

GULF OF MEXICO

In 2010, over 30 percent of the oil and 11 percent of the natural gas produced in the United States was produced in the Gulf of Mexico.

This energy production is crucial to our nation's energy security and economic survival.



Louisiana's offshore oil and natural gas industry is critical to the United States both from an energy supply perspective and due to its contribution to U.S. gross domestic product. Natural resource exploration and production operations off our state's coast stimulate many sectors of the economy, creating jobs, contributing to GDP and generating significant tax revenue at every level of government.

The Gulf offshore oil and natural gas industry is a significant provider of employment in the U.S. Due to the economic downturn, the deepwater moratorium and slowdown in permitting for offshore activities in the Gulf, total employment (direct, indirect and induced jobs) associated with offshore Gulf oil and natural gas industry investments reached its lowest level in 2010.

Even with the downturn, the industry provided an estimated 242,000 jobs in 2010.

Over 60,000 of these jobs were within the oil and natural gas industry and 180,000 were either indirect (providing equipment and services to the offshore Gulf oil and natural gas industry) or induced jobs.

An analysis by IHS Global Insight of the economic contribution to the Gulf States from offshore oil and gas development in the Gulf of Mexico shows that independent oil and gas companies account for about half of the nearly 400,000 jobs; \$70 billion in economic values; and \$20 billion in federal, state, and local revenue generated by the industry in 2009.

Experts estimate that by 2020 an exclusion of the independents from the Gulf of Mexico would eliminate 300,000 jobs and result in a loss of \$147 billion in federal, state, and local taxes from the Gulf region over 10 years. If the independents are excluded just from the deepwater, the losses would be 265,000 jobs by 2020 and \$106 billion in tax revenues over the 10-year period.