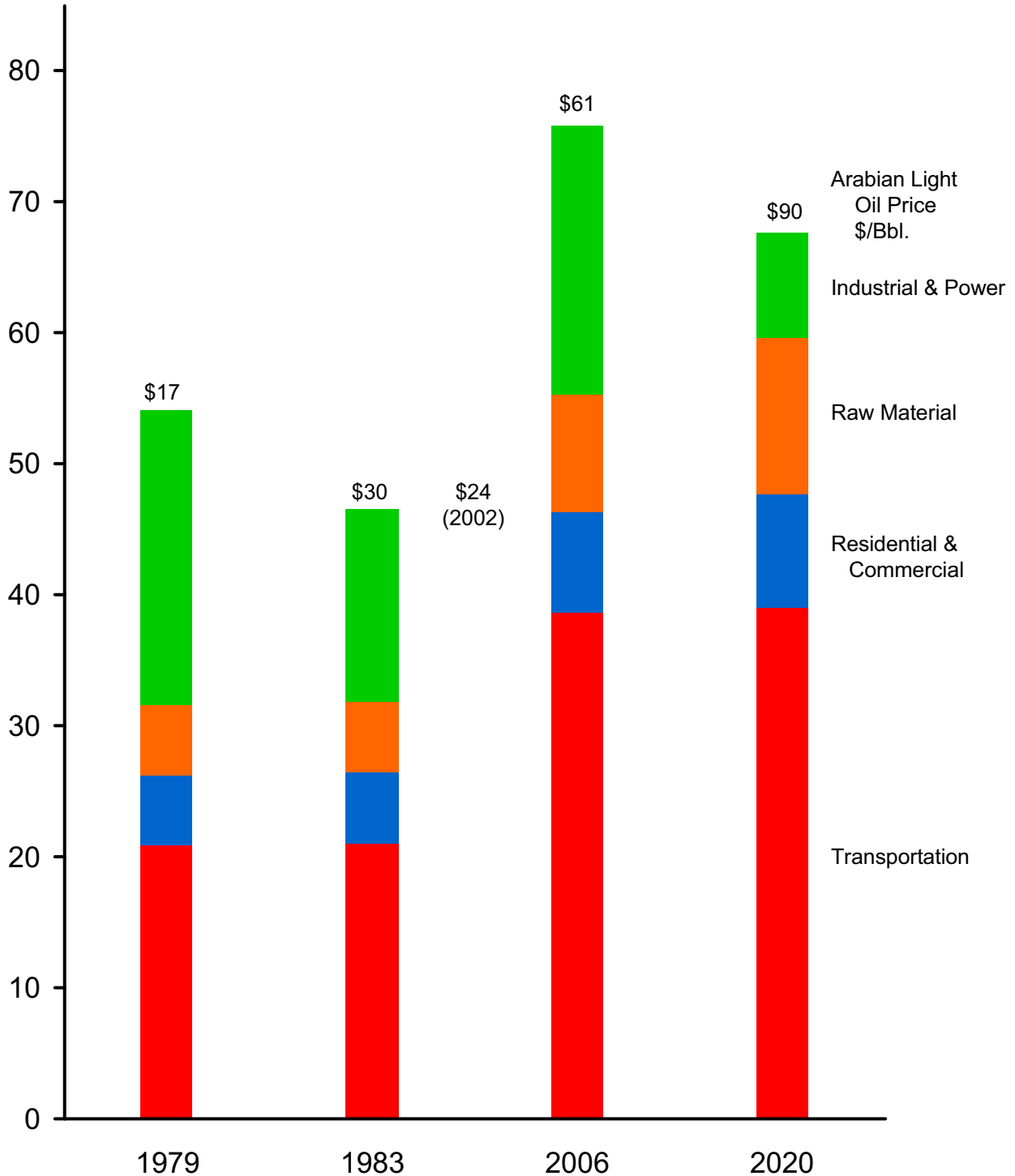
# WORLD OIL DELIVERIES

Million Barrels Per Day



# WORLD PETROLEUM USE BY SECTOR Excluding Eastern Europe

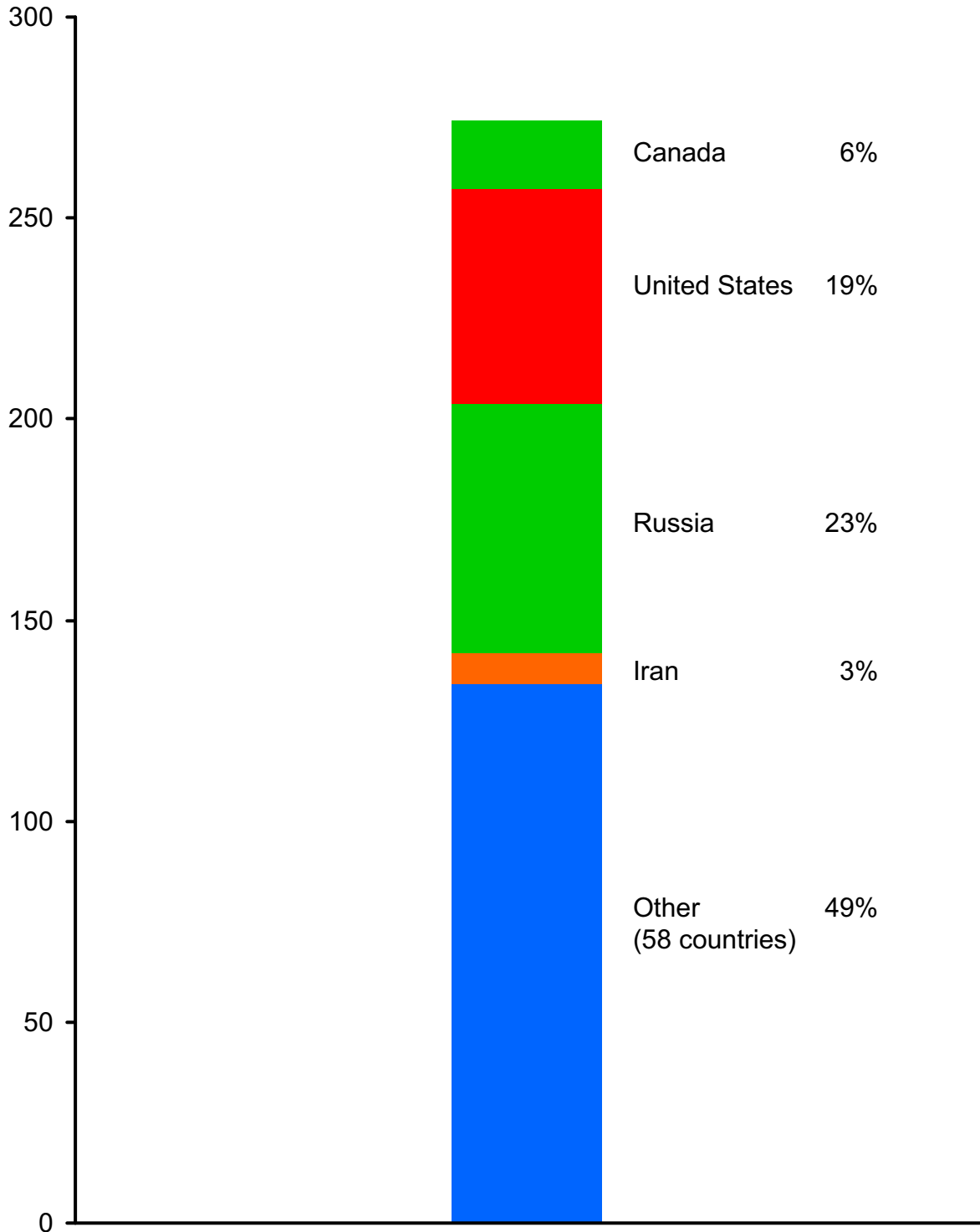
Million Barrels  
