



**U.S. Department of the Interior
Minerals Management Service
Office of Public Affairs**

NEWS RELEASE

FOR RELEASE:

April 25, 2000

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MMS RELEASES REPORT ON NATURAL GAS SUPPLY AND DEMAND

The U.S. Department of the Interior's Minerals Management Service (MMS) has released the results of a study that evaluates the role of the federal Outer Continental Shelf in supplying the future demand for natural gas in the United States. The results were discussed at a symposium in Houston, Texas today.

The MMS report, *Future Natural Gas Supply From the OCS*, states that in recent years significant discussions have concentrated on future natural gas supply, demand, and distribution. Predictions by the Energy Information Administration and the National Petroleum Council indicate that natural gas demand for the U.S. could reach as high as 30 trillion cubic feet by the year 2010. The 1998 natural gas production in this country was 19 trillion cubic feet.

The report addresses such issues as where the additional supply would come from; how much additional gas might be imported from Canada or Mexico; and whether imports of liquid natural gas or possible gas-to-liquid conversion may be the answer. The report also describes undiscovered conventionally recoverable natural gas resources, past and present leasing, drilling and development activities, reserves, and production figures.

The MMS study evaluated the potential natural gas production capabilities of the OCS under an expected future demand scenario. Only the supply side of the natural gas from the existing resources and expected production were evaluated. No attempt was made to evaluate the technology, transportation, or delivery aspect of the production of OCS natural gas.

The natural gas report is available on the MMS homepage at <http://www.mms.gov/revaldiv/ngsrecap.htm>

MMS is the federal agency that manages the Nation's oil, natural gas, and other mineral resources on the OCS, and collects, accounts for and disburses about \$4 billion yearly in revenues from offshore federal mineral leases and from onshore mineral leases on federal and Indian lands.

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MMS Internet website address: <http://www.mms.gov>
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