



BOEM Economic Assumptions for BSEE Discretionary Royalty Relief Applications

Effective February 2024

Table 1: Economic parameters

Version of RSVP	2.14
Year of Initial Oil & Gas Price	2024
Initial Oil Price, landed (2024 \$/bbl)	\$78.49
Initial Gas Price, landed (2024 \$/Mcf)	\$3.06
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, 2024\$) of the BOEM Economic Assumptions for BSEE Discretionary Royalty Relief Applications.

Table 2: Oil and Gas Prices

Year	Oil (\$/bbl)	Gas (\$/mcf)
2024	\$78.49	\$3.06
2025	\$77.49	\$3.18
2026	\$76.50	\$3.30
2027	\$76.83	\$3.37
2028	\$77.16	\$3.43
2029	\$77.49	\$3.50
2030	\$77.83	\$3.57
2031	\$78.16	\$3.65
2032	\$78.50	\$3.72
2033	\$79.23	\$3.75
2034	\$79.96	\$3.78
2035	\$80.70	\$3.80
2036	\$81.44	\$3.83
2037	\$82.20	\$3.86
2038	\$82.96	\$3.89
2039	\$83.73	\$3.92
2040	\$84.50	\$3.95
2041	\$85.28	\$3.98
2042	\$86.07	\$4.01
2043	\$86.87	\$4.04
2044	\$87.67	\$4.07
2045	\$88.48	\$4.10
2046	\$89.30	\$4.13
2047	\$90.13	\$4.16
2048	\$90.96	\$4.19

Year	Oil (\$/bbl)	Gas (\$/mcf)
2049	\$91.80	\$4.23
2050	\$92.65	\$4.26
2051	\$93.51	\$4.29
2052	\$94.37	\$4.32
2053	\$95.24	\$4.35
2054	\$96.12	\$4.39
2055	\$97.01	\$4.42
2056	\$97.91	\$4.45
2057	\$98.82	\$4.49
2058	\$99.73	\$4.52
2059	\$100.65	\$4.55
2060	\$101.58	\$4.59
2061	\$102.52	\$4.62
2062	\$103.47	\$4.66
2063	\$104.43	\$4.69
2064	\$105.39	\$4.73
2065	\$106.37	\$4.76
2066	\$107.35	\$4.80
2067	\$108.35	\$4.84
2068	\$109.35	\$4.87
2069	\$110.36	\$4.91
2070	\$111.38	\$4.95
2071	\$112.41	\$4.98
2072	\$113.45	\$5.02
2073	\$114.50	\$5.06