Per Day





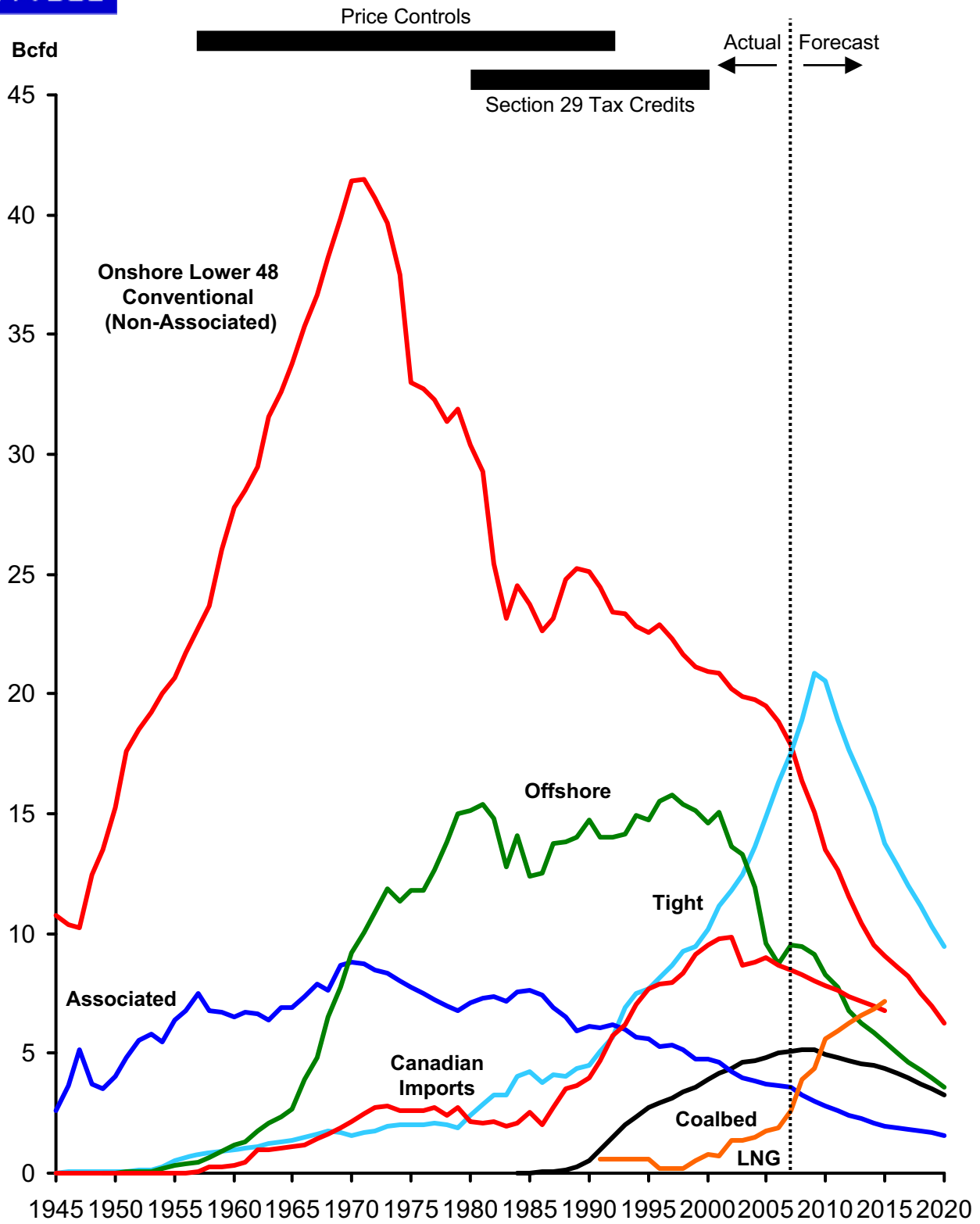
# WORLD NATURAL GAS PRODUCTION 2006

Billion Cubic Feet Per Day





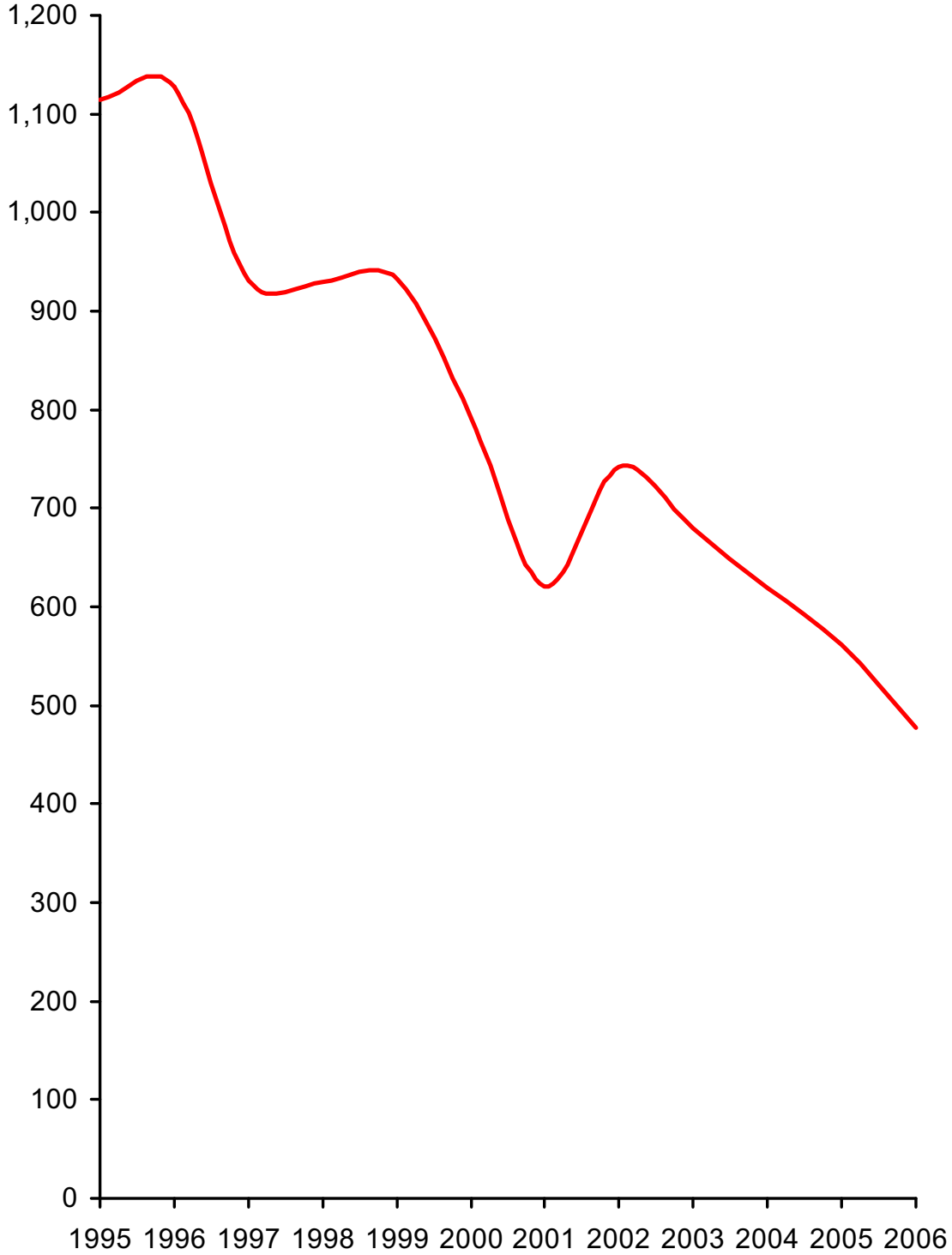
# UNITED STATES NATURAL GAS PRODUCTION





