



BOEM Economic Assumptions for BSEE Discretionary Royalty Relief Applications

Effective January 2025

Table 1: Economic parameters

Version of RSVP	2.14
Year of Initial Oil & Gas Price	2025
Initial Oil Price, landed (2025 \$/bbl)	\$72.50
Initial Gas Price, landed (2025 \$/Mcf)	\$3.27
Federal Income Tax Rate	21%
Base Year for Discounted Cash Flow	Year of Application Date
Discount Rate Range for Gulf of Mexico Shallow Water (0-200m) (nominal)	0-25%
Discount Rate Range for Gulf of Mexico Deep Water (>200m) for project using subsea tiebacks requiring enhanced flow assurance technologies ¹ (nominal)	0-20%
Discount Rate Range for All Other Areas/Cases (nominal)	15-20%
Random Number Seed	104
Overhead Cost Allowance	5%

¹ For additional information regarding such applications for royalty relief, please contact BSEE.

The following table represents the vector of oil and gas prices (real, 2025\$) of the BOEM Economic Assumptions for BSEE Discretionary Royalty Relief Applications.

Table 2: Oil and Gas Prices

Year	Oil (\$/bbl)	Gas (\$/mcf)
2025	\$72.50	\$3.27
2026	\$73.00	\$3.38
2027	\$73.50	\$3.49
2028	\$74.00	\$3.60
2029	\$74.33	\$3.62
2030	\$74.66	\$3.65
2031	\$74.99	\$3.67
2032	\$75.33	\$3.70
2033	\$75.66	\$3.72
2034	\$76.00	\$3.75
2035	\$76.64	\$3.78
2036	\$77.28	\$3.81
2037	\$77.93	\$3.84
2038	\$78.58	\$3.87
2039	\$79.24	\$3.90
2040	\$79.90	\$3.94
2041	\$80.57	\$3.97
2042	\$81.25	\$4.00
2043	\$81.93	\$4.03
2044	\$82.62	\$4.07
2045	\$83.31	\$4.10
2046	\$84.01	\$4.13
2047	\$84.71	\$4.16
2048	\$85.42	\$4.20
2049	\$86.14	\$4.23

Year	Oil (\$/bbl)	Gas (\$/mcf)
2050	\$86.86	\$4.27
2051	\$87.59	\$4.30
2052	\$88.33	\$4.34
2053	\$89.07	\$4.37
2054	\$89.81	\$4.41
2055	\$90.57	\$4.44
2056	\$91.33	\$4.48
2057	\$92.09	\$4.51
2058	\$92.86	\$4.55
2059	\$93.64	\$4.59
2060	\$94.43	\$4.63
2061	\$95.22	\$4.66
2062	\$96.02	\$4.70
2063	\$96.82	\$4.74
2064	\$97.63	\$4.78
2065	\$98.45	\$4.82
2066	\$99.28	\$4.85
2067	\$100.11	\$4.89
2068	\$100.95	\$4.93
2069	\$101.80	\$4.97
2070	\$102.65	\$5.01
2071	\$103.51	\$5.05
2072	\$104.38	\$5.10
2073	\$105.25	\$5.14
2074	\$106.14	\$5.18