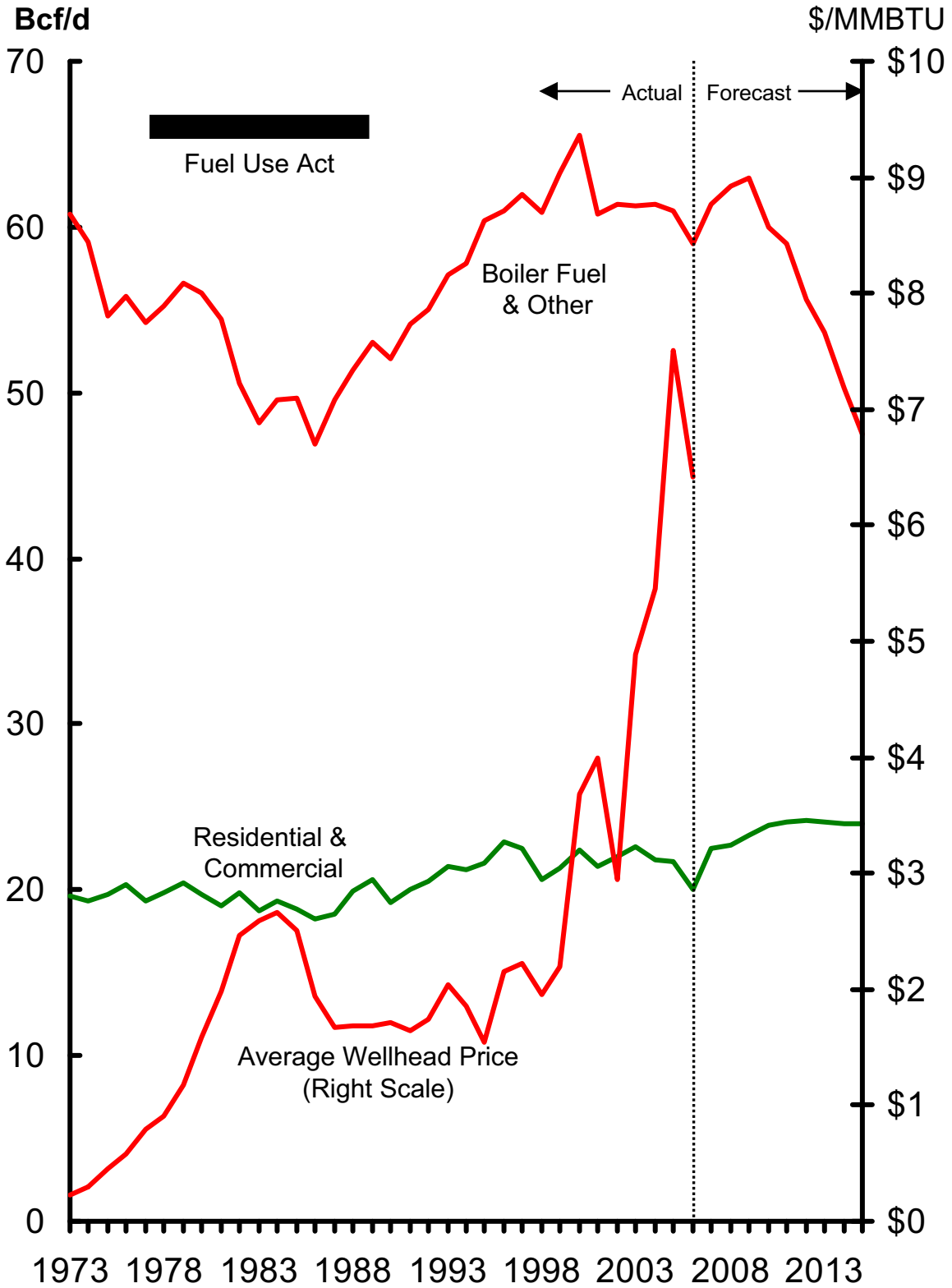
# UNITED STATES NATURAL GAS DRILLING PRODUCTIVITY

Average First Year  
Production Per  
New Well - Mcfd

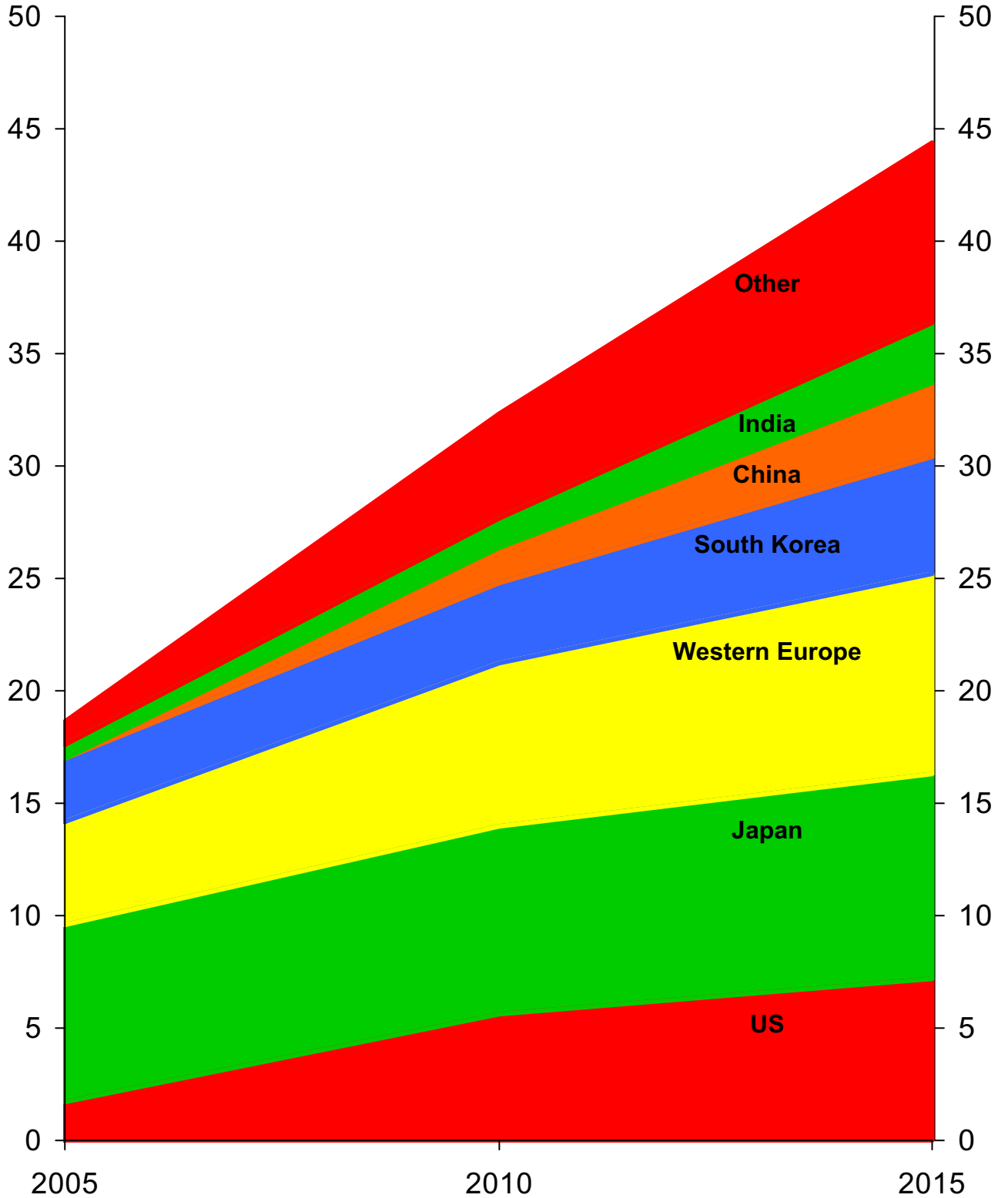


# UNITED STATES NATURAL GAS CONSUMPTION

Billion Cubic Feet Per Day



### WORLD LNG DELIVERIES Billion Cubic Feet Per Day



**WORLD OIL BALANCES**  
**Million Barrels Per Day (mmbd)**

	2006	2007	2008*
Arab Light Price			
Range \$ per Barrel	57-77	51-99	88-110
Deliveries	81.3	81.6	81.6
OPEC Production	35.7	34.9	36.1
Non-OPEC Production	45.8	46.0	46.2
Total Production	81.5	80.9	82.3
Stocks Up or (Down)	0.2	(0.7)	0.7

**ANNUAL CHANGES**

	2006 to 2007	2007 to 2008*
Deliveries	+ 0.3	0
OPEC Production	- 0.8	+ 1.2
Non-OPEC Production	+ 0.2	+ 0.2
Total Production	- 0.6	+ 1.4
Stocks Up or (Down)	0.2 to (0.7)	(0.7) to 0.7

\* estimated